

**LAS VIRGENES - TRIUNFO  
JOINT POWERS AUTHORITY  
AGENDA**

**4232 Las Virgenes Road, Calabasas, CA 91302**

CLOSING TIME FOR AGENDA IS 8:30 A.M. ON THE TUESDAY PRECEDING THE MEETING.  
GOVERNMENT CODE SECTION 54954.2 PROHIBITS TAKING ACTION ON ITEMS NOT ON  
POSTED AGENDA UNLESS AN EMERGENCY, AS DEFINED IN GOVERNMENT CODE SECTION  
54956.5 EXISTS OR UNLESS OTHER REQUIREMENTS OF GOVERNMENT CODE SECTION  
54954.2(B) ARE MET.

5:00 PM

February 2, 2015

PLEDGE OF ALLEGIANCE

**1. CALL TO ORDER AND ROLL CALL**

**A** The meeting was called to order at \_\_\_\_\_ p.m. by \_\_\_\_\_ in the Las Virgenes Municipal Water District headquarters, and the Clerk of the Board called the roll.

<u>Las Virgenes Municipal Water District</u>	<u>Present</u>	<u>Left</u>	<u>Absent</u>
Glen Peterson, Vice Chair	_____	_____	_____
Charles Caspary	_____	_____	_____
Jay Lewitt	_____	_____	_____
Leonard Polan	_____	_____	_____
Lee Renger	_____	_____	_____
<u>Triunfo Sanitation District</u>			
Steven Iceland	_____	_____	_____
Michael McReynolds	_____	_____	_____
Janna Orkney	_____	_____	_____
Michael Paule	_____	_____	_____
James Wall, Chair	_____	_____	_____

**2. APPROVAL OF AGENDA**

**3. PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

**4. CONSENT CALENDAR**

**A** **Minutes: Special JPA Meeting of December 8, 2014 and Regular JPA Meeting of January, 5, 2015 (Pg. 4) Approve**

## 5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

### A Proclamation in Recognition of Employee Retirement: Randal Orton

## 6. ACTION ITEMS

### A Agoura Road Recycled Water Main Extension: Reconsideration of Award (Pg. 13)

Approve an appropriation of \$1,209,988 for the Agoura Road Recycled Water Main Extension; request that the City of Agoura Hills award the work to C.A. Rasmussen, Inc. for construction in conjunction with its Agoura Road Widening Project; and authorize the Administering Agent/General Manager to reimburse the City of Agoura Hills, in an amount not to exceed \$1,182,426, for the portion of its progress payments to the contractor for the recycled water main.

### B Woodland Hills Country Club Recycled Water System Extension: Pricing Policy (Pg. 19)

Approve the pricing policy concept for sale of wholesale recycled water to the Los Angeles Department of Water and Power via the Woodland Hills Country Club Recycled Water System Extension.

### C Financial Review: Second Quarter of Fiscal Year 2014-15 (Pg. 26)

Receive and file.

### D Heal the Bay's "Bring Back the Beach" Awards Gala: Attendance (Pg. 37)

Authorize one Board Member from each agency and the Administering Agent/General Manager to attend the Heal the Bay "Bringing Back the Beach" Awards Gala at a cost of \$500.00 per person.

### E Location of Future JPA Board Meetings (Pg. 38)

Determine whether or not to hold all future JPA Board meetings at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas.

## 7. BOARD COMMENTS

## 8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

## 9. FUTURE AGENDA ITEMS

## 10. INFORMATION ITEMS

### A California Water Commission: Proposed Workplan and Activities for Water Storage Investment Program (Pg. 39)

### B Rancho Las Virgenes Digester Gas Line Leak: Emergency Declaration (Pg. 48)

### C Board Meeting Follow-up Items (Pg. 49)

## 11. PUBLIC COMMENTS

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

**12. CLOSED SESSION****A Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):**

Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson

**13. ADJOURNMENT**

**LAS VIRGENES – TRIUNFO  
JOINT POWERS AUTHORITY  
MINUTES SPECIAL MEETING**

5:00 PM

December 8, 2014

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Chairman Caspary.

**1. CALL TO ORDER AND ROLL CALL**

Board Chair Caspary read a brief statement indicating that in accordance with the Brown Act, Director Glen Peterson was participating in the meeting via teleconference from the Metropolitan Water District headquarters located at 700 North Alameda Street, in Los Angeles, California.

**A Call to order and roll call**

The meeting was called to order at **5:02 p.m.** by Chairman Caspary in the Board Room at District Headquarters, located at 4232 Las Virgenes Road, Calabasas, CA. Daryl Betancur; Clerk of the Board conducted the roll call.

Present: Director(s): Lewitt, Polan, Renger, Peterson (Telephonically), Board Chairman Caspary, McReynolds, Orkney, and Paule  
Absent: Director(s): Wall (arrived at 5:35 p.m.) and Iceland

Following the roll call, Chairman Caspary stated that in accordance with the provisions of the Brown Act, any votes taking during the proceedings must be made by roll call vote.

General Manager Pedersen stated that he wanted to request the Board to consider changing the order of the agenda to consider item No. 4 and No. 5 prior to item No.3.

Director Polan moved to approve the agenda with the stated changes. Motion seconded by Director Renger. Motion carried by the following roll call vote:

AYES: Director(s): Lewitt, Polan, Renger, Peterson, Board Chairman Caspary, McReynolds, Orkney and Paule.  
NOES: Director(s): None  
ABSENT: Director(2): Iceland, Wall  
ABSTAIN: Director(s): None

**2. PUBLIC COMMENTS**

There were no public comments.

Chairman Caspary introduced new Las Virgenes Municipal Water District Board Member Jay Lewitt.

Board Member Lewitt thanked the Board for a warm reception and stated he looked forward to working

ITEM I A

with the JPA Board to address issues important to the rate payers.

### 3. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

#### A **Recycled Water Seasonal Storage (Discussed third)**

General Manager Pedersen asked David Lippman, Director of Facilities and Operations to bring the Board up to speed relative to the actions taken on this project.

Mr. Lippman briefed the Board on demand and supply of recycled water in relation to storage needs; spoke about potable supplement; pricing policy; amount of surplus water, which gets discharged to Malibu Creek; and spoke, about the plans and studies that have been conducted regarding recycled water storage.

There were a number of questions from the Board regarding discharges to Malibu Creek and the timing and process to get out of the creek.

Steven Weber and Jim Borchardt from MWH introduced their team: Sarah Munger, Oliver Slosser, Richard Plecker; made brief remarks about the process to be undertaken by the Board regarding this project and the subsequent actions needed to move forward; there was a lengthy presentation by MWH and questions from the Board regarding the process to be followed after this first kick-off meeting.

### 4. ACTION ITEMS

#### A **Agoura Road Recycled Water Pipeline Project: Construction Award**

**Consider a summary of bids received by the City of Agoura Hills for the Agoura Road Widening Project; determine whether or not to authorize the City to proceed with an optional bid item for installation of an 8-inch recycled water main from Ladyface Court to Cornell Road in conjunction with the project; and, if authorized, appropriate additional funds, including a 10% contingency, for construction of the pipeline. (Discussed first)**

Eric Schlageter, Associate Engineer presented the staff report making comments relative to the background of the project and speaking about the bid results; commented on the recommendations, which included: 1) not to proceed with the award of the pipeline in conjunction with the City's project; 2) delay the project until future development and potential funding justifies the project; and 3) retain the design for future use.

There were several questions from the Board regarding the bid process and the project budget.

Director Renger moved to approve as presented. Motion seconded by Director Polan. Motion carried by the following vote:

AYES:	Director(s):	Lewitt, Polan, Renger, Peterson (left teleconference at 6:00 p.m.), Board Chairman Caspary, McReynolds, Orkney, Paule, and Wall (arrived at 5:35 p.m.)
NOES:	Director(s):	None
ABSENT:	Director(s):	Iceland
ABSTAIN:	Director(s):	None

### 5. INFORMATION ITEMS

#### A **Lost Hills Interchange Improvement Project: Schedule Update**

General Manager Pedersen presented the staff report and stated that this is a large project by the City of Calabasas, which involves replacement of the Lost Hills freeway overpass and improvements to the on/off ramps; spoke about the timing of the bid opening by the City of Calabasas; commented on the

revised schedule and a contract award in March, 2015. **(Discussed second)**

**6. ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:37 p.m.**

---

James Wall, Chair

ATTEST:

---

Glen Pedersen, Vice Chair

**LAS VIRGENES – TRIUNFO  
JOINT POWERS AUTHORITY  
MINUTES**

5:00 PM

January 5, 2015

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Director Caspary.

**1. CALL TO ORDER AND ROLL CALL****A** Call to order and roll call

The meeting was called to order at **5:00 p.m.** by Chairman Peterson in the Board Room at Oak Park Library, located at 899 Kanan Road, in Oak Park, CA. Daryl Betancur, Clerk of the Board conducted the roll call.

Present: Director(s): Caspary, Lewitt, Polan (arrived at **5:06 p.m.** after roll call), Renger, Board Chairman Peterson, McReynolds, Orkney, Paule, Vice Chairman Iceland and Wall

Absent: Director(s): None

**2. APPROVAL OF AGENDA****A** Approval of agenda

Chair Peterson asked if there were any changes to the agenda. Seeing none, he entertained a motion to approve the agenda as presented.

On a motion by Director Paule, seconded by Director Renger, the Board voted unanimously to approve the agenda as presented.

**3. PUBLIC COMMENTS**

There were no public comments.

**4. CONSENT CALENDAR****A** Minutes: Regular JPA Meeting of December 1, 2014 Approved

Director Iceland moved to approve the minutes of December 1, 2014 as presented. Motion seconded by Director Caspary. Motion carried unanimously. (Director Polan was absent during this vote).

**5. ACTION ITEMS****A** Farm Sprayfield Operation and Maintenance Agreement Renewal

ITEM I A

**Authorize the Administering Agent/General Manager to execute a one-year contract with W. Litten Land Preparation for operation and maintenance of the Rancho Las Virgenes Farm Sprayfields in an amount not to exceed \$250,000.**

Dave Pedersen, Administering Agent/General Manager presented the staff report commenting that this is an annual item in which the Board considers the maintenance agreement for the 65-acre farm and asked Carlos Reyes, Director of Resource Conservation and Public Outreach to summarize the activities currently performed at the site.

Carlos Reyes, Director of Resource Conservation and Public Outreach made brief comments relative to the background and history of the farm operation; spoke about the requirement to plant crops at the fields, which serve to take the nutrients out of the soil in compliance with a federal requirement; stated that a private contractor has been employed to operate the farm and that over the past 20 years, the lowest bidder has been Litten.

Director Polan moved to approve. Motion seconded by Director Iceland. Motion carried unanimously.

There were several questions related to any changes from last year's contract as compared to this year's; staff responded that there were no changes; also there was a request that staff consider putting the work out to bid in the future.

### **B Rancho Las Virgenes Third Digester Construction: Final Acceptance**

**Approve an additional appropriation of \$107,821.94; authorize the Administering Agent/General Manager to execute a change in scope agreement with Kennedy/Jenks Consultants for additional construction management services in the amount of \$45,821.36 and to execute a professional services agreement with Emerson Process Management to perform distributed control system integration services in the amount of \$75,000.00; waive liquidated damages associated with delays of construction contract; authorize the execution of a Notice of Completion by the Administering Agent/General Manager and have the same recorded; and, in the absence of claims from subcontractors and others, release the retention in the amount of \$395,737.64 thirty calendar days after filing notice of completion for the Rancho Las Virgenes Third Digester Project.**

Administering Agent/General Manager Pedersen stated that the project has been completed; explained that the start-up operation is in its final stages; commented that this was a very large project of over 1 million gallons and included a lot of mechanical equipment; updated the Board on the work that is being done currently and how the new digester is being placed into service.

There was a lengthy discussion relative to: changes in the scope; the number of change orders; the amount of the contract with Emerson as well as liquidated damages.

Administering Agent/General Manager Pedersen explained the facts with respect to the delay, which totaled 22 days and affected the work of Kennedy/Jenks; explained the concept of waiving liquidated damages in exchange for reimbursement of the cost of additional work by Kennedy/Jenks; spoke about the boiler issues, which resulted in \$21,000 worth of extra work.

Director Renger moved to approve. Motion seconded by Director McReynolds. Motion carried unanimously.

### **C Budget Planning Calendar for Fiscal Year 2015-16.**

Dave Pedersen, Administering Agent/General Manager presented the staff report and spoke about some of the major dates on the calendar.

Director Iceland moved to receive and file. Motion seconded by Director Orkney. Motion carried

unanimously.

## **6. BOARD COMMENTS**

Director Orkney commented that while on a trip to St. Marten, she learned that both sides of the Island have ocean desalination plants and thought this was impressive.

Director Polan spoke about an article he read in the Ventura County Star about the City of Ventura not putting a moratorium on housing and the impact on water resources, including taking water from the aquifer; also spoke about the possibility of an intern program.

Director Iceland congratulated new Director Jay Lewitt on joining the JPA Board; stated that he will be out of town for the next meeting.

## **7. ADMINISTERING AGENT/GENERAL MANAGER REPORT**

Administering Agent/General Manager Pedersen reported on the JPA Board reorganization that is forthcoming; spoke about the Heal the Bay Awards Gala; spoke about the recycled water seasonal storage action plan activities and upcoming dates for the seasonal storage workshops; stated that January 29<sup>th</sup> is the proposed date for workshop No. 1 and February 18 for workshop No. 2. After a brief discussion, it was decided that the first workshop will be held on January 29<sup>th</sup> and the second on February 11<sup>th</sup>.

## **8. FUTURE AGENDA ITEMS**

Director Orkney made comments relative to the seating arrangements when meeting at Las Virgenes Municipal Water District headquarters. Chair Peterson answered by stating that such arrangements where Directors sit is left to the discretion of whoever is the Chair and thus he or she decides; further, she asked for a future agenda item to consider having all future JPA Board meetings held at Las Virgenes Municipal Water District headquarters.

## **9. INFORMATION ITEMS**

- A Supply and Delivery of Ferric Chloride: Award of Contract**
- B Tapia Channel Mixing Improvements: Call for Bids**
- C Tapia Water Reclamation Facility NPDES Effluent Limit Exceedences: Settlement Offer No. R4-2011-0157-M, Expedited Payment Program.**
- D Board Meeting Follow-up Items**

Director McReynolds posed a question on item 9C relative to nitrification and denitrification and thus the loss of capacity to be able to deal with storm events.

## **10. PUBLIC COMMENTS**

None.

## **11. CLOSED SESSION**

The Board recessed to closed session at **6:00 p.m.**, and reconvened to open session at **6:04 p.m.**

- A. Conference with District Counsel- Anticipated Litigation pursuant to Government Code Section 54956. (b)**

ITEM I A

One case

**B. Conference with District Counsel- Existing Litigation pursuant to Government Code Section 54956.9 (a).**

1. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson

There were no reportable actions taken in closed session.

**12. ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:05 p.m.**

ITEM I A

---

James Wall, Chair

ATTEST:

---

Glen Peterson, Vice Chair

**February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Facilities &amp; Operations

**Subject: Agoura Road Recycled Water Main Extension: Reconsideration of Award (Pg. 13)****SUMMARY:**

On December 8, 2014, the JPA Board considered bids received by the City of Agoura Hills for construction of the Agoura Road Recycled Water Main Extension in conjunction with the City's Agoura Road Widening Project. The Board opted not to approve funding for the recycled water main extension because of the high cost. The bid price for the recycled water main was \$1,511,000, which was 63% higher than the Engineer's Estimate of \$926,100.

Subsequently, Agoura Hills Mayor Illece Buckley Weber sent JPA Chair Glen Peterson a letter (copy attached), expressing her interest the use of recycled water for the City's landscaped medians and parkways planned for Agoura Road and requested that the JPA Board reconsider its decision on the project. On January 13, 2015, a meeting was held with City and JPA officials, including the Mayor and JPA Chair, to discuss potential options to allow the recycled water main extension to proceed in conjunction with the City's road widening project.

The Mayor proposed that the City would consider contributing up to \$328,574 in funds toward the recycled water main to offset the higher-than-expected cost. With the Mayor's proposed financial contribution, the JPA's cost for construction of the recycled water main would be reduced from \$1,511,000 to \$1,182,426. Although this amount is approximately 28% higher than the Engineer's Estimate, which accounted for significant cost-savings expected for construction of the recycled water main in conjunction with the City's road widening work, it is 20% lower than the estimated cost of \$1,482,000 to construct the recycled water main separately.

On January 27, 2015, the JPA received the attached letter from Senator Fran Pavley encouraging the JPA Board to reconsider proceeding with the recycled water main extension, particularly considering importance of water recycling given the on-going statewide drought.

Staff recommends that the JPA proceed with the project.

**RECOMMENDATION(S):**

Approve an appropriation of \$1,209,988 for the Agoura Road Recycled Water Main Extension; request that the City of Agoura Hills award the work to C.A. Rasmussen, Inc. for construction in conjunction with its Agoura Road Widening Project; and authorize the Administering Agent/General Manager to reimburse the City of Agoura Hills, in an amount not to exceed \$1,182,426, for the portion of its progress payments to the contractor for the recycled water main.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

The adopted JPA Fiscal Year 2014-15 Budget included an appropriation for the project in the amount of \$323,103, of which \$208,923 is remaining. An additional appropriation in the amount of \$1,209,988 is required to proceed with construction of the recycled water main in conjunction with the City's road widening

work after applying the Mayor's proposed financial contribution. This amount consists of \$1,182,426 plus a 20% allowance for soft costs, which include general and administrative costs and internal labor costs for construction inspection, less the remaining appropriation of \$208,923. Project costs are allocated 70.6% to LVMWD and 29.4% to Triunfo Sanitation District.

### **DISCUSSION:**

The Agoura Road "Gap" project was identified in the 2007 and 2014 Recycled Water Master Plan Updates. The purpose of the project is to close a gap in the recycled water system along Agoura Road between Ladyface Court to Lewis Road, providing increased system redundancy and reliability and serving additional customers along the alignment. Approximately 9,250 feet of 8-inch pipe is required to close the gap.

The City of Agoura Hills recently awarded a construction contract to C.A. Rasmussen, Inc. to widen Agoura Road from Ladyface Court to Cornell Road, approximately 58% of the gap. The bid proposals included an optional item to install an 8-inch recycled water main in conjunction with the road widening. Coordination of the two projects would result in a cost-savings to the JPA, lessen the inconvenience to the public as compared to constructing the pipeline separately, and avoided cutting the newly paved roadway. There is 69 acre-feet of potential annual demand along the proposed pipeline alignment, including 8.5 acre-feet of new demand for the City's landscaping associated with road widening.

The optional bid item from C.A. Rasmussen, Inc., the low-bidder for the City's project, was \$1,511,000, which is 63% higher than the Engineer's Estimate of \$926,100. The JPA Board opted not to approve funding for the recycled water main extension because of the high cost. Subsequently, a meeting was held with City and JPA officials, including the Mayor and JPA Chair, to discuss potential options to allow the recycled water main extension to proceed in conjunction with the City's road widening project.

Recognizing the importance of maximizing the use of recycled water in the City, the Mayor proposed to financially participate in the amount of \$328,574, reducing the construction cost of the project for the JPA to \$1,182,426. The City's contribution is based on its share of the capital cost for 8.5 acre-feet of annual demand and 20 years of saving associated with purchasing recycled water in lieu of potable water. If the JPA were to install the pipeline separate from the road widening, the cost would be \$1,482,000. By installing the pipeline in conjunction with the road widening project, the JPA will achieve a construction cost-savings of \$299,574.

Staff recommends moving forward with the project at this time for the following reasons:

1. With the City's proposed financial participation, the JPA would realize a construction cost-savings of \$299,574, as compared to constructing the pipeline separately from the road widening work.
2. There would be less disruption to the public by installing the pipeline as a part of the road widening project rather than in the future.
3. The project would complete 58% of the Agoura Road "gap", a critical pipeline to provide redundancy and reliability for the western portion of the JPA's service area.
4. There would be a potential additional annual demand of 69 acre-feet for JPA wholesale recycled water.
5. Every acre-foot of additional recycled water demand would decrease the volume and expense of disposing excess recycled water during low demand periods through discharge to Malibu Creek, application at the farm sprayfields or pumping to the Los Angeles River.
6. Every acre-foot of additional recycled water demand would decrease the volume of imported water required from the Sacramento-San Joaquin Bay Delta, which supports an water management objective of statewide significance.

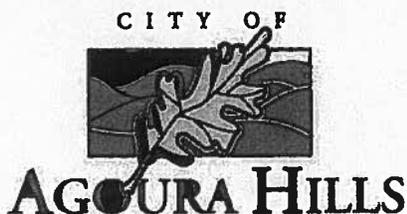
Prepared By: David Lippman, Director of Facilities and Operations

### **ATTACHMENTS:**

[Letter from Agoura Hills Mayor Illece Buckley Weber](#)

ITEM 6A

[Letter from Senator Fran Pavley](#)



---

*"Gateway to the Santa Monica Mountains National Recreation Area"*

December 15, 2014

Glen Peterson  
President  
Las Virgenes Municipal Water District  
4232 Las Virgenes Rd  
Calabasas, CA 91302

**Re: 8-Inch Recycled Water Main (Agoura Road)**

Dear Mr. Peterson:

Last Wednesday, December 10, 2014, the City Council of Agoura Hills awarded a construction contract to C.A Rasmussen at our regularly scheduled meeting. As part of staff's presentation to Council, it was noted that the Joint Powers Authority (JPA) Board voted to not pursue the additive item included in the bid, which covered a portion of the master-planned 8-inch recycled water line needed to close the gap in the recycled water system between Ladyface Court and Lewis Road in Agoura Hills.

As a public agency, we fully understand the financial constraints and limitations of these sorts of projects. However, we also recognize the value that comes with a unique opportunity to complete major infrastructure improvements under the umbrella of the same project. With that in mind, our Council respectfully requests that the JPA Board reconsider its decision to delay the construction of this recycled water mainline.

In a climate that has seen the Governor declare two official states of drought, and numerous efforts by the District and various local advocacy groups bringing light to this concerning issue, we can agree that it is incumbent upon agencies such as ours, that represent the masses, to lead by example, and continue to implement policies and construct infrastructure necessary to further the vital cause of water conservation, since it effects us all.

In fact, when I first ran for public office, I made it very clear that one of my major goals was to work closely with LVMWD to promote water conservative practices. I was very proud of the fact that all of Agoura Hills' parks and medians are irrigated with recycled water, and so it pains me to imagine taxing our depleting potable water supply in order to irrigate the new landscaped medians and parkways being built on Agoura Road.

For the City of Agoura Hills, partnering with LVMWD to complete the road project and recycled water main line shows our joint commitment to protecting our most sensitive

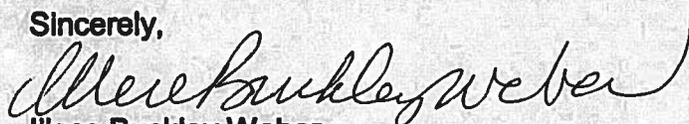
resource of water, and more importantly sends a message to our residents and your rate-payers that we believe wholeheartedly in what we preach.

I understand that staff from both the City and LVMWD will be meeting on Tuesday, December 16, 2014 to discuss this issue in depth.

Following that meeting, I would like to personally meet with elected officials from LVMWD, and include our City Manager and LVMWD's General Manager to discuss any potential options in detail.

On behalf of the City Council of Agoura Hills, I commend you for your continuous hard work, and I look forward to meeting with you soon on this matter.

Sincerely,



**Illece Buckley Weber**  
Mayor

**Cc: City Council**

**Greg Ramirez, City Manager**

**Ramiro Adeva, Director of Public Works/City Engineer**

**Charmaine Yambao, Associate Civil Engineer (City)**

**David W. Pederson, General Manager (LVMWD)**

**John Zhao, Principal Engineer (LVMWD)**

**Eric Schlageter, Associate Engineer (LVMWD)**

CAPITOL OFFICE  
STATE CAPITOL, ROOM 4035  
SACRAMENTO, CA 95814  
TEL (916) 651-4027  
FAX (916) 651-4927

DISTRICT OFFICE  
5016 N. PARKWAY CALABASAS  
SUITE 222  
CALABASAS, CA 91302  
TEL (818) 876-3352  
FAX (818) 876-0802

# California State Senate

SENATOR  
**FRAN PAVLEY**

TWENTY-SEVENTH SENATE DISTRICT

COMMITTEES  
NATURAL RESOURCES & WATER  
CHAIR  
ELECTIONS  
ENERGY, UTILITIES &  
COMMUNICATIONS  
ENVIRONMENTAL QUALITY  
TRANSPORTATION & HOUSING



January 27, 2015

Las Virgenes – Triunfo Joint Powers Authority  
c/o Las Virgenes Municipal Water District  
David W. Pedersen, General Manager  
4232 Las Virgenes Rd., Calabasas, CA 91302-1994

Dear Mr. Pedersen,

I encourage the Las Virgenes – Triunfo Joint Powers Authority to reconsider and approve the reclaimed water line project in concurrence with the Agoura Rd. widening. The infrastructure enhancements not only align with the road widening project and other utility undergrounding occurring in conjunction with this project, but installing a reclaimed water line is a step in the right direction for addressing our water needs and responding to the drought.

As part of the Agoura Rd. widening project, the City of Agoura Hills has taken a water-conscious approach to the design by incorporating drought tolerant plants and bubbler/dripline irrigation systems. The addition of the reclaimed water line enhances these efforts. This also continues the city's commitment to maintain all medians and parks with recycled water.

Your agencies have been leaders in drought awareness. It is my hope the Las Virgenes – Triunfo Joint Powers Authority will approve the reclaimed water line installation. Should you have any questions, please contact Kara Seward in my District Office at (818) 876-3352.

Sincerely,

*Fran Pavley*

Fran Pavley  
State Senator  
District 27

cc: Mark Norris, District Manager, Triunfo Sanitation District  
Mayor Ilce Buckley Weber, City of Agoura Hills  
Greg Ramirez, City Manager, City of Agoura Hills

ITEM 6A

**February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Facilities &amp; Operations

**Subject: Woodland Hills Country Club Recycled Water System Extension: Pricing Policy (Pg. 19)****SUMMARY:**

On January 5, 2015, staff presented the JPA Board with additional information on options for pricing wholesale recycled water sold to the Los Angeles Department of Water and Power (LADWP). After a thorough discussion, the JPA Board directed staff to perform additional analysis, including an evaluation of the impact of the pricing policy on the JPA partners and consideration of the value of the recycled water. Additionally, staff met with LADWP representatives on January 12th to discuss the status of the project and on-going discussions regarding the pricing policy.

Staff will update the JPA Board on the outcome of the meeting and present a proposed recycled water pricing policy based on feedback received to-date.

**RECOMMENDATION(S):**

Approve the pricing policy concept for sale of wholesale recycled water to the Los Angeles Department of Water and Power via the Woodland Hills Country Club Recycled Water System Extension.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

The pricing policy will establish the basis for reimbursement of the JPA's cost to supply wholesale recycled water to LADWP over the term of the agreement, currently proposed to be 30 years.

**DISCUSSION:****Introduction:**

Beginning in February 2011, the JPA Board provided staff with direction during negotiation of terms for the Woodland Hills Country Club (WHCC) Recycled Water System Extension. On September 3, 2013, the attached term sheets were approved by the JPA Board. Subsequently, on August 4, 2014, the JPA Board approved a cooperative agreement with LADWP for the JPA to proceed with preliminary design and CEQA analysis for the project. The agreement was approved by LADWP on January 20, 2015. The approved term sheets served as a basis for the cooperative agreement.

**Recycled Water Demand Pattern:**

Understanding the expected demand pattern for the recycled water to be used by WHCC is very important in establishing a pricing policy. The demand pattern determines the potential increase in potable water supplement required during the summer months and the decrease in disposal volumes during the remainder of the year (disposal during the shoulder months and Malibu Creek discharge during the non-shoulder months). Staff analyzed historical recycled water production, demand and potable water supplement volumes required from 2005 to present. This period includes a combination of wet, dry and normal water years, all of which influence demands.

ITEM 6B

The analysis of historical data enabled staff to distribute the expected annual recycled water usage for WHCC on a month-to-month basis. When comparing the distributed demand on a monthly basis to available supplies, the result was approximately 125 acre-feet of additional potable water supplement, 112.5 acre-feet of decreased disposal during the shoulder months and 62.5 acre-feet of decreased discharge to Malibu Creek outside the shoulder months. Attached is a chart that shows the results of the WHCC demand distribution graphically.

#### Costs and Benefits:

An average of 840 acre-feet of recycled water is produced by the JPA per month; however, the total annual supply utilized for beneficial reuse is limited due to fluctuations in demand and the lack of storage. Currently, the addition of new recycled water demands causes an increase in potable water supplement volumes required during the summer months, which results in a cost, and decreases in disposal volumes during the shoulder months and Malibu Creek discharge volumes outside the shoulder months, which results in a benefit. Additionally, there are intangible benefits associated with increasing recycled water demands, such as achieving maximum beneficial reuse, creating regional partnerships, reducing imported water needs and minimizing discharges to Malibu Creek.

The cost of additional potable water supplement is the fully-burdened cost for LVMWD to supply potable water to the recycled water system. Based on the adopted Fiscal Year 2014-15 Budget, the cost is \$1,533 per acre-foot. The value of the benefit of reduced disposal volumes is the reduced expense for disposal plus the additional revenue for sale of the recycled water that would otherwise be disposed. The sum of these items is \$1,150 per acre-foot. The value of reducing discharge to Malibu Creek consists of a reduction in chemical addition, which is a minor cost overall compared to the total volume discharged.

Prepared By: David W. Pedersen, Administering Agent/General Manager

#### **ATTACHMENTS:**

[Term Sheets](#)

[WHCC Demand Distribution](#)

## Woodland Hills Country Club Recycled Water Agreements Term Sheets

---

### Terms Sheet: Recycled Water Wholesale Purchase Agreement

1. Agreement
  - a. The intent of this agreement is for the wholesale sale of Recycled Water to LADWP from the JPA.
2. Pricing
  - a. Mutually agreed price per acre-foot or fraction thereof. Price per acre-foot will be equal to the cost of wholesale recycled water plus a potable supplement component (currently estimated at \$670 per acre-foot.)
3. Capital Cost
  - a. LADWP will reimburse the JPA for the capital expenditure within the JPA service area
4. Escalation
  - a. Annual price escalation based on Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers (CPI-U); Los Angeles, Riverside, Orange Counties
5. Supplemental Supply
  - a. JPA will provide supplemental supply during normal operating conditions
6. Planned or unplanned disruption
  - a. During planned or unplanned disruption the JPA shall make every effort to resume recycled water delivery as soon as possible and shall keep LADWP informed as to the status of the event.
7. Water quality
  - a. Water quality shall comply with JPA's RWQCB Water Reclamation Requirements and Title 22 at the point of regulatory compliance
  - b. Water quality reports required by the RWQCB and/or SWRCB shall be made available to LADWP
  - c. LADWP, the JPA and WHCC shall form an operating committee that meets periodically to review and operations and address any issues
8. Payments
  - a. JPA shall invoice every 30 days and LADWP shall make payment within 45 days
9. Metering
  - a. Wholesale sales shall be measured by a JPA meter at the service area boundary
10. LRP Funding
  - a. LADWP shall apply for LRP funding
  - b. LADWP shall receive all LRP funds
11. Ownership
  - a. JPA shall own, operate and maintain facilities in their service area
  - b. LADWP shall own, operate and maintain facilities in their service area
12. Termination
  - a. Each party shall have the right to terminate the agreement with 180 day notice unless a shorter notice is mutually agreed
13. Term
  - a. 30 years

## Woodland Hills Country Club Recycled Water Agreements Term Sheets

---

- b. Provide a mutually agreed renewal option for the same term as the original term
14. Point of Use Regulatory Compliance
- a. LADWP shall assure their retail customers comply with all necessary regulatory requirements for the use of recycled water
15. Minimum Pressure
- a. A minimum pressure of 100 psi shall be provided at the JPA/LADWP boundary
16. Each agency to indemnify each other, insure each other, pay their own attorney fees

## Woodland Hills Country Club Recycled Water Agreements Term Sheets

---

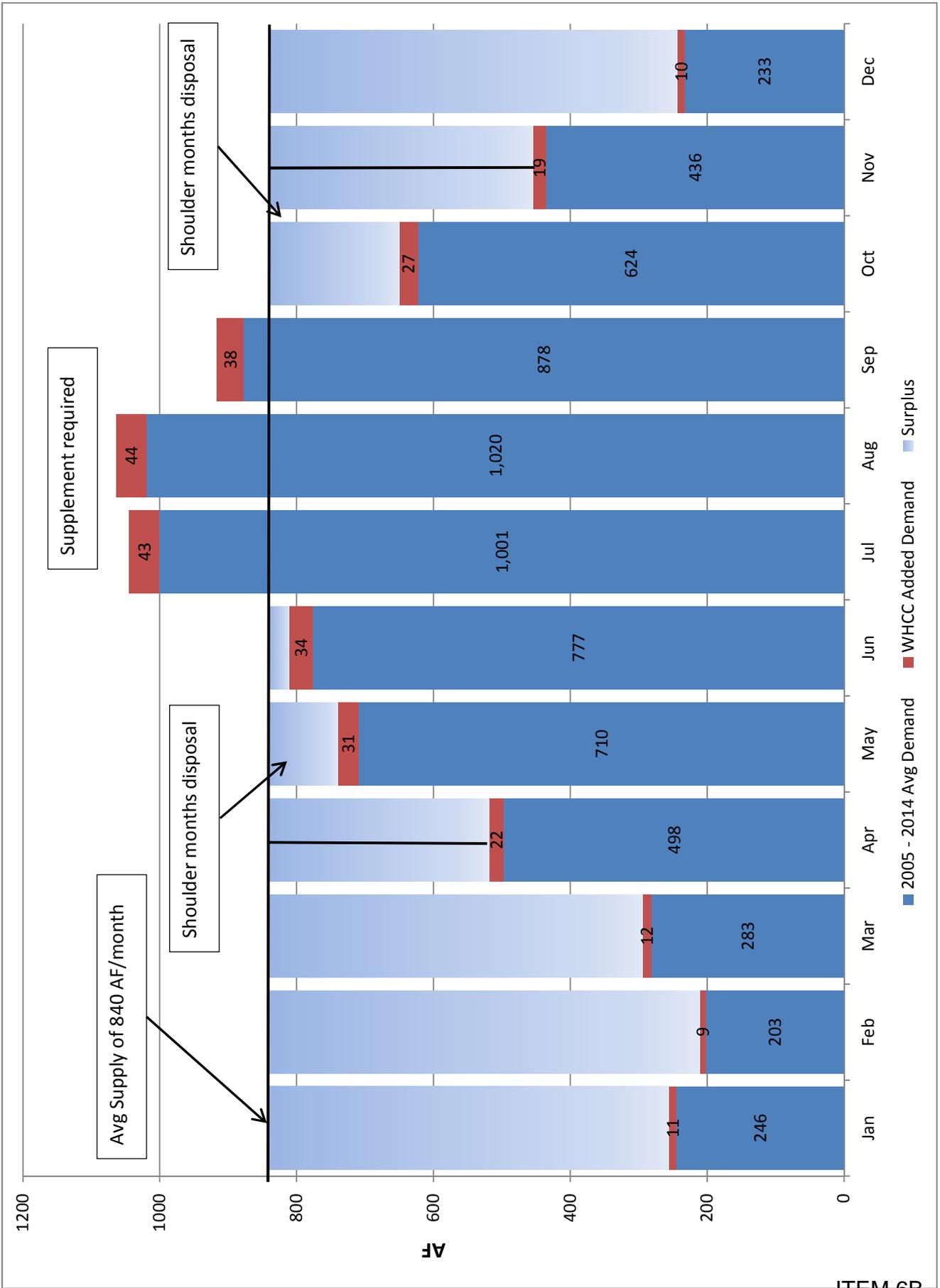
### Terms Sheet: Design & Construction Agreement

1. Agreement
  - a. The intent of this agreement is to define responsibilities for the preliminary design, CEQA, design and construction of the facilities necessary to convey wholesale recycled water to the WHCC in LADWP's service area from the JPA
2. Preliminary Design
  - a. The JPA will be responsible to complete necessary preliminary design for the facilities to convey wholesale recycled water to WHCC from the JPA
  - b. Facilities within the JPA service area shall be designed to JPA standards and facilities within the LADPW service area shall be designed to LADWP standards
3. CEQA
  - a. The JPA shall be the lead agency for the project with LADWP being a responsible agency
4. Design
  - a. The JPA will be responsible to complete design for the facilities to convey wholesale recycled water to WHCC from the JPA
  - b. Facilities within the JPA service area shall be designed to JPA standards and facilities within the LADWP service area shall be designed to LADWP standards
5. Construction
  - a. The JPA shall be responsible to bid and hire a contractor to construct the project.
  - b. The JPA shall be responsible to construct any metering and backflow protection facilities for JPA retail customers
  - c. LADPW shall be responsible to construct any metering and backflow protection facilities for LADWP retail customers
6. Permits and Rights of Way
  - a. The JPA shall obtain all necessary encroachment permits and right of way within their service area
  - b. LADPW shall obtain all necessary encroachment permits and right of way within their service area
  - c. The construction contractor shall obtain traffic control permits and develop traffic control plans assisted as necessary by the JPA and LADWP
7. Cost Share
  - a. Preliminary design and CEQA costs shall be shared between the JPA and LADWP on prorated basis based on the ratio of pipe length in each service area to the total pipe length. The JPA costs shall be reimbursed by LADWP.
  - b. JPA shall pay for the cost of design for facilities within their service area reimbursed by LADWP
  - c. LADWP shall pay for the cost of design for facilities within their service area
  - d. JPA shall pay for the cost of construction including services during construction and any necessary mitigation measures within their service area reimbursed by LADWP
  - e. LADWP shall pay for the cost of construction including services during construction and any necessary mitigation measures within their service area

## Woodland Hills Country Club Recycled Water Agreements Term Sheets

---

- f. JPA shall pay any fees associated with permits with in their service area reimbursed by LADWP
  - g. LADWP shall pay for any fees associated with permits with in their service area
  - h. Common permits, such as the RWQCB SSWP permit shall be paid for on the same basis as preliminary design and CEQA cost
  - i. LADWP shall pay an administrative cost to the JPA of 10% of their share of project
8. Payment
- a. The JPA shall bill LADWP every 30 days with payment due in 45 days
9. Use of consultants
- a. The JPA reserves the right to use consultants of their choice in preforming the preliminary design, CEQA, design and construction management.
  - b. Both parties need to agree to award preliminary design, CEQA, design and construction management contracts if the parties do not agree then
    - i. The project can be rebid if mutually agreed
    - ii. The agreements become void and all outstanding costs are to be paid
10. Award of Construction Contract
- a. Both parties need to agree to award the construction contract if the parties do not agree then
    - i. The project can be rebid if mutually agreed
    - ii. The agreements become void and all outstanding costs are to be paid
11. Each agency shall indemnify each other, insure each other, pay their own attorney fees
12. LADWP may elect to perform the design of their facilities. In case LADWP and the JPA shall coordinate the design effort to assure a complete, integrated bid and construction package.



**February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Finance &amp; Administration

---

**Subject: Financial Review: Second Quarter of Fiscal Year 2014-15 (Pg. 26)**

---

**SUMMARY:**

Operating revenues through the second quarter of Fiscal Year 2014-15 were 2.1% higher than budgeted, primarily due to the timing of the MWD Local Resource Program payments and higher-than-expected wholesale recycled water sales. Operating expenses were 3.6% lower than budgeted, primarily due to a lower-than-expected volume of recycled water disposed of at the farm sprayfields. The net operating expense for the first half of Fiscal Year 2014-15 was \$6,166,544, which was 4.8% lower than budgeted.

Capital project expenses were \$1,622,221, which was lower than budgeted due to the timing of work on major projects.

**RECOMMENDATION(S):**

Receive and file.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

Prepared By: Joseph Lillio, Finance Manager

**ATTACHMENTS:**

[Fiscal Year 2014-15 Second Quarter Financial Summary](#)

[Capital Improvement Project Summary](#)



# Joint Powers Authority Second Quarter Financial Review

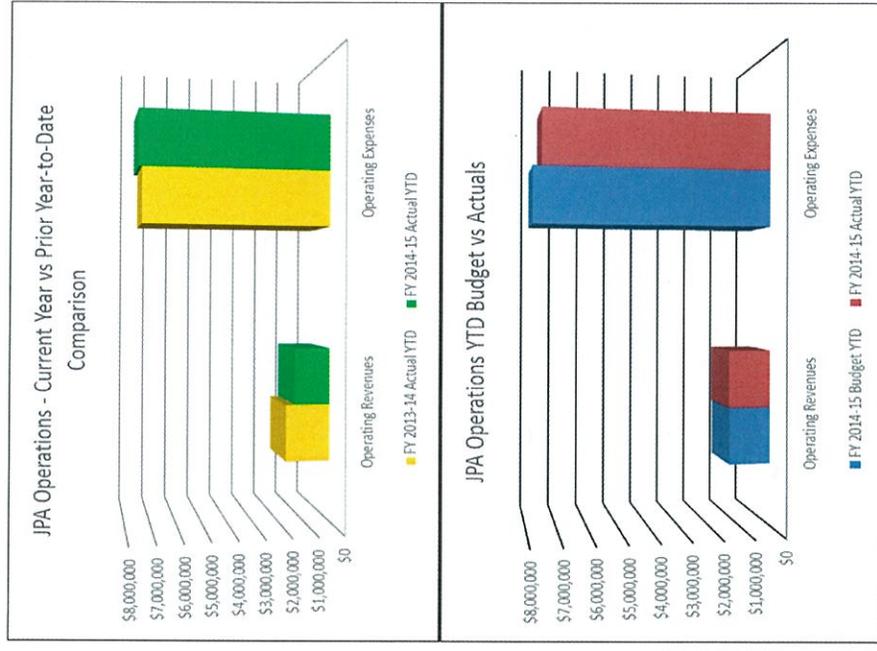
FY14-15 Year to Date at December 31, 2014

	FY13-14 Actual YTD	FY14-15 Budget YTD	FY14-15. Actual YTD
Net Uses of Fund	\$8,805,165	\$10,207,336	\$7,781,895
LV Share	\$6,115,463	\$7,065,583	\$5,365,382
TSD Share	\$2,689,702	\$3,141,753	\$2,416,513

# Joint Powers Authority Operations

## Second Quarter

	FY 13-14 Actual YTD	FY 14-15 Budget YTD	FY 14-15 Actual YTD
<b>Total Operating Revenues</b>	\$ 1,757,556	\$ 1,371,712	\$ 1,400,290
RW Pump Station	801,189	732,469	828,152
RW Tanks & Reservoirs	20,351	39,334	30,492
RW System Operations	14,146	15,366	17,286
RW Distribution	46,933	38,598	60,617
Sewer	111,902	115,410	133,233
Waste Water Treatment	3,644,800	3,874,358	3,846,913
Composting	2,103,243	2,321,102	1,954,149
Injection and Centrate	245,191	197,775	180,077
Administration	442,010	515,016	515,915
<b>Total Operating Expenses</b>	7,429,765	7,849,428	7,566,834
<b>Net Operating (Expenses)</b>	\$ (5,672,209)	\$ (6,477,716)	\$ (6,166,544)



**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year at December 31, 2014**  
**FY14-15 Year to Date**

	<u>FY 13-14 Actual YTD</u>	<u>FY 14-15 Budget YTD</u>	<u>FY 14-15 Actual YTD</u>
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 1,757,556	\$ 1,371,712	\$ 1,400,290
Other Revenues	7,421	10,000	6,870
Total Revenues	<u>1,764,977</u>	<u>1,381,712</u>	<u>1,407,160</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 7,429,765	\$ 7,849,428	\$ 7,566,834
Capital Project Expenses	3,140,377	3,739,620	1,622,221
Total Expenses	<u>10,570,142</u>	<u>11,589,048</u>	<u>9,189,055</u>
<b>Net (Uses) of Funds</b>	<u>\$ (8,805,165)</u>	<u>\$ (10,207,336)</u>	<u>\$ (7,781,895)</u>
<b>Las Virgenes Share</b>	<u>(6,115,463)</u>	<u>(7,065,582)</u>	<u>(5,365,382)</u>
<b>Triunfo Share</b>	<u>(2,689,702)</u>	<u>(3,141,753)</u>	<u>(2,416,513)</u>

**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year at December 31, 2014**  
**FY14-15 Year to Date**

	<u>FY 13-14 Actual YTD</u>	<u>FY 14-15 Budget YTD</u>	<u>FY 14-15 Actual YTD</u>
<b><u>Las Virgenes Share:</u></b>			
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 1,240,835	\$ 968,429	\$ 988,605
Other Revenues	5,182	7,060	4,850
Total Revenues	<u>1,246,017</u>	<u>975,489</u>	<u>993,455</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 5,146,613	\$ 5,408,379	\$ 5,213,549
Capital Project Expenses	2,217,106	2,640,171	1,145,288
Total Expenses	<u>7,363,719</u>	<u>8,048,550</u>	<u>6,358,837</u>
<b>Net (Uses) of Funds - LV</b>	<u>\$ (6,117,702)</u>	<u>\$ (7,073,061)</u>	<u>\$ (5,365,382)</u>
<b><u>Triunfo Share:</u></b>			
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 516,721	\$ 403,283	\$ 411,685
Other Revenues	2,239	2,940	2,020
Total Revenues	<u>518,960</u>	<u>406,223</u>	<u>413,705</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 2,283,152	\$ 2,441,049	\$ 2,353,285
Capital Project Expenses	923,271	1,099,448	476,933
Total Expenses	<u>3,206,423</u>	<u>3,540,497</u>	<u>2,830,218</u>
<b>Net (Uses) of Funds - TSD</b>	<u>\$ (2,687,463)</u>	<u>\$ (3,134,274)</u>	<u>\$ (2,416,513)</u>
<b>Total JPA Net (Uses) of Funds</b>	<u>\$ (8,805,165)</u>	<u>\$ (10,207,336)</u>	<u>\$ (7,781,895)</u>

**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year at December 31, 2014**  
**FY 14-15 Year to Date**

	<u>FY 13-14 Actual YTD</u>	<u>FY 14-15 Budget YTD</u>	<u>FY 14-15 Actual YTD</u>
<b>Total Operating Revenues</b>	\$ 1,757,556	\$ 1,371,712	\$ 1,400,290
RW Pump Station	801,189	732,469	828,152
RW Tanks & Reservoirs	20,351	39,334	30,492
RW System Operations	14,146	15,366	17,286
RW Distribution	46,933	38,598	60,617
Sewer	111,902	115,410	133,233
Waste Water Treatment	3,644,800	3,874,358	3,846,913
Composting	2,103,243	2,321,102	1,954,149
Farm Operation	245,191	197,775	180,077
Administration	442,010	515,016	515,915
<b>Total Operating Expenses</b>	<u>7,429,765</u>	<u>7,849,428</u>	<u>7,566,834</u>
<b>Net Operating (Expenses)</b>	<u>\$ (5,672,209)</u>	<u>\$ (6,477,716)</u>	<u>\$ (6,166,544)</u>

**Las Virgenes - Triunfo Joint Powers Authority  
Capital Improvement Project Status  
December 31, 2014**

<b>Job # - Description</b>	<b>LV % TSD %</b>	<b>Total Project Appropriations</b>	<b>Prior Year Expenditures</b>	<b>Current Year Expenditures</b>	<b>Total Project Expenditures</b>	<b>Project Balance</b>	<b>LV Balance</b>	<b>TSD Balance</b>
<b>Projects on Hold</b>								
10446 - Buffer Land at Rancho This is a placeholder program for potential acquisition of additional buffer land around Rancho (no property is currently identified). Placeholder	70.6% 29.4%	\$250,000	\$0	\$0	\$0	\$250,000	\$176,500	\$73,500
10448 - Rancho Polymer Feed System Reh Evaluate and update polymer feed system at Rancho. Project On Hold	70.6% 29.4%	\$121,000	\$46,822	\$0	\$46,822	\$74,178	\$52,370	\$21,808
10493 - Tapia: Sludge Screening Install a screener for primary and secondary sludge at Tapia. Project On Hold	70.6% 29.4%	\$385,000	\$0	\$0	\$0	\$385,000	\$271,810	\$113,190
10512 - Tapia: Primary Tank Rehab Repair concrete and install protective coatings on primary tanks at Tapia. Project On Hold	70.6% 29.4%	\$685,000	\$115,844	\$252,429	\$368,273	\$316,727	\$223,609	\$93,118
10513 - Tapia Gate & Drive Rpl-FY12-13 Replaces existing gates in the tanks and channels at Tapia as well as drive mechanisms for flights and chains. Project On Hold	70.6% 29.4%	\$309,650	\$0	\$6,020	\$6,020	\$303,630	\$214,363	\$89,267
10537 - Raw Sludge WetWell Mixing Impv Replace the existing raw sludge mixing pump at Tapia with a more suitable unit. Project On Hold	70.6% 29.4%	\$100,000	\$0	\$0	\$0	\$100,000	\$70,600	\$29,400
10587 - RW Storage Study-FY 14-15 Study of potential recycled water storage areas. Project On Hold	70.6% 29.4%	\$300,000	\$0	\$0	\$0	\$300,000	\$211,800	\$88,200
<b>Total Projects on Hold</b>		<b>\$2,150,650</b>	<b>\$162,666</b>	<b>\$258,449</b>	<b>\$421,115</b>	<b>\$1,729,535</b>	<b>\$1,221,052</b>	<b>\$508,483</b>

Projects to complete by June 30, 2015

EM  
21-001-15

**Job # - Description**      **LV % TSD %**      **Total Project Appropriations**      **Prior Year Expenditures**      **Current Year Expenditures**      **Total Project Expenditures**      **Project Balance**      **LV Balance**      **TSD Balance**

**Projects to complete by June 30, 2015**

<b>10418 - Rehab 18" RW Pipe (Tapia/Mihd)</b> Replace failing recycled water pipelines between Tapia WRF and Mulholland Highway. Design	70.6%	29.4%	\$443,231	\$279,834	\$33,001	\$312,835	\$130,396	\$92,060	\$38,336
<b>10487 - Construct 3rd Digester @Rancho</b> Construct a third anaerobic digester at the Rancho Composting Facility. Project Being Closed Out	70.6%	29.4%	\$7,315,726	\$6,579,466	\$1,161,613	\$7,741,079	(\$425,353)	(\$300,299)	(\$125,054)
<b>10522 - Rsvr #2 Imprvmt (Lining Cover)</b> Cement lining of slopes of Reservoir No. 2. (recycled water). In Progress / Construction	70.6%	29.4%	\$1,607,010	\$77,886	\$43,996	\$121,882	\$1,485,128	\$1,048,500	\$436,628
<b>10562 - Tapia Structural Repairs</b> Tapia Structural Repairs (combined with IIP No. 10582). Project Being Closed Out	70.6%	29.4%	\$46,500	\$0	\$0	\$0	\$46,500	\$32,829	\$13,671
<b>10566 - Tapia Altnv Disinfectn Safety</b> Safety improvements/upgrades at Tapia. Project Being Closed Out	70.6%	29.4%	\$85,750	\$0	\$18,867	\$18,867	\$66,883	\$47,219	\$19,664
<b>10570 - RLV Compost Fac: New Loader</b> Purchase of replacement loader for use at Rancho. In Progress / Construction	70.6%	29.4%	\$180,000	\$0	\$0	\$0	\$180,000	\$127,080	\$52,920
<b>10574 - Rancho Facility Improvement</b> Purchase sump pumps, conveyor screw replacement, compressor, agitator repairs, and amendment bin overhaul (Rancho). In Progress / Construction	70.6%	29.4%	\$174,500	\$0	\$0	\$0	\$174,500	\$123,197	\$51,303
<b>10580 - Tapia Equipment Replacement</b> Purchase of replacement equipment at Tapia. In Progress / Construction	70.6%	29.4%	\$70,750	\$0	\$15,552	\$15,552	\$55,198	\$38,970	\$16,228
<b>10589 - WIMS Software Implementation</b> Purchase and installation of water information management solution (WIMS). In Progress / Construction	70.6%	29.4%	\$32,350	\$0	\$16,500	\$16,500	\$15,850	\$11,190	\$4,660
<b>Total Projects to complete by June 30, 2015</b>			<b>\$9,955,817</b>	<b>\$6,937,186</b>	<b>\$1,289,529</b>	<b>\$8,226,715</b>	<b>\$1,729,102</b>	<b>\$1,220,746</b>	<b>\$508,356</b>

ITEM 21-00-15 C

<i>Job # - Description</i>	<i>LV % TSD %</i>	<i>Total Project Appropriations</i>	<i>Prior Year Expenditures</i>	<i>Current Year Expenditures</i>	<i>Total Project Expenditures</i>	<i>Project Balance</i>	<i>LV Balance</i>	<i>TSD Balance</i>
<b>Multi-Year Projects</b>								
<b>10520 - SCADA System Communicitn Upgrd</b> Upgrade the JPA owned portion of the supervisory control and data acquisition system (SCADA) system to an Ethernet based radio network and provide additional data paths for system redundancy. Design	70.6% 29.4%	\$93,100	\$6,239	\$0	\$6,239	\$86,861	\$61,324	\$25,537
<b>10536 - Agoura Rd RW 8"-Ladyface-Cornl</b> Construct 5,000 feet of recycled water main extension along Agoura Road. Pending Board Approval	70.6% 29.4%	\$423,103	\$89,889	\$24,290	\$114,179	\$308,924	\$218,100	\$90,824
<b>10538 - Tapia Channel Mixing Improvrmt</b> Replace air channel mixing components at the Tapia water reclamation facility (WRF). Out to bid	70.6% 29.4%	\$458,205	\$32,449	\$7,198	\$39,647	\$418,558	\$295,502	\$123,056
<b>10540 - Lost Hills Overpass RW Main</b> Relocation of recycled water main due to demolition of Lost Hills overpass. Pending Board Approval	70.6% 29.4%	\$363,744	\$49,243	\$32,660	\$81,903	\$281,841	\$198,980	\$82,861
<b>10544 - Centrate Tank CP System Repl.</b> Cathodic protection for centrate treatment and storage tanks at the Rancho Las Virgenes Compost Facility. In Progress / Construction	70.6% 29.4%	\$143,937	\$36,108	\$10,095	\$46,203	\$97,734	\$69,000	\$28,734
<b>10549 - Rancho Agitator Control Upgrd</b> Upgrades to the Rancho Las Virgenes Compost Facility agitator control system. Project Being Closed Out	70.6% 29.4%	\$27,564	\$13,564	\$0	\$13,564	\$14,000	\$9,884	\$4,116
<b>10551 - Centrate System-Pump Impellers</b> Upgrade Rancho centrate system pump impellers to handle solids in the system. In Progress / Construction	70.6% 29.4%	\$35,000	\$0	\$0	\$0	\$35,000	\$24,710	\$10,290
<b>10559 - Manhole Rehab, F2/F3 Line</b> Rehabilitate manholes identified and prioritized in the Sewer Rehabilitation Study. Pending Board Approval	40.1% 59.9%	\$15,000	\$0	\$0	\$0	\$15,000	\$6,015	\$8,985
<b>10560 - Rancho:Rehab Existg CentrateLn</b> Provide mechanical and/or chemical cleaning of minerals from the existing centrate line. Pending Board Approval	70.6% 29.4%	\$175,390	\$0	\$0	\$0	\$175,390	\$123,825	\$51,565
<b>10561 - NPDES Permit Renewal</b> Project to coordinate the renewal of the Tapia NPDES permit, which expires in August, 2015. Pending Board Approval	70.6% 29.4%	\$25,000	\$0	\$0	\$0	\$25,000	\$17,650	\$7,350

ITEM

<i>Job # - Description</i>	<i>LV % TSD %</i>	<i>Total Project Appropriations</i>	<i>Prior Year Expenditures</i>	<i>Current Year Expenditures</i>	<i>Total Project Expenditures</i>	<i>Project Balance</i>	<i>LV Balance</i>	<i>TSD Balance</i>
<b>Multi-Year Projects</b>								
<b>10563 - Tapia Suplmntl Carbon Study</b> Study to identify supplemental carbon sources needed for the biological denitrification process at Tapia. Pending Board Approval	70.6% 29.4%	\$85,000	\$0	\$0	\$0	\$85,000	\$60,010	\$24,990
<b>10564 - Centrate Equalization Tank</b> Construct a centrate equalization tank at the centrate treatment facility at Tapia. Consultant Selection	70.6% 29.4%	\$890,000	\$0	\$0	\$0	\$890,000	\$628,340	\$261,660
<b>10565 - Rancho LV:Digester Cleang/Rpr</b> Clean out and evaluate the condition of digesters that have been in service for more than 20 years. Pending Board Approval	70.6% 29.4%	\$287,500	\$0	\$0	\$0	\$287,500	\$202,975	\$84,525
<b>10567 - Progmble Logic Contrlr Upgrd</b> Replace obsolete programmable logic controllers and upgrade other electrical equipment at Tapia. Pending Board Approval	70.6% 29.4%	\$216,500	\$0	\$0	\$0	\$216,500	\$152,849	\$63,651
<b>10573 - Sewer Grit Handling</b> Development of a sewer grit dewatering, removal and handling system at Tapia. Design	70.6% 29.4%	\$50,000	\$0	\$0	\$0	\$50,000	\$35,300	\$14,700
<b>10579 - Security Upgrades- JPA</b> Security improvements at JPA facilities. In Progress / Construction	70.6% 29.4%	\$5,000	\$0	\$0	\$0	\$5,000	\$3,530	\$1,470
<b>10582 - Tapia Balancg Pond Sealant Rpl</b> Replace sealant in balancing pond and fix sub grade of the return activated sludge (R.A.S.) pumps to address settling. Design	70.6% 29.4%	\$80,500	\$0	\$0	\$0	\$80,500	\$56,833	\$23,667
<b>10588 - Woodland Hills Golf Crs-RW Ext</b> Installation of a recycled water pipeline to the City of Los Angeles. Expenses under this project will be reimbursed by the Los Angeles Department of Water and Power. Pending Board Approval	70.6% 29.4%	\$310,000	\$0	\$0	\$0	\$310,000	\$218,860	\$91,140
<b>Total Multi-Year Projects</b>		<b>\$3,684,543</b>	<b>\$227,492</b>	<b>\$74,243</b>	<b>\$301,735</b>	<b>\$3,382,808</b>	<b>\$2,383,687</b>	<b>\$999,121</b>

ITEM

<i>Job # - Description</i>	<i>LV % TSD %</i>	<i>Total Project Appropriations</i>	<i>Prior Year Expenditures</i>	<i>Current Year Expenditures</i>	<i>Total Project Expenditures</i>	<i>Project Balance</i>	<i>LV Balance</i>	<i>TSD Balance</i>
<i>Totals</i>		<u>\$15,791,010</u>	<u>\$7,327,344</u>	<u>\$1,622,221</u>	<u>\$8,949,565</u>	<u>\$6,841,445</u>	<u>\$4,825,485</u>	<u>\$2,015,960</u>
<i>Totals: Las Virgenes MWD</i>		<u>\$11,143,878</u>	<u>\$5,173,105</u>	<u>\$1,145,288</u>	<u>\$6,318,393</u>	<u>\$4,825,485</u>		
<i>Totals: Triunfo Sanitation District</i>		<u>\$4,647,132</u>	<u>\$2,154,239</u>	<u>\$476,933</u>	<u>\$2,631,172</u>	<u>\$2,015,960</u>		

**February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: General Manager

---

**Subject: Heal the Bay's "Bring Back the Beach" Awards Gala: Attendance (Pg. 37)**

---

**SUMMARY:**

Each year the environmental group Heal the Bay holds its "Bring Back the Beach" Awards Gala in Santa Monica as one of its key fundraising activities. This year's event marks the 30th anniversary of awards gala, which will be held on Thursday, May 14, 2015, at the Jonathan Beach Club in Santa Monica.

Over the years, JPA Directors have attended the event to build relationships, not only with Heal the Bay, but also with other environmental group representatives attending the function. Previously, the JPA reserved a 10-seat table, but when costs rose from \$3,000 to \$5,000, it was decided to only send the Chairs of each Board. Individual seats for the event are \$500.

**RECOMMENDATION(S):**

Authorize one Board Member from each agency and the Administering Agent/General Manager to attend the Heal the Bay "Bringing Back the Beach" Awards Gala at a cost of \$500.00 per person.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

Sufficient funds for the event are available in the adopted JPA Fiscal Year 2014-15 Budget. Historically, this expense has been charged to the "Watershed Programs" portion of the JPA's Administration Budget, which is allocated 70.6% to LVMWD and 29.4% to TSD.

Prepared By: David W. Pedersen, Administering Agent/General Manager

**February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: General Manager

---

**Subject: Location of Future JPA Board Meetings (Pg. 38)**

---

**SUMMARY:**

On January 5, 2015, JPA Director Janna Orkney requested a future agenda item to consider holding all future JPA Board meetings at the Las Virgenes Municipal Water District (LVMWD) headquarters at 4232 Las Virgenes Road, Calabasas. Historically, the location of the JPA Board meetings has alternated between LVMWD headquarters and Oak Park Library at 899 North Kanan Road, Oak Park.

**RECOMMENDATION(S):**

Determine whether or not to hold all future JPA Board meetings at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

Section 4 of Article One of the JPA Agreement provides that meetings of the JPA "shall be held at times and places as determined by the Board".

Prepared By: David W. Pedersen, Administering Agent/General Manager

**INFORMATION ONLY****February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: General Manager

**Subject: California Water Commission: Proposed Workplan and Activities for Water Storage Investment Program (Pg. 39)****SUMMARY:**

On January 21, 2015, the California Water Commission discussed its proposed workplan and activities related to development of the Water Storage Investment Program, approved as Chapter 8 of Proposition 1 (Water Bond). The Water Bond included \$2.7 billion for public benefits of water storage projects that provide measurable benefits to the Delta ecosystem or its tributaries. The California Water Commission was granted authority to administer the funds, which will be continuously appropriated.

Sue Sims, Executive Officer of the Commission, reviewed a draft Program Implementation Plan (copy attached) that describes proposed guiding principles, key activities and milestones, the project management team, and a preliminary timeline. The schedule is primarily driven by the statutory deadline of December 15, 2016 for approval of regulations, which would be the first day funding can be allocated.

Following staff presentations and public comment, Tim Quinn, Executive Director of ACWA, briefed the Commission on the ACWA Water Storage Policy Task Force. Mr. Quinn explained the purpose of the Task Force and provided the Commission with seven recommendations to consider:

1. Establish a vision.
2. Encourage integration of storage with other projects, both existing infrastructure and groundwater storage facilities.
3. Leverage the funds by encouraging applicants to provide more than the required 50% matching funds.
4. Support CALFED projects; and
5. Support other types of projects too.
6. Reserve the Commission's authority to weigh projects and determine which are best.
7. Maintain an open and transparent process.

The next step for the Commission will be to circulate a scoping survey to agencies with projects believed to fit the criteria for the Water Storage Investment Program. Staff proposes to review the scoping survey and submit information on the JPA's Recycled Water Seasonal Storage Project, considering that it will reduce demands for imported water from the Delta.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

Prepared By: David W. Pedersen, Administering Agent/General Manager

**ATTACHMENTS:**[Draft Program Implementation Plan](#)

ITEM F€A



# Water Storage Investment Program

(Water Bond, Chapter 8)

## Program Implementation Plan

---

## Water Storage Investment Program

In November 2014, California voters overwhelmingly approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 reaffirming the need for a safe and reliable supply of water to support the state's economy, environment, and quality of life.

The bond includes \$2.7 billion for public benefits of water storage projects that provide measurable benefits to the Delta ecosystem or its tributaries. The Water Storage Investment Program will fund the public benefits, which are defined as ecosystem improvements, water quality improvements, flood control benefits, emergency response, or recreational purposes that result from eligible water storage projects.

The program will support the California Water Action Plan and help ensure the reliability, resilience, and restoration of California's water supplies. It will also build on existing investments by federal, state and local agencies, and will support projects that provide the maximum return on investment.

Over the next two years, the California Water Commission will work with a broad array of stakeholders including water agencies, conservation organizations, tribal governments, public agencies, technical experts, economists, and communities through the state to develop the regulations and guidelines that will shape the Water Storage Investment Program and make these important investments in California's water future.

There are many ways for the public and stakeholders to participate. All of the Commission's meetings are open to the public and most are webcast. The Commission will convene stakeholder workgroups to review existing work products and make recommendations. All materials and documents will be available on the website and upon request.

The Water Storage Investment Program represents an important opportunity to invest in water projects that will produce real and measurable public benefits, and help address the long term water needs for California families, farms, communities, and natural resources. The California Water Commission is committed to developing and implementing a program that will be open, transparent, fair, cost-efficient, and maximize the sound and responsible investment of public dollars.

## Implementation Plan

This document presents a framework to guide the California Water Commission as it develops and implements a program to invest in the public benefits of water storage projects. It is intended to provide an overview of the Commission's decision-making process to effectively and fairly determine the best criteria and methodology to evaluate proposed water storage projects, and select those projects that will provide the greatest improvement to the operation of the statewide water system, are cost effective, and will improve ecosystem and water quality conditions.

## Guiding Principles

The following are principles outlined in statute, policy, and the Commission's strategic plan that express the values of the Commission and will be used to implement the Water Storage Investment Program.

- The program will be developed and implemented in accordance with all **statutory requirements** associated with the bond, as well as all requirements for **sound fiscal management** and **accountability**, CEQA requirements, and the Administrative Procedures Act.
- The program will support and implement the objectives of the **California Water Action Plan** for sustainable management of California's water resources.
- The Commission intends to engage the public, stakeholders, state, federal, and local agencies in an **open and transparent public process** as it develops and implements the program. A stakeholder working group will be convened to review materials and make recommendations. Commission meetings are open to the public and all materials and work products are available online and upon request.
- The Commission will consult with Native American **tribal governments** and consider the **Human Right to Water** requirements in its decision-making.
- The program will use **sound science and established economic principles** to evaluate the public benefits of projects.
- Consideration will be given to projects that provide the **greatest statewide benefit**, provide multiple benefits, and that **leverage other public and private investments**.
- The regulations, project solicitation and evaluation guidelines, applications, and other program materials will be developed with the intent to **provide clear information and guidance** and supported with a commitment to providing the necessary technical and program assistance to participating agencies and project applicants.

## Key Activities and Milestones

**Regulations:** By December 15, 2016, the Commission will develop and adopt regulations, through the Administrative Procedures Act, for the quantification and management of the public benefits of water storage projects.

**Project Solicitation and Evaluation Guidelines:** The Commission will prepare project solicitation and evaluation guidelines for the Water Storage Investment Program and conduct required hearings to consider public comments before finalizing the guidelines.

**Interagency Coordination:** The regulations, guidelines, and project solicitation and selection criteria will be developed in consultation with the Department of Fish and Wildlife, State Water Resources Control Board, DWR, other state, federal and local agencies, and technical and economic consultants.

**Stakeholder Process:** In addition to public participation at the Commission meetings and other public comment opportunities, a Stakeholder Working Group will be convened in early 2015 representing a broad variety of backgrounds and interests. Stakeholders will provide valuable technical and program expertise to the Commission for consideration in developing the regulations, guidelines, project solicitation, and program activities.

**Program Development:** Commission and staff will review the existing quantification and methodology work, draft regulations, guidelines, and other work products previously prepared for the Commission. Commission will determine what additional technical and economic analysis work is needed, including but not limited to any new models for quantifying and evaluating public benefits of eligible water storage projects. The Commission will also direct all other program development activities including an initial scoping survey, the project solicitation and evaluation process, the role of an expert panel to review proposed water storage projects, additional public hearings, and coordination and notification to state agencies and the Legislature as required by policy and statute.

**Project Selection and Funding:** The Commission will select projects through a competitive public process that ranks proposed projects based on expected return of public investment as measured by the magnitude of public benefits provided. The format and timing of project applications solicitation and selection will be determined by the Commission with input from staff and stakeholders.

## Project Management Team

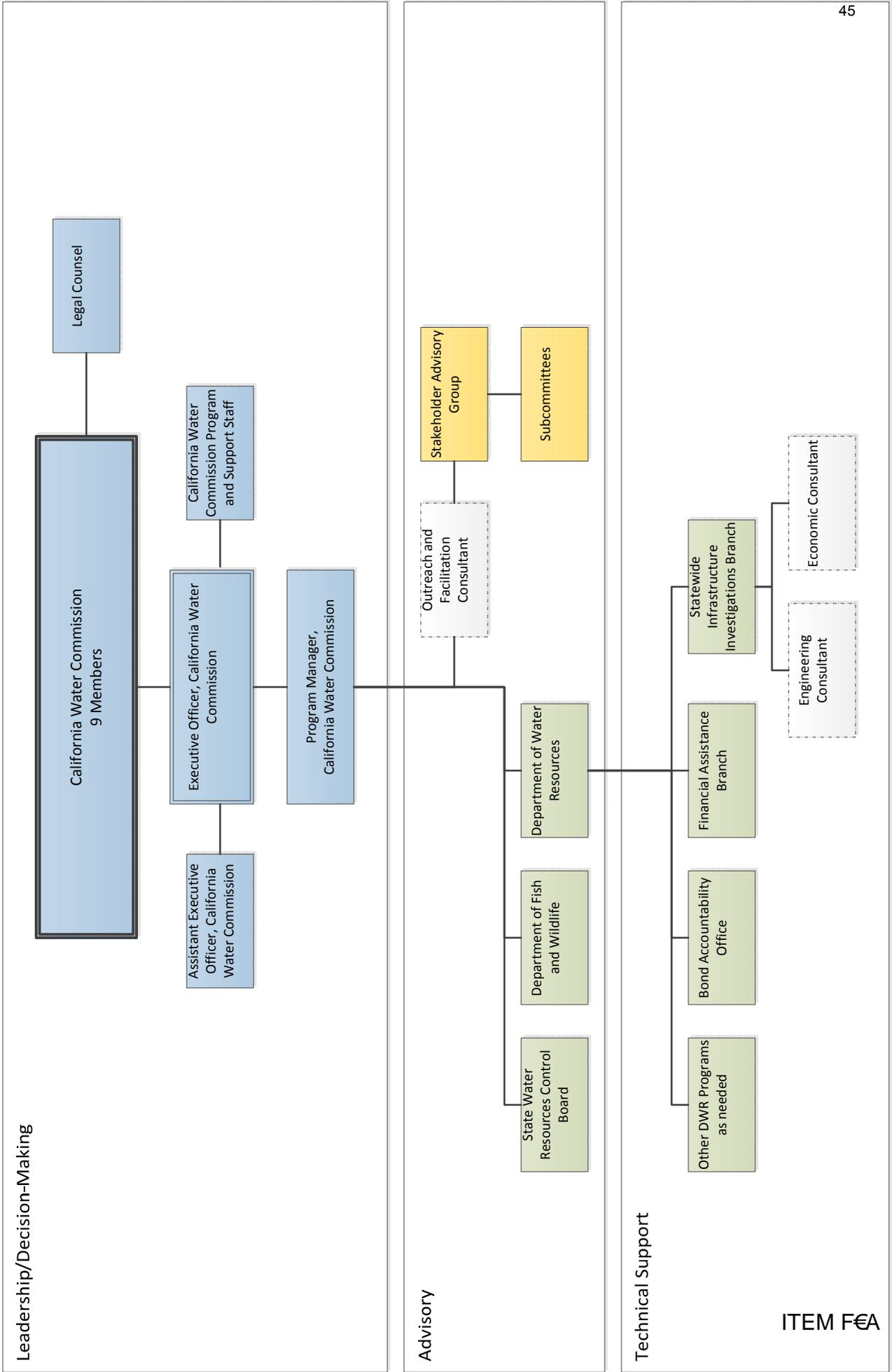
The project will be managed by the Commission, including the Executive Officer, legal counsel, program manager, program analysts, and support staff who will work at the direction of the Commission to develop, research, analyze information and public input, prepare work products, make recommendations, and implement the program objectives.

The Commission will identify and utilize necessary additional staffing resources at DWR and other agencies to support the project. These may include:

- Technical, engineering, economic analysis, bond accountability and financial management work from DWR
- Support from Department of Fish and Wildlife to ensure regulations and proposed projects include the priorities and relative environmental values of ecosystem benefits (interagency agreement)
- Support from State Water Resources Control Board to ensure regulations and proposed projects include the priorities and relative environmental values of water quality benefits (interagency agreement)
- Specialized technical and outreach assistance from contractors, as needed.
- Additional legal support

# California Water Commission

## Water Storage Investment Program



## Timeline

The following is a listing of some of the key milestones and project activities. A more complete and detailed timeline is contained in the Commission's Project Management Plan.

January 2015	Commission meeting on Water Storage Investment Program including presentations on proposed workplan, schedule and deliverables, stakeholder process, financial and policy issues.
January 2015- August 2015	<p>Review existing regulations and guidelines. Direct scoping survey to identify proposed and planned water storage projects statewide.</p> <p>Identify and direct additional staff and consultant work, as necessary, on additional economic analysis, technical issues, and operational and program issues to support development and approval of regulations, guidelines, project solicitation and evaluation processes, and other policy decisions. On an ongoing basis, evaluate recommendations from staff, state agencies, and the public.</p> <p>Consultation with the Department of Fish and Wildlife and State Water Resources Control Board on priorities and relative environmental values of ecosystem benefits and water quality benefits.</p>
Beginning in February 2015	<p>Establish stakeholder working group, set schedule for reporting to Commission, and identify key issues for consideration. The Stakeholder Working Group will provide recommendations to Commission on the regulations, project solicitation and evaluation guidelines, and other program components.</p> <p>Coordination and consultation with tribal governments, disadvantaged communities, and in support of Human Right to Water requirements.</p>
September 2015	Approve draft regulations and submit to the Office of Administrative Law (OAL)
October 2015	Begin OAL official rulemaking process. Hold public comment periods and hearings. OAL allows up to one year for approval of final regulations.
2015-2016	Continue with development of regulations, guidelines, project solicitation process, outreach and public information activities, expert review panel, project evaluation criteria, funding schedule, benefits monitoring program, and fiscal management and transparency process
December 15, 2016	Statutory deadline for approval of regulations. First day funds may be allocated.
Beginning in 2016/17	<p>Expert panel reviews project applications and makes recommendations</p> <p>Commission reviews and ranks applications, using information provided by expert panel. Funding recommendations made by Commission.</p> <p>Public hearings to receive comments on draft findings and funding recommendations. Final findings and recommendations provided to Legislature.</p> <p>Enter into contracts with selected project proponents. Funds committed and distributed.</p> <p>Public benefits monitoring activities</p>

## Contact Information

Additional information on the Water Storage Investment Program is available on the Commission website, or contact the Commission.

Website: [www.cwc.ca.gov](http://www.cwc.ca.gov)

Email: [cwc@water.ca.gov](mailto:cwc@water.ca.gov)

Phone: (916) 651-7501

Mailing Address:

California Water Commission

P.O. Box 942836

Sacramento, California 94236-0001

The Commission typically holds its public meetings on the third Wednesday of each month at the following location:

California Natural Resources Agency Headquarters

1416 Ninth Street, First Floor Auditorium

Sacramento, California 95814

Meetings held at this location are also webcast live and archived for later viewing.

To confirm the meeting dates and agendas, check the Commission website. To be added to the Commission's listserv for notification of meeting and other Commission information, please contact staff by email or phone.

**INFORMATION ONLY****February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Facilities &amp; Operations

---

**Subject: Rancho Las Virgenes Digester Gas Line Leak: Emergency Declaration (Pg. 48)**

---

On January 27, 2015, the LVMWD Board, acting as the Administering Agent of the Las Virgenes-Triunfo Joint Powers Authority, declared the digester gas line leak at the Rancho Las Virgenes Composting Facility an emergency requiring immediate action without delay.

**SUMMARY:**

On January 5, 2015, a leak was discovered on the digester gas pipeline at Rancho. This leak caused low pressure to the boiler, which could not operate below its required setpoint, resulting in a need to run the boiler on natural gas. With this mode of operation, the digester flare must be used. If the flare shuts down for any length of time, gas will be vented from the digesters to atmosphere, violating air quality regulations and creating an unsafe condition.

Considering the circumstances, staff recommended the leak be declared an emergency requiring immediate action without delay. To allow for repair of the leak, staff hired Toro General Engineering Contractors to install a temporary above ground gas line between the digesters and the energy recovery building. With the high line in place, further investigation of the cause of the leak can be preformed, repairs made and the normal operation of the boiler restored.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

Sufficient funds for this work are available in the adopted JPA Fiscal Year 2014-15 Budget. The cost to install the temporary above ground gas pipeline is estimated at \$35,000. Once the leak is located and exposed, an estimate can be prepared for the repair.

Prepared By: David Lippman, Director of Facilities and Operations

## INFORMATION ONLY

**February 2, 2015 JPA Board Meeting**

TO: JPA Board of Directors

FROM: General Manager

---

**Subject: Board Meeting Follow-up Items (Pg. 49)**

---

**SUMMARY:**

Attached is a list of follow-up items from previous JPA Board meetings. The list provides a brief description of the various items, origination dates, and responsible managers.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

Prepared By: David W. Pedersen, Administering Agent/General Manager

**ATTACHMENTS:**[Follow-up Items](#)

**BOARD MEETING FOLLOW-UP ITEMS**

<b><u>Item No.</u></b>	<b><u>Origination Date</u></b>	<b><u>JPA or LVMWD</u></b>	<b><u>Description</u></b>	<b><u>Responsible Manager</u></b>
1	01/05/2015	JPA	FUTURE AGENDA ITEM - Consideration of holding all future JPA Board meetings at LVMWD Headquarters.	Pedersen