

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

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

**Teleconference location: 31755 Bedfordhurst Ct., Westlake Village, CA 91361**

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.

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5:00 PM

November 30, 2015

PLEDGE OF ALLEGIANCE

**1 CALL TO ORDER AND ROLL CALL**

**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: Regular Meeting of November 2, 2015 (Pg. 4)**

Approve

**5 ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

**A Recycled Water Seasonal Storage Project Basis of Design Report: Status Update**

**B Annual Financial Statements and Independent Auditor's Report (Pg. 9)**

Receive and file the financial statements and independent audit for Fiscal Year 2014-15.

**6 ACTION ITEMS**

**A Rancho Agitator Conveyor Frame Replacement: Purchase Order (Pg. 42)**

Authorize the General Manager to issue a purchase order to BDP Industries, Inc., in the amount of \$41,500, for the purchase of a new conveyor frame for Agitator No. 1.

**B Financial Review: First Quarter of Fiscal Year 2015-16 (Pg. 50)**

Receive and file the financial report for the first quarter of Fiscal Year 2015-16.

**C 2016 JPA Board Meeting Calendar: Reschedule October Meeting (Pg. 61)**

Consider cancelling the regular JPA Board meeting on October 3, 2016, and rescheduling the meeting for an alternate date.

**7 BOARD COMMENTS**

**8 ADMINISTERING AGENDA/GENERAL MANAGER REPORT**

**9 FUTURE AGENDA ITEMS**

**10 INFORMATION ITEMS**

**A Annual Supply and Delivery Sodium Hypochlorite: Award (Pg. 64)**

**B Las Virgenes Scenic Corridor Completion Project: Grant of Easement to Southern California Edison (Pg. 68)**

**C Tapia Water Reclamation Facility NPDES Effluent Limit Exceedances: Settlement Offer No. R4-2015-0233 (Pg. 79)**

**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**

Pursuant to Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and applicable federal rules and regulations, requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the Executive Assistant/Clerk of the Board in advance of the meeting to ensure availability of the requested service or accommodation. Notices, agendas, and public documents related to the Board meetings can be made available in appropriate alternative format upon request.



**Las Virgenes – Triunfo Joint Powers Authority**  
4232 Las Virgenes Road, Calabasas, CA 91302  
818.251.2100



November 24, 2015

Call and Notice of Special Meeting of the Governing Board of the  
Las Virgenes – Triunfo Joint Powers Authority

Teleconference Location: 31755 Bedfordhurst Court, Westlake Village, CA 91361. The public will be allowed to attend the teleconference and make a presentation at this site. The USA Toll-Free teleconference phone number is (866) 528-2256, Access Code: 1915141#.

A Special Meeting of the Governing Board of the Joint Powers Authority is hereby called, and notice of said Special Meeting is hereby given for 5:00 p.m. on Monday, November 30, 2015 at Las Virgenes Municipal Water District, 4232 Las Virgenes Road, Calabasas, California 91302 to consider the following:

1. Call to Order and Roll Call
2. Special Meeting of November 30, 2015 (Agenda attached)
3. Public Comments
4. Adjournment

By Order of the Board of Directors  
JAMES WALL, Chair

A handwritten signature in blue ink that reads "David W. Pedersen".

David W. Pedersen, P.E.  
Administering Agent General Manager  
Joint Powers Authority

c: Each Director

**James Wall**  
Chair, Las Virgenes-Triunfo  
Joint Powers Authority  
Chair, Triunfo Sanitation District  
Board of Directors

**Glen Peterson**  
Vice Chair, Las Virgenes-Triunfo  
Joint Powers Authority  
President, Las Virgenes Municipal Water District  
Board of Directors

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

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5:00 PM

November 2, 2015

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Chair James Wall.

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

The meeting was called to order at **5:01 p.m.** by Chair James Wall in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road in Calabasas, California. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Director(s): Caspary, Iceland, Lewitt, McReynolds, Orkney, Paule, Peterson, Polan, Renger, and Wall

Absent: Director(s): None

**2. APPROVAL OF AGENDA**

Administering Agent/General Manager David Pedersen suggested moving the workshop under Item 5A to follow Item 9, and removing Closed Session Item 11A as there was no update to provide.

Director Paule moved to approve the agenda as amended. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Director(s): Caspary, Iceland, Lewitt, McReynolds, Orkney, Paule, Peterson, Renger, Wall

NOES: Director(s): Polan

ABSTAIN: None

**3. PUBLIC COMMENTS**

None.

**4. CONSENT CALENDAR**

**A Minutes: Regular JPA Meeting of October 5, 2015: Approve**

**B Board of Directors' Code of Conduct: Approve**

Director Caspary moved to approve the Consent Calendar as presented. Motion seconded by Director Iceland. Motion carried unanimously.

Director Peterson asked for clarification regarding the approval of the Board of Directors' Code of Conduct. Administering Agent/General Manager David Pedersen responded that the recommendation was to approve the Code of Conduct as shown on Pages 11 and 12; the Triunfo Sanitation District Code of Conduct was provided only for reference. Director Peterson had no further questions.

**6. ACTION ITEMS**

**A Tapia WRF Channel Mixing Improvements Project: Final Acceptance**

**Approve Change Order No. 4, in the amount of \$116,336, and an additional appropriation and budget adjustment, in the amount of \$100,860; and authorize execution of a Notice of Completion.**

Administering Agent/General Manager David Pedersen presented the report.

Director Renger moved to approve Item 6A as presented. Director Iceland seconded the motion.

A discussion ensued regarding the amount of additional concrete channel coating material needed to complete the project and informing the Board in advance whenever significant change orders are expected.

Motion carried unanimously.

**B December 2015 Joint Powers Authority Board Meeting**

**Consider cancelling the regular JPA Board meeting on December 7, 2015, and rescheduling the meeting for an alternate date.**

Administering Agent/General Manager David Pedersen presented the report.

Director Orkney moved to cancel the regular JPA Board meeting on December 7, 2015, and schedule a Special Board meeting on November 30, 2015. Director Caspary seconded the motion. Motion carried by the following vote:

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

7. **BOARD COMMENTS**

None.

8. **ADMINISTERING AGENT/GENERAL MANAGER REPORT**

None.

9. **FUTURE AGENDA ITEMS**

None.

10. **PUBLIC COMMENTS**

None.

The Board recessed to a break at 5:19 p.m. and reconvened at 5:42 p.m.

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

**A Recycled Water Seasonal Storage Project: Basis of Design Workshop No. 1**

Administering Agent/General Manager David Pedersen provided introductory remarks.

Dr. Steve Weber, James Borchardt, Sara Munger, and Oliver Slosser, representing Montgomery Watson Harza, presented a PowerPoint presentation and conducted the workshop.

The Board recessed to a break at 6:50 p.m. and reconvened at 7:02 p.m.

Dr. Steve Weber and James Borchardt led a Political, Economic, Social, Technical, Legal, and Environmental (PESTLE) exercise.

Following the PESTLE exercise, Administering Agent/General Manager David Pedersen noted that three additional workshops would be held in January, February, and March 2016.

11. **CLOSED SESSION** (Item 11A was removed from agenda)

**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

12. **ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **8:04 p.m.**

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James Wall, Chair

ATTEST:

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Glen Peterson, Vice Chair





November 30, 2015 LVMWD Regular Board Meeting

TO: JPA Board of Directors

FROM: Finance & Administration

**Subject : Annual Financial Statements and Independent Auditor's Report**

**SUMMARY:**

The firm of Pun & McGeady, LLP has completed the annual audit of the JPA financial statements and issued an unqualified opinion based on the audit results. A member of the audit team reviewed the results with the JPA's Audit Committee on November 24th and will be available for questions at the JPA Board meeting.

**RECOMMENDATION(S):**

Receive and file the financial statements and independent audit for Fiscal Year 2014-15.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

The JPA's net position decreased by 2.7%, to \$96.5 million, as of June 30, 2015. The primary driver of the reduced net position was a depreciation expense of \$6.3 million that exceeded capital contributions of \$3.7 million. Recycled water revenue in Fiscal Year 2014-15 dropped 26.2% to \$2.1 million, from \$2.9 million in Fiscal Year 2013-14, primarily due to conservation efforts associated with the continuing drought.

The following table provides highlights from the JPA's Financial Statements.

<b><u>Description</u></b>	<b><u>Amount (in \$ Thousands)</u></b>
Recycled Water Sales	\$2,135
Other Operating Revenue	226
Non-operating Revenue	<u>13</u>

<b>Total Revenue</b>	<b><u>2,374</u></b>
Depreciation Expense	6,319
Other Operating Expenses	15,189
Non-operating Expense	<u>167</u>
<b>Total Expenses</b>	<b><u>21,676</u></b>
Operating Loss Before Billings	(19,302)
Billings to Participants	12,929
Net Loss before Capital Contributions	(6,372)
Capital Contributions	3,657
<b>NET POSITION</b>	
Change in Net Position	(2,715)
Net Position - Beginning of Year	<u>99,197</u>
<b>Net Position - End of Year</b>	<b><u>\$96,482</u></b>

A representative from Pun & McGeady, LLP will be available at the JPA Board meeting to answer any questions.

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

[Annual JPA Financial Statements](#)

# **Las Virgenes-Triunfo Joint Powers Authority**

## **Independent Auditors' Reports and Financial Statements**

*For the Years Ended June 30, 2015 and 2014*



# Las Virgenes-Triunfo Joint Powers Authority

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
of the Las Virgenes-Triunfo Joint Powers Authority  
Calabasas, California

### **Report on the Financial Statements**

We have audited the accompanying Statements of Net Position, Revenues, Expenses and Changes in Net position, and Cash Flows of the Las Virgenes-Triunfo Joint Powers Authority (the "JPA"), as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the JPA's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the JPA as of June 30, 2015 and 2014, and the changes in its financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 to 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the JPA's basic financial statements. The Supplementary Schedule of Changes in Participants' Advance Accounts is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Changes in Participants' Advance Accounts is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Changes in Participants' Advance Accounts is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2015, on our consideration of the JPA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the JPA's internal control over financial reporting and compliance.

*Pun & Mc Geady LLP*

Santa Ana, California  
November 18, 2015

Kenneth H. Pun, CPA, CGMA  
CPA Number: 88316





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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**Independent Auditors' Report**

To the Board of Directors  
of the Las Virgenes-Triunfo Joint Powers Authority  
Calabasas, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Las Virgenes-Triunfo Joint Power Authority (the "JPA"), as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise JPA's basic financial statements, and have issued our report thereon dated November 18, 2015.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the JPA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the JPA's internal control. Accordingly, we do not express an opinion on the effectiveness of the JPA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the JPA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors  
of the Las Virgenes Municipal Water District  
Calabasas, California  
Page 2

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in blue ink that reads "Pun & Mc Geady LLP".Handwritten signature in blue ink that reads "K.H. Pun".

Santa Ana, California  
November 18, 2015

Kenneth H. Pun, CPA, CGMA  
CPA Number: 88316

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of the Joint Powers Authority (JPA) annual financial report presents our analysis of the JPA's financial performance during the Fiscal Years that ended on June 30, 2015 and 2014. Please read it in conjunction with the Financial Statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

- The JPA's net position decreased by 2.7% to \$96.5 million during FY 2015 and decreased by 0.2% to \$99.2 million during FY 2014.
- During FY 2015 the JPA's operating expenses increased to \$21.5 million, up by 0.3%. In FY 2014, the JPA's operating expenses decreased 1.1% to \$21.4 million.
- Billings to JPA participants in FY 2015 increased to \$12.9 million, 7.4% more than FY 2014 billings of \$12.0 million.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis are intended to serve as an introduction to Las Virgenes and Triunfo Joint Powers Authority (JPA) financial statements. The JPA's basic financial statements comprise two components: Financial Statements and Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **BASIC FINANCIAL STATEMENTS**

The Financial Statements of the JPA report information about the JPA using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Comparative Statement of Net Position (CSNP) includes all of the JPA's assets and liabilities and provides information about the nature and amount of investments in resources (assets) and the obligations to JPA creditors (liabilities). The CSNP also provides the basis for evaluating the capital structure of the JPA.

All of the current year's revenues and expenses are accounted for in the Comparative Statement of Revenues, Expenses and Changes in Net Position. These statements reflect the result of the JPA's operations over the past year.

The final required Financial Statement is the Comparative Statement of Cash Flows. The primary purpose of this statement is to provide information about the JPA's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations and investments. It also provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

## FINANCIAL ANALYSIS OF THE JOINT POWERS AUTHORITY

The analysis of the JPA begins on page 13 of the Financial Statements. One of the most important questions asked about the JPA's finances is "Is the JPA, as a whole, better off or worse off as a result of the year's activities?" The Comparative Statement of Net Position, the Comparative Statements of Revenues, Expenses and Changes in Net Position report information about the JPA's activities in a way that will help answer this question. These three statements report the net position of the JPA and changes in them. You can think of the JPA's net position—the difference between assets and liabilities—as one way to measure financial health or financial position. Over time, increases or decreases in the JPA's net position is one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation.

### NET POSITION

The analysis begins with a summary of the JPA's Statement of Net Position presented in Table 1.

**TABLE 1**  
**Condensed Statements of Net Position**  
(in thousands of dollars)

	<u>FY 2015</u>	<u>Dollar Change</u>	<u>FY 2014</u>	<u>Dollar Change</u>	<u>FY 2013</u>
Current Assets	\$ 6,832	(\$478)	\$ 7,310	\$(146)	\$7,456
Property, Plant & Equipment	<u>96,482</u>	<u>(\$2,715)</u>	<u>99,197</u>	<u>(187)</u>	<u>99,384</u>
<b>Total Assets</b>	<b><u>103,314</u></b>	<b><u>(3,193)</u></b>	<b><u>106,507</u></b>	<b><u>(333)</u></b>	<b><u>106,840</u></b>
Due to Participants	5,952	(582)	6,534	(114)	6,648
Other Liabilities	<u>880</u>	<u>104</u>	<u>776</u>	<u>(32)</u>	<u>808</u>
<b>Total Liabilities</b>	<b><u>6,832</u></b>	<b><u>(478)</u></b>	<b><u>7,310</u></b>	<b><u>(146)</u></b>	<b><u>7,456</u></b>
<b>Total Net Position:</b>					
Investment in Capital Assets, Net of Related Debt	<b><u>\$96,482</u></b>	<b><u>\$(2,715)</u></b>	<b><u>\$99,197</u></b>	<b><u>\$(187)</u></b>	<b><u>\$99,384</u></b>

As can be seen from the table above, net position of the JPA is equivalent to property, plant and equipment. Everything else is either a current asset or a liability. While between FY 2013 and FY 2014, net position was largely flat with only a \$0.2 million decrease, In FY 2015, net position was reduced by \$2.7 million. This decrease in Net Position (and property, plant and equipment) is due to depreciation expense exceeding participant capital contributions. Capital contributions were \$3.7 million, compared to \$6.3 million depreciation expense.

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses and Changes in Net Position provides answers as to the nature and source of these changes.

Table 2 shows revenue from recycled water sales decreased significantly in FY 2015, following a smaller reduction in FY 2014 due to a reduction in wholesale recycled water sales caused by the ongoing and increasingly significant drought. Operating expenses have generally been in line year-over-year.

**TABLE 2**  
**Condensed Statements of Revenues, Expenses**  
**and Changes in Net Position**  
(in thousands of dollars)

	<u>FY 2015</u>	<u>Dollar Change</u>	<u>FY 2014</u>	<u>Dollar Change</u>	<u>FY 2013</u>
Recycled Water Sales	\$2,135	\$(757)	\$2,892	\$(116)	\$3,008
Other Operating Revenue	226	13	213	(68)	281
Non-operating Revenues	<u>13</u>	<u>2</u>	<u>11</u>	<u>(3)</u>	14
<b>Total Revenues</b>	<b><u>2,374</u></b>	<b><u>(742)</u></b>	<b><u>3,116</u></b>	<b><u>(187)</u></b>	<b><u>3,303</u></b>
Depreciation Expense	6,319	39	6,280	(97)	6,377
Other Operating Expense	15,189	37	15,153	(154)	15,307
Non-operating Expense	<u>167</u>	<u>83</u>	<u>84</u>	<u>(231)</u>	315
<b>Total Expenses</b>	<b><u>21,676</u></b>	<b><u>159</u></b>	<b><u>21,517</u></b>	<b><u>(482)</u></b>	<b><u>21,999</u></b>
Operating Loss before Billings	(19,302)	(900)	(18,402)	294	(18,696)
Billings to Participants	<u>12,929</u>	<u>892</u>	<u>12,037</u>	<u>33</u>	12,004
Net Loss before Capital Contributions	(6,372)	(9)	(6,364)	328	(6,692)
Participant Capital Contributions	<u>3,657</u>	<u>(2,520)</u>	<u>6,177</u>	<u>2,245</u>	<u>3,932</u>
<b>NET POSITION:</b>					
Change in Net Position	(2,715)	2,529	(187)	2,573	(2,760)
Net Position – Beginning of Year	<u>99,197</u>	<u>(187)</u>	<u>99,384</u>	<u>(2,760)</u>	<u>102,144</u>
Net Position – End of Year	<b><u>\$96,482</u></b>	<b><u>\$(2,715)</u></b>	<b><u>\$99,197</u></b>	<b><u>\$(187)</u></b>	<b><u>\$99,384</u></b>

## CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of FY 2015, the JPA had net capital assets of \$96.5 million, compared to \$99.2 million in FY 2014, and \$99.4 million in FY 2013, as shown in Table 3.

**TABLE 3**  
**Capital Assets**  
(In thousands of dollars)

	<u>FY 2015</u>	<u>Dollar Change</u>	<u>FY 2014</u>	<u>Dollar Change</u>	<u>FY 2013</u>
Land & Land Rights	\$12,259	\$ 0	\$12,259	\$0	\$12,259
Sewer & Treatment Plant	117,535	337	117,198	2,022	115,176
Compost Plant	63,275	212	63,063	6	63,057
Recycled Water System	31,845	0	31,845	168	31,677
Construction in Progress	<u>10,250</u>	<u>2,930</u>	<u>7,320</u>	<u>3,791</u>	<u>3,529</u>
<b>Subtotal</b>	<b><u>235,164</u></b>	<b><u>3,479</u></b>	<b><u>231,685</u></b>	<b><u>5,987</u></b>	<b><u>225,698</u></b>
Less Accumulated Depreciation	<u>(138,682)</u>	<u>(6,194)</u>	<u>(132,488)</u>	<u>(6,174)</u>	<u>(126,314)</u>
<b>Total Capital Assets</b>	<b><u>\$96,482</u></b>	<b><u>\$(2,715)</u></b>	<b><u>\$99,197</u></b>	<b><u>\$(187)</u></b>	<b><u>\$99,384</u></b>

Table 4 shows a summary of some of the major improvements to the system during FY 2015 and Table 5 shows the major capital improvements to the system in FY 2014. FY 2015 saw a significant reduction in the outlay of capital projects compared to FY 2014.

**TABLE 4**  
**Major Capital Improvement Projects for FY 2015**  
(In thousands of dollars)

Reservoir #2 Improvements	<u>FY 2015</u> \$1,425
Construction of 3 <sup>rd</sup> Digester at Rancho	1,297
Tapia Primary Tank Rehabilitation	260
Centrate Tank Cathodic Protection System Replacement	<u>129</u>
<b>Total Major Projects</b>	<b>3,111</b>
Total Other Projects	<u>546</u>
<b>Total Projects</b>	<b><u>\$3,657</u></b>

**TABLE 5**  
**Major Capital Improvement Projects for FY 2014**  
(In thousands of dollars)

	<u><b>FY</b></u> <u><b>2014</b></u>
Third Digester Construction-Rancho Las Virgenes	\$5,185
Tapia Alternative Disinfection Project	259
Tapia Grit Cyclone Conveyor	125
Tapia Primary Tank Rehab	<u>116</u>
<b>Total Major Projects</b>	5,685
Total Other Projects	<u>492</u>
 <b>Total Projects</b>	 <b><u>\$6,177</u></b>

As shown in Table 6 the JPA's FY 2016 Capital Improvement Budget appropriates \$7.1 million for capital projects, compared with a budget of \$7.3 million in FY 2015. The projects are financed by the participating agencies. More information about the JPA's Capital Assets is presented on page 22 in the Notes to the Basic Financial Statements.

**TABLE 6**  
**Capital Budget**  
(In thousands of dollars)

	<u><b>FY 2016</b></u>	<u><b>FY 2015</b></u>
Recycled Water Projects	\$1,930	\$2,768
Sanitation Projects	<u>5,188</u>	<u>4,590</u>
<b>Total</b>	<u><b>7,118</b></u>	<u><b>7,358</b></u>

**BUDGETARY HIGHLIGHTS**

The Boards of Directors for both participating agencies adopt the JPA Operating and Capital Improvement Budget prior to the start of the fiscal year. The participant Boards may approve budget revisions during the year. A FY 2015 budget comparison and analysis is presented in Table 7.

Actual revenue was lower than what was anticipated in the adopted budget due to an increase in recycled water conservation. Overall reductions in operating expenses were offset by increases in non-operating expenses and General and Administrative cost.

**TABLE 7**  
**FY 2015 Actual vs FY 2015 Budget**  
(In thousands of dollars)

	<b>FY 2015 <u>Actual</u></b>	<b>FY 2015 <u>Budget</u></b>	<b>Dollar Change</b>	<b>Total Percent Change</b>
<b>Revenues:</b>				
Recycled Water Sales	\$2,135	\$2,304	(\$169)	(7.3%)
Other Operating Revenue	226	188	38	20.2%
Non-operating Revenue	<u>13</u>	<u>20</u>	<u>(7)</u>	<u>(35.0)%</u>
<b>Total Revenues</b>	<b><u>2,374</u></b>	<b><u>2,512</u></b>	<b><u>(138)</u></b>	<b><u>(5.5)%</u></b>
<b>Operating Expenses:</b>				
Treatment Plant	4,428	4,763	(335)	(7.0)%
Recycled Water Transmission And Distribution	1,469	1,206	263	21.8%
Compost Plant	2,492	2,541	(49)	(1.9)%
Sewer	113	112	1	0.4%
General and Administrative	6,453	6,384	69	1.1%
Depreciation	6,319	6,280	39	0.6%
Other Operating Expenses	235	273	(38)	(13.9)%
Non-operating Expenses	<u>167</u>	<u>0</u>	<u>167</u>	100%
<b>Total Expenses</b>	<b><u>21,676</u></b>	<b><u>21,559</u></b>	<b><u>117</u></b>	<b><u>0.5%</u></b>
<b>Net Operating Expenses</b>	<b><u>\$(19,302)</u></b>	<b><u>\$(19,047)</u></b>	<b><u>(\$255)</u></b>	<b><u>1.3%</u></b>

In FY 2014, shown in Table 8, on the next page, actual revenue was higher than what was anticipated in the adopted budget due to an increase in recycled water sales. Overall operating expenses were slightly over budget, and net operating expenses were lower than the budgeted amount by approximately \$0.2 million.



**TABLE 8**  
**FY 2014 Actual vs FY 2014 Budget**  
(In thousands of dollars)

	<b>FY 2014 <u>Actual</u></b>	<b>FY 2014 <u>Budget</u></b>	<b>Dollar <u>Change</u></b>	<b>Total Percent <u>Change</u></b>
<b>Revenues:</b>				
Recycled Water Sales	\$2,892	\$2,624	\$268	10.2%
Other Operating Revenue	213	205	8	3.9%
Non-operating Revenue	<u>11</u>	<u>20</u>	<u>(9)</u>	(45.0)%
<b>Total Revenues</b>	<b><u>3,116</u></b>	<b><u>2,849</u></b>	<b><u>267</u></b>	<b>9.4%</b>
<b>Operating Expenses:</b>				
Treatment Plant	4,403	4,724	(321)	(6.8)%
Recycled Water Transmission And Distribution	1,520	1,266	254	20.1%
Compost Plant	2,479	2,512	(33)	(1.3)%
Sewer	112	137	(25)	(18.2)%
General and Administrative	6,391	6,246	145	2.3%
Depreciation	6,280	6,377	(97)	(1.5)%
Other Operating Expenses	248	214	34	15.9%
Non-operating Expenses	<u>84</u>	<u>0</u>	<u>84</u>	-
<b>Total Expenses</b>	<b><u>21,517</u></b>	<b><u>21,476</u></b>	<b><u>41</u></b>	<b>0.2%</b>
<b>Net Operating Expenses</b>	<b><u>\$(18,401)</u></b>	<b><u>\$(18,627)</u></b>	<b><u>\$226</u></b>	<b><u>(1.2)%</u></b>

## LONG TERM DEBT

The JPA has no long-term debt nor is there any intention of issuing future debt. All funding is provided by the participating agencies.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The adopted budget for FY 2016 was developed considering the change to the wholesale recycled water rate, the changing costs of energy, costs of chemicals, and staff costs. Table 9 compares the FY 2016 budget to FY 2015 and FY 2014 Actuals.

**TABLE 9**  
**FY 2016 Budget Compared to**  
**FY 2015 & FY 2014 Actual**  
(In thousands of dollars)

	<u>FY 2016</u> <u>Budget</u>	<u>FY 2015</u> <u>Actual</u>	<u>FY 2014</u> <u>Actual</u>
Recycled Water Sales	\$2,466	\$2,135	\$2,892
Other Operating Revenue	80	226	213
Non-Operating Revenues	<u>20</u>	<u>13</u>	<u>11</u>
<b>Total Revenues</b>	<b><u>2,566</u></b>	<b><u>2,374</u></b>	<b><u>3,116</u></b>
Depreciation Expense	6,319	6,319	6,280
Other Operating Expense	15,599	15,357	15,153
Non-Operating Expense	<u>0</u>	<u>0</u>	<u>84</u>
<b>Total Expense</b>	<b><u>21,918</u></b>	<b><u>21,676</u></b>	<b><u>21,517</u></b>
Net Expense	(19,352)	(19,302)	(18,401)
Billings to Participants	<u>13,033</u>	<u>12,929</u>	<u>12,037</u>
Excess of Net Operating Expenses Over Billings to Participants	(6,319)	(6,372)	(6,364)
Participant Capital Contributions	<u>7,118</u>	<u>3,657</u>	<u>6,177</u>
Change in Net Assets	799	(2,715)	(187)
Beginning Net Assets	<u>96,482</u>	<u>99,197</u>	<u>99,384</u>
<b>Ending Net Assets</b>	<b><u>\$97,281</u></b>	<b><u>\$96,482</u></b>	<b><u>\$99,197</u></b>

Operating revenue is expected to increase due to an increase in recycled water rates and Demand is expected to remain soft due to the ongoing drought. The budget anticipates a return to more historical levels of capital contributions.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGER

This financial report is designed to provide our citizens, customers and creditors with a general overview of the JPA's finances and to demonstrate the JPA's accountability for the money it receives. The responsibility for the JPA's accounting and financial reporting rests with the staff of the Las Virgenes Municipal Water District. If you have questions about this report or need additional financial information, contact the Las Virgenes Municipal Water District, Department of Finance and Administration, 4232 Las Virgenes Road, Calabasas, California, 91302.

**Las Virgenes-Triunfo Joint Powers Authority**  
**Statements of Net Position**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 4,759,547	\$ 6,164,190
Investments	1,001,457	-
Accounts receivable	850,601	913,844
Interest receivable	3,937	3,894
Inventories	177,855	188,321
Prepaid items	39,131	40,173
<b>Total current assets</b>	<b>6,832,528</b>	<b>7,310,422</b>
<b>Noncurrent assets:</b>		
Capital assets, not being depreciated	22,509,038	19,579,202
Capital assets, being depreciated, net	73,972,613	79,617,592
Total capital assets	96,481,651	99,196,794
<b>Total noncurrent assets</b>	<b>96,481,651</b>	<b>99,196,794</b>
<b>Total assets</b>	<b>103,314,179</b>	<b>106,507,216</b>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts and contracts payable and accrued liabilities	880,409	776,437
Due to participants	5,952,119	6,533,985
<b>Total current liabilities</b>	<b>6,832,528</b>	<b>7,310,422</b>
<b>Total liabilities</b>	<b>6,832,528</b>	<b>7,310,422</b>
<b>NET POSITION</b>		
<b>Net Investments in Capital Assets by Participants:</b>		
Las Virgenes Municipal Water District	64,185,698	66,060,267
Triunfo Sanitation District	32,295,953	33,136,527
<b>Net Investments in Capital Assets by Participants</b>	<b>96,481,651</b>	<b>99,196,794</b>
<b>Total net position</b>	<b>\$ 96,481,651</b>	<b>\$ 99,196,794</b>

**Las Virgenes-Triunfo Joint Powers Authority**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES:</b>		
Recycled water sales	\$ 2,134,678	\$ 2,891,658
Other income	226,336	212,888
<b>Total operating revenues</b>	<u>2,361,014</u>	<u>3,104,546</u>
<b>OPERATING EXPENSES:</b>		
Treatment plant	4,428,106	4,402,610
Recycled water transmission and distribution	1,469,223	1,520,483
Compost plant	2,492,119	2,478,561
Sewer	112,719	112,231
Depreciation	6,318,589	6,280,274
General and administrative	6,452,880	6,391,286
Other operating expenses	234,508	247,853
<b>Total operating expenses</b>	<u>21,508,144</u>	<u>21,433,298</u>
<b>OPERATING (LOSS) BEFORE BILLINGS TO PARTICIPANTS</b>	(19,147,130)	(18,328,752)
Billings to participants	<u>12,929,586</u>	<u>12,037,292</u>
<b>OPERATING (LOSS)</b>	(6,217,544)	(6,291,460)
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Interest income	13,136	11,186
Other expenses	(114,180)	-
Loss on disposal of capital assets	(53,353)	(83,961)
<b>Total nonoperating revenues (expenses)</b>	<u>(154,397)</u>	<u>(72,775)</u>
<b>NET (LOSS) BEFORE PARTICIPANTS' CAPITAL CONTRIBUTIONS</b>	(6,371,941)	(6,364,235)
Participants' capital contributions	<u>3,656,798</u>	<u>6,176,993</u>
<b>CHANGES IN NET POSITION</b>	(2,715,143)	(187,242)
<b>NET POSITION:</b>		
Beginning of year	<u>99,196,794</u>	<u>99,384,036</u>
End of year	<u>\$ 96,481,651</u>	<u>\$ 99,196,794</u>

**Las Virgenes-Triunfo Joint Powers Authority**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from participants	\$ 15,127,507	\$ 15,072,347
Cash paid to suppliers for operations	(14,961,919)	(15,185,103)
<b>Net cash provided by (used in) operating activities</b>	<u>165,588</u>	<u>(112,756)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition of capital assets	(3,656,799)	(6,176,993)
Capital contributions	3,656,799	6,176,993
Net amount paid to participants	(581,866)	(114,350)
<b>Net cash used in capital and related financing activities</b>	<u>(581,866)</u>	<u>(114,350)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	14,091	11,595
Purchase of investments	(1,002,456)	-
<b>Net cash provided by (used in) investing activities</b>	<u>(988,365)</u>	<u>11,595</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(1,404,643)</u>	<u>(215,511)</u>
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of year	6,164,190	6,379,701
End of year	<u>\$ 4,759,547</u>	<u>\$ 6,164,190</u>
<b>RECONCILIATION OF OPERATING LOSSES TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Operating loss	\$ (6,217,544)	\$ (6,291,460)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	6,318,589	6,280,274
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	63,243	(69,491)
(Increase) decrease in inventories	10,466	(1,782)
(Increase) decrease in prepaid items	1,042	744
Increase (decrease) in accounts and contracts payable and accrued liabilities	103,972	(31,041)
Increase (decrease) in deposits and other	(114,180)	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 165,588</u>	<u>\$ (112,756)</u>

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**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements**  
**For the Years Ended June 30, 2015 and 2014**

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**Note 1 – Reporting Entity**

On October 12, 1964, Las Virgenes Municipal Water District (“LVMWD”) and Triunfo Sanitation District (“TSD”) established Las-Virgenes-Triunfo Joint Powers Authority (“JPA”) to construct, operate, maintain and provide for the replacement of a joint sewerage system to serve the Malibu Creek drainage area. The equity of each member is equal to the member’s pro-rata share of capital assets, net of depreciation. LVMWD has been the designated administering agent.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

Financial statement presentation follows the recommendations promulgated by the Governmental Accounting Standards Board (“GASB”) commonly referred to as accounting principles generally accepted in the United States of America (“U.S. GAAP”). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

***Measurement Focus, Basis of Accounting and Financial Statements Presentation***

The Financial Statements (i.e., the statement of net position, the statement of revenues, expenses and changes in net position, and statement of cash flows) report information on all of the activities of the JPA.

The Financial Statements are reported using the “*economic resources*” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period.

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

**Deferred Outflows of Resources** represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

**Deferred Inflows of Resources** represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenue until that time.

Operating revenues are those revenues that are generated from the primary operations of the JPA. The JPA reports a measure of operations by presenting the change in net position from operations as "operating income" in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the JPA as all activities other than financing and investing activities (interest expense and investment income), and other infrequently occurring transaction of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the JPA. All other expenses are reported as non-operating expenses.

**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Cash and Cash Equivalents***

Cash and cash equivalents include all highly liquid investments with original maturities of 90 days or less and are carried at cost, which approximates fair value.

The JPA participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in structured notes and asset-backed securities. The JPA also invests in CalTrust Short Term Fund. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and assets-backed securities are subject to market risk and to change in interest rates. The reported value of the pool is the same as the fair value of the pool shares.

Certain disclosure requirements, if applicable for deposit and investment risk, are specified for the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentration of Credit Risk
- Foreign Currency Risk

***Accounts Receivable***

Customer accounts receivable consist of amounts owed by private individuals and organizations for services rendered in the regular course of business operations. Receivables are shown net of allowances for doubtful accounts, if any. The JPA also accrues an estimated amount for services that have been provided, but not yet billed. Management has evaluated the accounts and believes they are all collectible.

***Inventories***

Inventories consist of expendable supplies and are valued at average cost method.

***Prepaid items***

Payments made to vendors for services that will benefit periods beyond the fiscal year ended are recorded as prepaid items.

***Capital Assets***

Capital assets are valued at historical cost, or estimated historical cost, if actual historical cost was not available. Donated capital assets are valued at their estimated fair market value on the date donated. The JPA policy has set the capitalization threshold for reporting capital assets at \$5,000, all of which must have an estimated useful life in excess of one year. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets, which range from 3 to 100 years.

Plant	10 - 100 Years
Machinery and equipment	3 - 25 Years

Capital assets are shared in accordance with each participant's capacity rights reserved in each component of the joint system. The allocation of costs for projects in process is based upon engineering estimates of the capacity rights and could increase or decrease when the final capacity rights are determined.



**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

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**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Net Position***

Net position represents the difference between all other elements in the statement of net position and should be displayed in the following three components:

**Net Investment in Capital Assets** – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted** – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

**Unrestricted** – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

***Use of Restricted/Unrestricted Net Position***

When both restricted and unrestricted resources are available for use, it is the JPA's policy to use restricted resources first, then unrestricted resources as they are needed.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

**Note 3 – Cash and Investments**

At June 30, 2015 and 2014, cash and investments are reported in the accompanying statements of net position as follows:

	<b>2015</b>	<b>2014</b>
Cash and cash equivalent	\$ 4,759,547	\$ 6,164,190
Investments	1,001,457	-
	\$ 5,761,004	\$ 6,164,190

At June 30, 2015 and 2014, cash and investments consisted of the followings:

	<b>2015</b>	<b>2014</b>
<b>Deposits:</b>		
Pooled with Las Virgenes Municipal Water District	\$ 383,900	\$ 462,115
<b>Investments:</b>		
California Local Agency Investment Fund	4,375,647	5,702,075
CalTrust	1,001,457	-
<b>Total cash and investments</b>	\$ 5,761,004	\$ 6,164,190

***Demand Deposits***

At June 30, 2015 and 2014, the carrying amounts of cash deposits were \$383,900 and \$462,115, respectively, which were fully insured and/or collateralized with securities held by the pledging financial institutions in the LVMWD's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the LVMWD's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the LVMWD's name.

The fair value of pledged securities must equal at least 110% of the LVMWD's cash deposits. California law also allows institutions to secure the LVMWD's deposits by pledging first trust deed mortgage notes having a value of 150% of the LVMWD's total cash deposits. LVMWD may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. LVMWD, however, has not waived the collateralization requirements.

***Local Agency Investment Fund***

The JPA's investments with Local Agency Investment Fund (LAIF) include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

- **Structured Notes** - debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.
- **Asset-Backed Securities** - the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

As of June 30, 2015, the JPA had \$4,375,647 invested in LAIF, which had invested 2.08% of the pool investment funds in Structured Notes and Asset-Backed Securities compared to \$5,702,075 and 1.86% at June 30, 2014.

**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

**Note 3 – Cash and Investments (Continued)**

***Investments Authorized by the California Government Code and the JPA’s Investment Policy***

The JPA follows LVMWD’s investment policy. The table below identifies the investment types that are authorized for the JPA by the California Government Code (or the LVMWD’s investment policy, where more restrictive). The table also identified certain provisions of the California Code (or the LVMWD’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Bills, Bonds and Notes	5 Years	None	None
U.S. Government Sponsored Agency Securities	5 Years	None	None
Time Deposits	1 Year	25%	None
Repurchase Agreements	30 days	10%	None
California Local Agency Investment Fund (LAIF)	None	None	\$50,000,000
Local Government Investment Pools	None	None	None
Bond issued by Local Agencies or States	5 Years	None	None

***Disclosures Relating to Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the JPA manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

The JPA’s investments of \$5,377,104 and \$5,702,075 at June 30, 2015 and 2014, respectively made up of investments in LAIF and CalTrust. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. The JPA started investing in CalTrust in the year end June 30, 2015. Investment in CalTrust has average maturity of 1.34 years as of June 30, 2015.

***Disclosures Relating to Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in LAIF in the amounts of \$4,375,647 and \$5,702,075 at June 30, 2015 and 2014, respectively, are unrated. Investment in CalTrust in the amounts of \$1,001,457 and \$0 at June 30, 2015 and 2014, respectively, are also unrated.

***Disclosures Relating to Custodial Credit Risk***

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and LVMWD’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government’s indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

**Note 4 – Capital Assets**

Summary of changes in capital assets for the year ended June 30, 2015 is as follows:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets, not being depreciated:				
Land and land rights	\$ 12,258,791	\$ -	\$ -	\$ 12,258,791
Construction in progress	7,320,411	3,656,798	(726,960)	10,250,249
Total capital assets, not being depreciated	<u>19,579,202</u>	<u>3,656,798</u>	<u>(726,960)</u>	<u>22,509,040</u>
Capital assets, being depreciated:				
Sewer and treatment plant	117,197,572	459,387	(122,393)	117,534,566
Compost plant and farm	63,062,993	267,573	(55,390)	63,275,176
Recycled water system	31,845,276	-	-	31,845,276
Total capital assets, being depreciated	<u>212,105,841</u>	<u>726,960</u>	<u>(177,783)</u>	<u>212,655,018</u>
Less: accumulated depreciation				
Sewer and treatment plant	(72,630,780)	(3,350,102)	80,119	(75,900,763)
Compost plant and farm	(42,461,046)	(2,089,300)	44,312	(44,506,034)
Recycled water system	(17,396,423)	(879,187)	-	(18,275,610)
Total accumulated depreciation	<u>(132,488,249)</u>	<u>(6,318,589)</u>	<u>124,431</u>	<u>(138,682,407)</u>
Total capital assets, being depreciated, net	<u>79,617,592</u>	<u>(5,591,629)</u>	<u>(53,352)</u>	<u>73,972,611</u>
Total capital assets, net	<u>\$ 99,196,794</u>	<u>\$ (1,934,831)</u>	<u>\$ (780,312)</u>	<u>\$ 96,481,651</u>

Summary of changes in capital assets for the year ended June 30, 2014 is as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Capital assets, not being depreciated:				
Land and land rights	\$ 12,258,791	\$ -	\$ -	\$ 12,258,791
Construction in progress	3,529,251	6,176,993	(2,385,833)	7,320,411
Total capital assets, not being depreciated	<u>15,788,042</u>	<u>6,176,993</u>	<u>(2,385,833)</u>	<u>19,579,202</u>
Capital assets, being depreciated:				
Sewer and treatment plant	115,176,568	2,199,634	(178,630)	117,197,572
Compost plant and farm	63,056,581	17,467	(11,055)	63,062,993
Recycled water system	31,676,544	168,732	-	31,845,276
Total capital assets, being depreciated	<u>209,909,693</u>	<u>2,385,833</u>	<u>(189,685)</u>	<u>212,105,841</u>
Less: accumulated depreciation				
Sewer and treatment plant	(69,405,896)	(3,324,923)	100,039	(72,630,780)
Compost plant and farm	(40,373,702)	(2,093,029)	5,685	(42,461,046)
Recycled water system	(16,534,101)	(862,322)	-	(17,396,423)
Total accumulated depreciation	<u>(126,313,699)</u>	<u>(6,280,274)</u>	<u>105,724</u>	<u>(132,488,249)</u>
Total capital assets, being depreciated, net	<u>83,595,994</u>	<u>(3,894,441)</u>	<u>(83,961)</u>	<u>79,617,592</u>
Total capital assets, net	<u>\$ 99,384,036</u>	<u>\$ 2,282,552</u>	<u>\$ (2,469,794)</u>	<u>\$ 99,196,794</u>

**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

**Note 5 – Due to Participants**

During the year ended June 30, 2015 and 2014, additional advances received from the participants were in the amount of \$16,629,994 and \$18,095,923, respectively. The advances received from the participants are used to pay for the operating, capital, and administrative cost of the JPA. At June 30, 2015 and 2014, due to participants were in the amount of \$5,952,119 and \$6,533,985, respectively.

**Note 6 – Participant Contributions**

Cost of the JPA is shared by the participants based on the following methodology. Variable operation and maintenance cost are prorated between the participants based on the average sewage flow contributed to the joint system. Fixed operating and maintenance cost are prorated between the participants based on the participants' respective capacity rights in the facility. Capital costs are prorated between the participants based on the participants' respective capacity rights in the facility. Annual audit costs are shared equally. General and administrative costs are based on the actual cost of labor. Lastly, land acquisition costs are shared based on the capacity rights in the project for which the land is acquired. As of January 1, 2005, the joint system, except for the sewer collection system, is allocated by 70.6% to LVMWD and 29.4% to TSD.

The following is the summary of the contributions made by the participants for the years ended June 30, 2015 and 2014:

		2015			
		Operating Contribution	Percentage	Capital Contribution	Percentage
	LVMWD	\$ 8,624,539	66.7%	\$ 2,581,699	70.6%
	TSD	4,305,046	33.3%	1,075,099	29.4%
	Total	\$ 12,929,586	100.0%	\$ 3,656,798	100.0%
		2014			
		Operating Contribution	Percentage	Capital Contribution	Percentage
	LVMWD	\$ 8,254,018	68.6%	\$ 4,360,957	70.6%
	TSD	3,783,274	31.4%	1,816,036	29.4%
	Total	\$ 12,037,292	100.0%	\$ 6,176,993	100.0%

**Note 7 – Risk Management**

The JPA is covered under the LVMWD's insurance policies. The LVMWD retained Tolman & Wiker Insurance Service, LLC for general liability, property, auto and physical damage. The coverage for the general liability provided for \$11 million per occurrence and \$61 million for the aggregate, with a \$50,000 self insured retention limit per occurrence. The coverage for the property provided for \$61 million per occurrence with a self insured retention limit of \$50,000 per occurrence.

During the past three fiscal years, none of the above programs of protection have had settlement or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability cover from coverage in the prior year.

**Las Virgenes-Triunfo Joint Powers Authority**  
**Notes to Basic Financial Statements (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

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**Note 8 – Commitment and Contingencies**

*Lawsuits*

The JPA is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the JPA's legal counsel and the JPA's management that resolution of these matters will not have a material adverse effect on the financial condition of the JPA.

*Commitments*

The JPA had outstanding contract commitments of \$2,216,418 and \$1,340,205 for the years ended June 30, 2015 and 2014, respectively.

As of June 30, 2015, in the opinion of the JPA's management, there were no additional outstanding matters that would have a significant effect on the financial position of the JPA.

**SUPPLEMENTARY INFORMATION**

**Las Virgenes-Triunfo Joint Powers Authority**  
**Schedule of Changes in Participants' Advance Accounts**  
**For the Years Ended June 30, 2015 and 2014**

	Construction Funds		Operating Funds	
	Tapia Plant and Truck Sewers		Operations and Maintenance	
	Las Virgenes Municipal Water District	Triunfo Sanitation District	Las Virgenes Municipal Water District	Triunfo Sanitation District
Due to (from) Participants - Beginning of year	\$ 527,350	\$ 19,083	\$ 2,319,846	\$ 1,061,709
Advance from participants	-	250,272	8,627,996	4,933,820
Interfund activities with participants	-	-	-	-
Constructions costs allocated	(190,136)	(79,179)	-	-
Change in fair market value of LAIF	1,317	328	-	-
Change in fair market value of LAIF - Prior year	(1,422)	(281)	-	-
Billings to participants for operating expenses	-	-	(8,627,996)	(4,307,278)
Billings to participants from replacement fund interest income	-	-	-	-
Interest income from (to) participants	899	224	-	-
Recycled water billings to Triunfo Sanitation District	-	-	-	(626,542)
Due to (from) Participants - End of year	<u>\$ 338,008</u>	<u>\$ 190,447</u>	<u>\$ 2,319,846</u>	<u>\$ 1,061,709</u>

(Continued)



**Las Virgenes-Triunfo Joint Powers Authority**  
**Schedule of Changes in Participants' Advance Accounts (Continued)**  
**For the Years Ended June 30, 2015 and 2014**

	Operating Funds			
	Replacement of			
	Las Virgenes Municipal Water District	Triunfo Sanitation District	2015	2014
Due to (from) Participants - Beginning of year	\$ 1,800,778	\$ 805,219	\$ 6,533,985	\$ 6,648,335
Advance from participants	1,579,874	1,238,032	16,629,994	18,095,923
Interfund activities with participants	-	-	-	839,098
Constructions costs allocated	(2,391,563)	(995,920)	(3,656,798)	(6,176,993)
Change in fair market value of LAIF	-	-	1,645	-
Change in fair market value of LAIF - Prior year	-	-	(1,703)	-
Billings to participants for operating expenses	-	-	(12,935,275)	(12,042,024)
Billings to participants from replacement fund interest income	3,457	2,232	5,689	4,732
Interest income from (to) participants	-	-	1,123	4,012
Recycled water billings to Triunfo Sanitation District	-	-	(626,542)	(839,098)
Due to (from) Participants - End of year	<u>\$ 992,546</u>	<u>\$ 1,049,563</u>	<u>\$ 5,952,119</u>	<u>\$ 6,533,985</u>



November 30, 2015 LVMWD Regular Board Meeting

TO: JPA Board of Directors

FROM: Facilities & Operations

**Subject : Rancho Agitator Conveyor Frame Replacement: Purchase Order**

**SUMMARY:**

The compost agitators at the Rancho Las Virgenes Composting Facility are essential in mixing and moving compost within the bays of the reactor building. In October 2015, staff discovered several problems with the conveyor frame for Agitator No. 1. The conveyor frame is the base for the agitator's flights and chains and is rusting and deteriorating. The frame has several sections with corrosion damage and extensive wear due to normal operation. Staff recommends replacement of the conveyor frame. The replacement from the original equipment manufacturer will extend the useful life of the agitator.

**RECOMMENDATION(S):**

Authorize the General Manager to issue a purchase order to BDP Industries, Inc., in the amount of \$41,500, for the purchase of a new conveyor frame for Agitator No. 1.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

Sufficient funds are available in the adopted Fiscal Year 2015-16 JPA Budget (CIP Job No. 10601) for the purchase.

**DISCUSSION:**

The reliability of the agitator is crucial to plant operation. Agitator No. 1 has significant corrosion and wear on the conveyor frame section. It is no longer possible to attach various parts to the frame. The plant has experienced increased mechanical breakdowns due to the condition of the agitator, and the frame has exceeded its useful life. Staff researched fabrication of a new frame, but initial estimates exceeded the cost of a factory replacement. This purchase will extend the useful life of the agitator and increase plant reliability.

Attached for reference are photographs showing the condition of the deteriorated agitator conveyor frame.

**GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

Prepared by: Darrell Johnson, Facilities Supervisor

**ATTACHMENTS:**

[Photos of Deteriorated Agitator Conveyor Frame](#)

















November 30, 2015 LVMWD Regular Board Meeting

TO: JPA Board of Directors  
FROM: Finance & Administration

**Subject : Financial Review: First Quarter of Fiscal Year 2015-16**

**SUMMARY:**

The first quarter financial review presents data as of September 30, 2015. It is important to note that due to timing of various projects and payments, the first quarter report should be used to identify areas where attention needs to be focused to determine if there is an emerging trend that may affect the JPA's position at year-end.

**RECOMMENDATION(S):**

Receive and file the financial report for the first quarter of Fiscal Year 2015-16.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

The JPA's first quarter net uses of funds in Fiscal Year 2015-16 totaled \$3.6 million, compared to \$4.2 million for the same period in Fiscal Year 2014-15. Significant reductions were seen in operating revenues, which were down 22% to \$718,253. Additionally, capital expenditures were down 38% to \$756,619, primarily due to timing of projects.

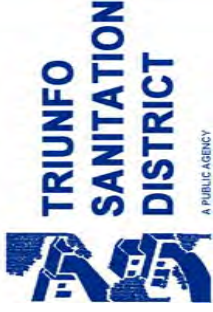
**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

[Financial Report](#)



# Joint Powers Authority Fourth Quarter Financial Review

	FY 14-15 Actual YTD	FY 15-16 Budget YTD	FY 15-16 Actual YTD
<b>Net Uses of Fund</b>	<b>\$4,229,225</b>	<b>\$5,245,810</b>	<b>\$3,635,226</b>
<b>LV Share</b>	<b>\$2,919,017</b>	<b>\$3,632,204</b>	<b>\$2,503,852</b>
<b>TSD Share</b>	<b>\$1,310,208</b>	<b>\$1,613,606</b>	<b>\$1,131,374</b>

# Joint Powers Authority Operations

Quarterly Update - Comparison to Budget & Prior Year at September 30, 2015				
	FY 14-15 Actual YTD	FY 15-16 Budget YTD	FY 15-16 Actual YTD	
Total Operating Revenues	\$ 925,613	\$ 928,389	\$ 718,253	
RW Pump Station	449,677	514,460	421,980	
RW Tanks & Reservoirs	17,739	24,529	25,035	
RW System Operations	11,674	8,211	13,856	
RW Distribution	42,663	26,916	13,334	
Sewer	76,833	61,518	28,386	
Waste Water Treatment	2,006,204	1,932,633	1,877,185	
Composting	1,024,764	1,272,699	926,736	
Farm Operation	54,186	98,961	61,126	
Adminstration	246,591	260,265	242,389	
Total Operating Expenses	3,930,331	4,200,192	3,610,027	
Net Operating (Expenses)	\$ (3,004,718)	\$ (3,271,803)	\$ (2,891,774)	

## Comparison to Prior Year and Budget

	Prior Year (FY 14-15)	Actual (FY 15-16)	Budget (FY 15-16)
<b>Operating Revenues</b>	<b>\$925,613</b>	<b>\$718,253</b>	<b>\$928,389</b>
<b>Operating Expenses</b>	<b>\$3,930,331</b>	<b>\$3,610,027</b>	<b>\$4,200,192</b>
<b>Capital Project Expenses</b>	<b>\$1,227,672</b>	<b>\$756,619</b>	<b>\$1,977,007</b>

**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year at June 30, 2015**  
**FY14-15 Year to Date - Preliminary**

	<u>FY 14-15 Actual YTD</u>	<u>FY 15-16 Budget YTD</u>	<u>FY 15-16 Actual YTD</u>
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 925,613	\$ 928,389	\$ 718,253
Other Revenues	3,165	3,000	13,167
Total Revenues	<u>928,778</u>	<u>931,389</u>	<u>731,420</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 3,930,331	\$ 4,200,192	\$ 3,610,027
Capital Project Expenses	1,227,672	1,977,007	756,619
Total Expenses	<u>5,158,003</u>	<u>6,177,199</u>	<u>4,366,646</u>
<b>Net (Uses) of Funds</b>	<u>\$ (4,229,225)</u>	<u>\$ (5,245,810)</u>	<u>\$ (3,635,226)</u>
<b>Las Virgenes Share</b>	<u>(2,919,017)</u>	<u>(3,632,204)</u>	<u>(2,503,852)</u>
<b>Triunfo Share</b>	<u>(1,310,208)</u>	<u>(1,613,606)</u>	<u>(1,131,374)</u>

**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year as of September 30, 2015**  
**FY 15-16 To Date**

	<b>FY 14-15 Actual YTD</b>	<b>FY 15-16 Budget YTD</b>	<b>FY 15-16 Actual YTD</b>
<b><u>Las Virgenes Share:</u></b>			
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 653,483	\$ 655,443	\$ 507,087
Other Revenues	2,234	2,118	10,428
Total Revenues	<u>655,717</u>	<u>657,561</u>	<u>517,515</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 2,707,998	\$ 2,893,998	\$ 2,487,309
Capital Project Expenses	866,736	1,395,767	534,058
Total Expenses	<u>3,574,734</u>	<u>4,289,765</u>	<u>3,021,367</u>
<b>Net (Uses) of Funds - LV</b>	<u><u>\$ (2,919,017)</u></u>	<u><u>\$ (3,632,204)</u></u>	<u><u>\$ (2,503,852)</u></u>
<b><u>Triunfo Share:</u></b>			
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 272,130	\$ 272,946	\$ 211,166
Other Revenues	931	882	2,739
Total Revenues	<u>273,061</u>	<u>273,828</u>	<u>213,905</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 1,222,333	\$ 1,306,194	\$ 1,122,718
Capital Project Expenses	360,936	581,240	222,561
Total Expenses	<u>1,583,269</u>	<u>1,887,434</u>	<u>1,345,279</u>
<b>Net (Uses) of Funds - TSD</b>	<u><u>\$ (1,310,208)</u></u>	<u><u>\$ (1,613,606)</u></u>	<u><u>\$ (1,131,374)</u></u>
<b>Total JPA Net (Uses) of Funds</b>	<u><u>\$ (4,229,225)</u></u>	<u><u>\$ (5,245,810)</u></u>	<u><u>\$ (3,635,226)</u></u>

## Joint Powers Authority Operations

Quarterly Update - Comparison to Budget & Prior Year at September 30, 2015

FY15-16 Year to Date

	<u>FY 14-15 Actual YTD</u>	<u>FY 15-16 Budget YTD</u>	<u>FY 15-16 Actual YTD</u>
<b>Total Operating Revenues</b>	<u>\$ 925,613</u>	<u>\$ 928,389</u>	<u>\$ 718,253</u>
<b>RW Pump Station</b>	449,677	514,460	421,980
<b>RW Tanks &amp; Reservoirs</b>	17,739	24,529	25,035
<b>RW System Operations</b>	11,674	8,211	13,856
<b>RW Distribution</b>	42,663	26,916	13,334
<b>Sewer</b>	76,833	61,518	28,386
<b>Waste Water Treatment</b>	2,006,204	1,932,633	1,877,185
<b>Composting</b>	1,024,764	1,272,699	926,736
<b>Farm Operation</b>	54,186	98,961	61,126
<b>Adminstration</b>	<u>246,591</u>	<u>260,265</u>	<u>242,389</u>
<b>Total Operating Expenses</b>	<u>3,930,331</u>	<u>4,200,192</u>	<u>3,610,027</u>
<b>Net Operating (Expenses)</b>	<u>\$ (3,004,718)</u>	<u>\$ (3,271,803)</u>	<u>\$ (2,891,774)</u>



**Las Virgenes - Triunfo Joint Powers Authority  
Capital Improvement Project Status  
September 30, 2015**

<b>Job # - Description</b>	<b>LV %</b>	<b>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>Completed Projects</b>									
<b>10487 - Construct 3rd Digester @Rancho</b> Construct a third anaerobic digester at the Rancho Composting Facility. Construction complete, accepted by JPA Board of Directors on January 5, 2015, Item 5B.	70.6%	29.4%	\$7,423,548	\$7,876,866	\$8,914	\$7,885,780	(\$462,232)	(\$326,336)	(\$135,896)
<b>10522 - Rsvr #2 Imprvmt (Lining Cover)</b> Cement lining of slopes of Reservoir No. 2. (recycled water). Final acceptance approved 7/14/2015.	70.6%	29.4%	\$1,607,010	\$1,503,277	\$187	\$1,503,464	\$103,546	\$73,103	\$30,443
<b>10562 - Tapia Structural Repairs</b> Tapia Structural Repairs (combined with IIP No. 10582).	70.6%	29.4%	\$46,500	\$2,345	\$238	\$2,583	\$43,917	\$31,005	\$12,912
<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.	70.6%	29.4%	\$80,500	\$22,060	\$10,262	\$32,322	\$48,178	\$34,014	\$14,164
<b>Total Completed Projects</b>			<b>\$9,157,558</b>	<b>\$9,404,548</b>	<b>\$19,601</b>	<b>\$9,424,149</b>	<b>(\$266,591)</b>	<b>(\$188,213)</b>	<b>(\$78,378)</b>
<b>Projects to complete by June 30, 2016</b>									
<b>10418 - Rehab 18" RW Pipe (Tapia/Mlhd)</b> Replace failing recycled water pipelines between Tapia WRF and Mulholland Highway.	70.6%	29.4%	\$443,231	\$324,336	\$2,147	\$326,483	\$116,748	\$82,424	\$34,324
<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>10573 - Sewer Grit Handling</b> Development of a sewer grit dewatering, removal and handling system at Tapia.	70.6%	29.4%	\$50,000	\$13,680	\$0	\$13,680	\$36,320	\$25,642	\$10,678
<b>10589 - WIMS Software Implementation</b> Purchase and installation of water information management solution (WIMS). In Progress / Construction	70.6%	29.4%	\$32,350	\$25,740	\$0	\$25,740	\$6,610	\$4,667	\$1,943

**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, 2016**

**10597 - Tapia E&I Upgrades**      70.6%      29.4%      \$137,250      \$0      \$0      \$0      \$137,250      \$96,899      \$40,352  
 1. Replace obsolete and malfunctioning mechanical protective relays for generators with new solid state controls. 2. Install roots blower/motor vibration system to protect expensive motor and reduce repair cycle. 3. Roots interface upgrade. 4. Replace

**Total Projects to complete by June 30, 2016**      \$842,831      \$363,756      \$2,147      \$365,903      \$476,928      \$336,711      \$140,217

**Multi-Year Projects**

**10520 - SCADA System Communictn Upgrd**      70.6%      29.4%      \$93,100      \$32,447      \$0      \$32,447      \$60,653      \$42,821      \$17,832  
 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.

**10538 - Tapia Channel Mixing Improvmtnt**      70.6%      29.4%      \$1,109,242      \$92,939      \$538,233      \$631,172      \$478,070      \$337,517      \$140,553  
 Replace air channel mixing components at the Tapia water reclamation facility (WRF).

**10540 - Lost Hills Overpass RW Main**      70.6%      29.4%      \$765,101      \$93,914      \$4,794      \$98,708      \$666,393      \$470,473      \$195,920  
 Relocation of recycled water main due to demolition of Lost Hills overpass.

**10551 - Centrate System-Pump Impellers**      70.6%      29.4%      \$35,000      \$0      \$0      \$0      \$35,000      \$24,710      \$10,290  
 Upgrade Rancho centrate system pump impellers to handle solids in the system.  
 In Progress / Construction

**10559 - Manhole Rehab, F2/F3 Line**      40.1%      59.9%      \$291,500      \$0      \$377      \$377      \$291,123      \$116,740      \$174,383  
 Rehabilitate manholes identified and prioritized in the Sewer Rehabilitation Study.

**10560 - Rancho:Rehab Existg CentrateLn**      70.6%      29.4%      \$175,390      \$0      \$0      \$0      \$175,390      \$123,825      \$51,565  
 Provide mechanical and/or chemical cleaning of minerals from the existing centrate line.

**10563 - Tapia Supplmntl Carbon Study**      70.6%      29.4%      \$85,000      \$0      \$0      \$0      \$85,000      \$60,010      \$24,990  
 Study to identify supplemental carbon sources needed for the biological denitrification process at Tapia.  
**10564 - Centrate Equalization Tank**      70.6%      29.4%      \$1,250,519      \$42,197      \$64,749      \$106,946      \$1,143,573      \$807,363      \$336,210  
 Construct a centrate equalization tank at the centrate treatment facility at Tapia.

**10565 - Rancho LV:Digester Cleang/Rpr**      70.6%      29.4%      \$287,500      \$0      \$0      \$0      \$287,500      \$202,975      \$84,525  
 Clean out and evaluate the condition of digesters that have been in service for more than 20 years.

**10567 - Progimble Logic Contrlr Upgrd**      70.6%      29.4%      \$216,500      \$0      \$0      \$0      \$216,500      \$152,849      \$63,651  
 Replace obsolete programmable logic controllers and upgrade other electrical equipment at Tapia.

05 00

<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>10574 - Rancho Facility Improvement</b> Replace and repair significant components of the JPA's Rancho Las Virgenes Composting Facility	70.6%	\$384,000	\$74,496	\$61,604	\$136,100	\$247,900	\$175,017	\$72,883
<b>10579 - Security Upgrades- JPA</b> Security improvements at JPA facilities. In Progress / Construction	70.6%	\$32,000	\$0	\$18,244	\$18,244	\$13,756	\$9,712	\$4,044
<b>10587 - RW Storage Study-FY 14-15</b> Study of potential recycled water storage areas. Appropriation of \$406,480 approved by JPA Board of Directors 9/1/2015, Item 6A	70.6%	\$721,644	\$174,716	\$0	\$174,716	\$546,928	\$386,131	\$160,797
<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. Project is 100% funded by Los Angeles Department of Water and Power.	70.6%	\$1,338,638	\$12,366	\$46,870	\$59,236	\$1,279,402	\$903,258	\$376,144
<b>10595 - Tapia Primary Flow Diversion</b> Installation of permanent piping to convey primary effluent to RAS re-aeration basins.	70.6%	\$44,000	\$0	\$0	\$0	\$44,000	\$31,064	\$12,936
<b>10600 - Tapia WRF Reliability Imprvmt</b> Replace or rehabilitate facilities and equipment at the Tapia Water Reclamation Facility (WRF) based on failure, exceedence of useful life, or obsolescence.	70.6%	\$100,000	\$0	\$0	\$0	\$100,000	\$70,600	\$29,400
<b>10601 - Rancho Reliability Improvement</b> Replace or rehabilitate facilities and equipment at the Rancho facility based on failure, exceedence of useful life, or obsolescence.	70.6%	\$100,000	\$0	\$0	\$0	\$100,000	\$70,600	\$29,400
<b>10602 - Miscellaneous RW Extension</b> Funding to develop miscellaneous recycled water system extensions.	70.6%	\$106,000	\$0	\$0	\$0	\$106,000	\$74,836	\$31,164
<b>Total Multi-Year Projects</b>		<b>\$7,135,134</b>	<b>\$523,075</b>	<b>\$734,871</b>	<b>\$1,257,946</b>	<b>\$5,877,188</b>	<b>\$4,060,502</b>	<b>\$1,816,686</b>
<b>Projects on Hold</b>								
<b>10446 - Buffer Land at Rancho</b> This is a placeholder program for potential acquisition of additional buffer land around Rancho (no property is currently identified). Placeholder	70.6%	\$250,000	\$0	\$0	\$0	\$250,000	\$176,500	\$73,500
<b>10493 - Tapia: Sludge Screening</b> Install a screener for primary and secondary sludge at Tapia. Project On Hold	70.6%	\$385,000	\$0	\$0	\$0	\$385,000	\$271,810	\$113,190

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

<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>								
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.	70.6%	\$309,650	\$7,768	\$0	\$7,768	\$301,882	\$213,129	\$88,753
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%	\$127,000	\$0	\$0	\$0	\$127,000	\$89,662	\$37,338
<b>Total Projects on Hold</b>		<b>\$1,071,650</b>	<b>\$7,768</b>	<b>\$0</b>	<b>\$7,768</b>	<b>\$1,063,882</b>	<b>\$751,101</b>	<b>\$312,781</b>
<b>Totals</b>		<b>\$18,207,173</b>	<b>\$10,299,147</b>	<b>\$756,619</b>	<b>\$11,055,766</b>	<b>\$7,151,407</b>	<b>\$4,960,101</b>	<b>\$2,191,306</b>
<b>Totals: Las Virgenes MWD</b>		<b>\$12,765,357</b>	<b>\$7,271,198</b>	<b>\$534,058</b>	<b>\$7,805,256</b>	<b>\$4,960,101</b>		
<b>Totals: Triunfo Sanitation District</b>		<b>\$5,441,816</b>	<b>\$3,027,949</b>	<b>\$222,561</b>	<b>\$3,250,510</b>	<b>\$2,191,306</b>		



November 30, 2015 LVMWD Regular Board Meeting

TO: JPA Board of Directors

FROM: General Manager

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**Subject : 2016 JPA Board Meeting Calendar: Reschedule October Meeting**

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**SUMMARY:**

The JPA Board regularly meets on the first Monday of each month. When the first Monday of a month falls on a JPA holiday, the Board meeting is held the following day. As previously approved by the Board, the March and September JPA Board meetings will be held at the Oak Park Library. Attached for reference is the 2016 Board Meeting Calendar.

The first Monday of October 2016 falls on the first night of Rosh Hashana. As a result, the Board may wish to consider rescheduling the meeting to avoid the conflict.

**RECOMMENDATION(S):**

Consider cancelling the regular JPA Board meeting on October 3, 2016, and rescheduling the meeting for an alternate date.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

Prepared by: Josie Guzman, Executive Assistant/Clerk of the Board

**ATTACHMENTS:**

[2016 Board Meeting Calendar](#)

# 2016 MEETING CALENDAR

JANUARY						
S	M	T	W	T	F	S
					1	2
3	4 JPA	5	6	7	8	9
10	11	12 LV	13	14	15	16
17	18	19	20	21	22	23
24	25	26 LV	27	28	29	30
31						

FEBRUARY						
S	M	T	W	T	F	S
	1 JPA	2	3	4	5	6
7	8	9 LV	10	11	12	13
14	15	16	17	18	19	20
21	22	23 LV	24	25	26	27
28	29					

MARCH						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7 JPA <small>Oak Park</small>	8 LV	9	10	11	12
13	14	15	16	17	18	19
20	21	22 LV	23	24	25	26
27	28	29	30	31		

APRIL						
S	M	T	W	T	F	S
					1	2
3	4 JPA	5	6	7	8	9
10	11	12 LV	13	14	15	16
17	18	19	20	21	22	23
24	25	26 LV	27	28	29	30

MAY						
S	M	T	W	T	F	S
1	2 JPA	3	4	5	6	7
8	9	10 LV	11	12	13	14
15	16	17	18	19	20	21
22	23	24 LV	25	26	27	28
29	30	31				

JUNE						
S	M	T	W	T	F	S
			1	2	3	4
5	6 JPA	7	8	9	10	11
12	13	14 LV	15	16	17	18
19	20	21	22	23	24	25
26	27	28 LV	29	30		

= Holiday – District Offices Closed

## 2016 MEETING CALENDAR

JULY						
S	M	T	W	T	F	S
					1	2
3	4	5 JPA	6	7	8	9
10	11	12 LV	13	14	15	16
17	18	19	20	21	22	23
24	25	26 LV	27	28	29	30
31						

AUGUST						
S	M	T	W	T	F	S
	1 JPA	2	3	4	5	6
7	8	9 LV	10	11	12	13
14	15	16	17	18	19	20
21	22	23 LV	24	25	26	27
28	29	30	31			

SEPTEMBER						
S	M	T	W	T	F	S
				1	2	3
4	5	6 JPA <small>Oak Park</small>	7	8	9	10
11	12	13 LV	14	15	16	17
18	19	20	21	22	23	24
25	26	27 LV	28	29	30	

OCTOBER						
S	M	T	W	T	F	S
						1
2*	3* JPA	4*	5	6	7	8
9	10	11 LV	12	13	14	15
16	17	18	19	20	21	22
23	24	25 LV	26	28	28	29
30	31					

\*Rosh Hashana Oct. 3 – 4

NOVEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7 JPA	8 LV	9	10	11	12
13	14	15	16	17	18	19
20	21	22 LV	23	24	25	26
27	28	29	30			

DECEMBER						
S	M	T	W	T	F	S
				1	2	3
4	5 JPA	6	7	8	9	10
11	12	13 LV	14	15	16	17
18	19	20	21	22	23	24
25	26	27 LV	28	29	30	31

= Holiday – District Offices Closed



November 30, 2015 LVMWD Regular Board Meeting

TO: JPA Board of Directors

FROM: Finance & Administration

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**Subject : Annual Supply and Delivery Sodium Hypochlorite: Award**

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**SUMMARY:**

The LVMWD Board authorized the General Manager to approve a purchase order in the amount of \$272,607.00 for the annual supply and delivery of sodium hypochlorite. Sodium hypochlorite is used for the disinfection of final effluent at the Tapia Water Reclamation Facility and for treatment of potable water at LVMWD's Westlake Filtration Plant.

On October 27, 2015, the LVMWD Board, acting as the Administering Agent of the Las Virgenes-Triunfo Joint Powers Authority (JPA), authorized the General Manager to accept a bid and approve a purchase order to Olin Corporation for the annual supply and delivery of sodium hypochlorite.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

**FINANCIAL IMPACT:**

A total estimated annual cost-savings of approximately 6%, will be achieved due to the decrease in pricing for sodium hypochlorite from \$0.57 to \$0.534 per gallon. The total estimated annual cost to the JPA for sodium hypochlorite used at the Tapia Water Reclamation Facility is \$258,875.00. Sufficient funds are available for the purchase of sodium hypochlorite in the adopted Fiscal Year 2015-16 budget and will be proposed in future year budgets.

**DISCUSSION:**

Sodium hypochlorite is used for disinfection of the final effluent at the Tapia Water Reclamation Facility and for treatment of potable water at LVMWD's Westlake Filtration Plant. Compliance with regulatory standards requires the District adhere to strict technical specifications for its sodium hypochlorite. On August 25, 2015, the LVMWD Board, acting as administering agent of the JPA, approved staff's recommendation to reject all



bids for the annual supply and delivery of sodium hypochlorite due to a bid protest. A new request for bids was authorized and issued the following day. The specifications for the original Request for Bids contained conflicting requirements, rendering it impossible to meet both provisions simultaneously. As a result, staff corrected the specifications, which were included in the revised Request for Bids.

The revised Request for Bids was posted on LVMWD's website, advertised in the *Daily News*, and sent to seven different vendors who previously expressed interest in chemical bids. Three bids were received and opened publicly. Olin Corporation submitted the lowest bid with a unit price of \$.534 per gallon, which was \$.005 less than its prior bid (also the lowest) that was rejected due to a bid protest. For comparison purposes, the existing pricing from JCI Jones Chemical, Inc. for sodium hypochlorite was \$0.57 per gallon.

Bid Summary:

Following is a summary of the bids received.

<b>Bidder Name</b>	<b>Unit Price (\$/gallon)</b>	<b>Total Bid</b>
Olin Corporation	\$ 0.534	\$272,607.00
JCI Jones Chemical, Inc.	\$ 0.538	\$274,649.00
Univar USA, Inc.	\$ 0.770	\$396,400.00

Prepared by: Gretchen Bullock, Purchasing Supervisor

**ATTACHMENTS:**

[Sodium Hypochlorite Olin Bid](#)

**ORIGINAL**

**Las Virgenes Municipal Water District  
Bid Form-Schedule  
Sodium Hypochlorite—Annual Supply 2**

The undersigned states and declares as follows: that the bidder has carefully read and examined the Bid Documents; Bid Notice; Instruction to Bidders; Bid Specifications including exhibits; Bid Form-Schedule; and that the bidder will comply with the bid terms and conditions. The undersigned agrees to supply and deliver materials in strict conformity with the specifications and instructions enclosed with the Invitation for Bids for the prices set forth below in this bid schedule.

It is understood that this bid shall remain open and shall not be withdrawn for a period of ninety (90) days from the date prescribed for the opening of the bid.

It is further agreed that the materials/services to be furnished under this bid shall be delivered at such time and in such quantities as called for by the Las Virgenes Municipal Water District. The District may extend the term of this contract by written notice to the supplier at the end of the contract period.

CONTRACT TERM as follows: initial contract term shall be good for one (1) year from date of contract execution. Four (4) additional one (1) year renewals may be negotiated at the District's option.

Materials to be furnished under this bid shall be delivered FOB Destination Freight Pre-Paid and Allowed to Las Virgenes Municipal Water District's Tapia Water Reclamation Facility, 731 Malibu Canyon Road, Calabasas, CA 91302 or Westlake Filtration Plant, 32601 Torchwood Place, Westlake Village, CA 91361 (whichever is applicable), in the manner set forth in the Bid Scope and Specifications.

All bidders are required to submit the following information with their bid

- Completed Bid Form-Schedule
- Contact information for three customers bidder is currently supplying with Sodium Hypochlorite
- Product information/technical data sheet
- Global Harmonized System-Safety Data Sheet (GHS-SDS)

The bidder's authorized officer identified below hereby declares that the representations in this bid are true and correct and of my own personal knowledge, and that these representations are made under penalty of perjury under the laws of the State of California, and that I am duly authorized to bind this bidder to this bid.

*>>>continued on next page<<<*

**ORIGINAL**

Bid Item No.	Quantity	Unit of Measure UOM	Description Refer to Bid Scope & Specifications for detailed description	Unit Price	Extended Price
1.	500,000	gallon	Sodium Hypochlorite	\$0.534	\$267,000. <sup>00</sup>
	500,000	gallon	CA Mill Assessment (2.1 % per gal as of 8/25/15)		5607. <sup>00</sup>
			<b>Total Bid</b>	\$	272,607. <sup>00</sup>

Written Total Bid Amount:

*Two hundred Seventy-two Thousand, Six hundred seven dollars*

Notes or Exceptions:

Addendum Acknowledgement:

Addendum #1

Signed: \_\_\_\_\_

Addendum #2

Signed: \_\_\_\_\_

**Bidder:**

Olin Corporation, dba Olin Chlor Alkali Products

*9/24/15*

Corporate Name of Bidder

Date

By:

*John M. Schabacker*

Title: Business Director

Authorized Signature

John M. Schabacker

JMSchabacker@olin.com

Print Name

E-mail

209-835-7204

Phone

26700 South Banta Road, Tracy, CA 95304

209-835-9760 fax

Address

Mobile

Sodium Hypochlorite-Annual Supply 2

Bids Due: Tuesday, Sept. 29, 2015; 2:00 p.m.

Page 2 of 2

Bid Form-Schedule

SUBMIT BID ON THIS FORM



November 30, 2015 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

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**Subject : Las Virgenes Scenic Corridor Completion Project: Grant of Easement to Southern California Edison**

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**SUMMARY:**

On May 12, 2015, the LVMWD Board, acting as the Administering Agent of the Las Virgenes-Triunfo Joint Power Authority (JPA), authorized the General Manager to approve the grant of an easement to the City of Calabasas for the construction of retaining walls for the Las Virgenes Scenic Corridor Completion Project. On September 9, 2015, City staff requested that an easement of approximately 6-foot-wide and 485-foot-long (see Attachment A) also be granted to Southern California Edison (SCE) to allow for power pole relocations required as a part of project.

The LVMWD Board, acting as the Administering Agent of the Las Virgenes-Triunfo Joint Powers Authority (JPA), authorized the General Manager to execute a grant of easement to Southern California Edison for relocation of power poles as a part of the City of Calabasas Las Virgenes Scenic Corridor Completion Project on October 13, 2015.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

There is no financial impact associated with this action.

**DISCUSSION:**

The easement to SCE is approximately 2,910 square feet and within the easement area already granted to the City of Calabasas for construction of the retaining wall. Because the two easement areas coincide, staff obtained a consent letter from the City of Calabasas to ensure that granting a second easement to SCE over the same general area would not interfere with the City's construction of the retaining wall (see Attachment

B). Additionally, staff verified that the power pole relocations will not interfere with the JPA's operations. Staff also received approval from the U.S. EPA and State Water Resources Control Board for the proposed easement to SCE (see Attachment C).

Project Background:

The City of Calabasas Las Virgenes Scenic Corridor Completion Project will provide two travel lanes in each direction, bicycle facilities on both sides of the road, and a sidewalk on the west side with landscaped medians along Las Virgenes Road from Agoura Road to Lost Hills Road. Additionally, a traffic signal will be installed at the entrance to Headquarters to make it safer to enter and exit, and a left turn pocket will be added just north of Meadow Creek Lane for the entrance to the North Canyon. To widen the segment of Las Virgenes Road near Meadow Creek Lane, a two-tier soil nail retaining wall system is proposed by the City. The retaining wall is to be located within an easement area from the JPA that will be approximately 335-feet-long and 34-feet-wide with a total area of 11,356 square feet.

Prepared by: John Zhao, P.E., Principal Engineer

**ATTACHMENTS:**

[Attachment A - Proposed Grant of Easement to SCE](#)

[Attachment B - City of Calabasas Consent Letter](#)

[Attachment C - USEPA and SWRCB Approval Letter](#)

RECORDING REQUESTED BY

SOUTHERN CALIFORNIA EDISON COMPANY

WHEN RECORDED MAIL TO

SOUTHERN CALIFORNIA EDISON COMPANY

2131 WALNUT GROVE AVENUE  
GO3 - 2<sup>ND</sup> FLOOR  
ROSEMEAD, CA 91770

ATTN: TITLE & REAL ESTATE SERVICES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF EASEMENT**

Location: City of Calabasas  
A.P.N. 4455-025-900  
RP File No.: ACQ203208203  
SCE Doc No.: 510055

DOCUMENTARY TRANSFER TAX \$ _____	Serial No. 70891A Service Order 801358284
_____ COMPUTED ON FULL VALUE OF PROPERTY CONVEYED OR COMPUTED ON FULL VALUE LESS LIENS AND ENCUMBRANCES REMAINING AT TIME OF SALE	Approved Real Properties Department
SO. CALIF. EDISON CO. SIGNATURE OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	BY LC DATE 08/31/2015

LAS VIRGENES MUNICIPAL WATER DISTRICT, a municipal water district, (hereinafter referred to as "Grantor"), hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns (hereinafter referred to as "Grantee"), an easement and right of way to construct, operate, use, maintain, alter, add to, reconstruct, enlarge, repair, renew, replace, inspect, improve, relocate, and/or remove, at any time and from time to time, electrical systems and communication systems (hereinafter referred to as "systems") consisting of guy wires and anchors, crossarms, wires and other fixtures and appliances, with necessary appurtenances, for conveying electric energy to be used for light, heat, power and for transmitting intelligence by electrical means and/or other purposes, in, under, on, over, along and across a strip of land six (6.00) feet wide, lying within that certain real property of the Grantor, situated in the City of Calabasas, County of Los Angeles, State of California, described as follows:

A portion of the Northeast quarter of the Northwest quarter of Section 31, Township 1 North, Range 17 West, San Bernardino Base and Meridian, according to the Official Plat of said Land as filed in the District Land Office.

Said six (6.00) foot wide strip of land is more particularly described on the Exhibit "A" and more particularly depicted on the Exhibit "B", both attached hereto and by this reference made a part hereof.

Grantor hereby also grants to Grantee, its successors and assigns, and its and their contractors, agents and employees, the right of free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted, and the right to clear and to keep clear the above described real property, free from explosives, buildings, equipment, brush, combustible material and any and all other obstructions of any kind, and the right to trim or remove any tree or shrub which, in the opinion of Grantee, may endanger said systems, or any part thereof, or interfere with the exercise of the rights herein granted.

Grant of Easement  
Las Virgenes Municipal Water District to  
S.C.E.Co., a corp.  
Serial No. 70891A  
RP File No. ACQ203208203

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

LAS VIRGENES MUNICIPAL WATER DISTRICT,  
a municipal water district

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

"A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document."

State of California )

County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

Grant of Easement  
Las Virgenes Municipal Water District to  
S.C.E.Co., a corp.  
Serial No. 70891A  
RP File No. ACQ203208203

"A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document."

State of California            )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_



**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**SERIAL NO. 70891A**

**6 Foot Wide Transmission Line Easement**

A portion of Parcel One as described in the Final Order of Condemnation, Los Angeles County Superior Court Case No. C296564, recorded April 22, 1985 as Instrument No. 85-450302 Official Records of Los Angeles County, lying within the Northeast Quarter of the Northwest Quarter of Section 31, Township 1 North, Range 17 West, San Bernardino Base and Meridian, according to the Official United States Government Plat thereof, in the City of Calabasas, County of Los Angeles, State of California, more particularly described as follows:

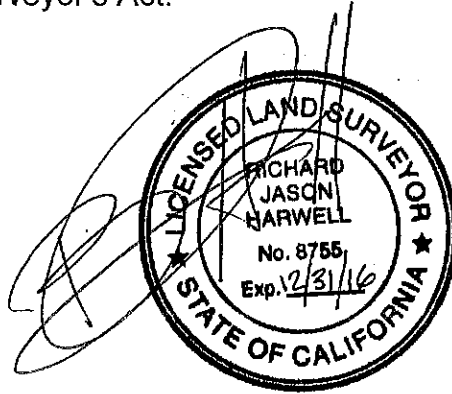
**Commencing** at the found bolt head at the intersection of Meadow Creek Lane and Las Virgenes Road per Tract No. 43788, according to the map thereof recorded in Book 1084, Pages 61 through 70, inclusive, Los Angeles County records; thence South  $05^{\circ}10'46''$  West, along the centerline of Las Virgenes Road as shown on said Tract No. 43788, a distance of 218.33 feet; thence South  $84^{\circ}49'14''$  East, leaving said centerline of Las Virgenes Road, a distance of 30.00 feet to the easterly right-of-way line of Las Virgenes Road (60 feet wide) according to a Record of Survey recorded in Book 93, Pages 74 through 77, inclusive, Los Angeles County records being the **True Point of Beginning**; thence North  $05^{\circ}10'46''$  East, along said easterly right-of-way of Las Virgenes Road, a distance of 270.27 feet; thence North  $05^{\circ}45'31''$  East, continuing along said easterly right-of-way, a distance of 214.71 feet; thence South  $85^{\circ}09'35''$  East, leaving said easterly right-of-way of Las Virgenes Road, a distance of 6.00 feet to a point of intersection thereof with a line lying 6.00 feet easterly of and parallel with said easterly right-of-way of Las Virgenes Road; thence South  $05^{\circ}45'31''$  West, along said parallel line, a distance of 214.77 feet; thence South  $05^{\circ}10'46''$  West, continuing along said parallel line, a distance of 270.26 feet; thence North  $84^{\circ}34'47''$  West, leaving said parallel line, a distance of 6.00 feet to the aforementioned easterly right-of-way of Las Virgenes Road and the **Point of Beginning**.

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**SERIAL NO. 70891A**

The above described parcel contains 2,910 square feet, 0.07 acres, more or less.

Found monuments and courses are shown on "Exhibit B" attached hereto and made a part hereof, by this reference.

This legal description was prepared by me, or under my direction, in accordance with the Professional Land Surveyor's Act.



# EXHIBIT "B"

A PORTION OF PARCEL ONE DESCRIBED IN DOCUMENT RECORDED APRIL 22, 1985, AS INSTRUMENT NO. 85-450302 OF OFFICIAL RECORDS OF LOS ANGELES COUNTY, LYING WITHIN THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 1 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL UNITED STATES GOVERNMENT PLAT THEREOF, IN THE CITY OF CALABASAS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

## BASIS OF BEARINGS

THE CENTERLINE OF LAS VIRGENES ROAD BETWEEN TWO FOUND MONUMENTS TAKEN AS N05°10'46"E AS SHOWN ON TRACT NO. 45321 RECORDED IN MAP BOOK 1121 PAGES 53-55, INCLUSIVE, LOS ANGELES COUNTY RECORDS.

**TRACT NO. 45321**  
MAP BOOK 1121 PGS 53-55  
LOS ANGELES COUNTY RECORDS

POINT OF COMMENCEMENT  
FD. BOLT HEAD AT CENTERLINE INTERSECTION

FD. BOLT AND WASHER PER R2

N84°49'14"W (R1,R2) 314.00 (314.00') R1,R2


MEADOW CREEK LANE

**TRACT NO. 43788**  
BOOK 1084 PGS 61-70  
LOS ANGELES COUNTY RECORDS

## LEGEND

- ( ) INDICATES RECORD DATA AS NOTED
- R1 RECORD DATA PER TRACT NO. 45321 RECORDED IN MAP BOOK 1121 PAGES 53-55, LOS ANGELES COUNTY RECORDS
- R2 RECORD PER TRACT NO. 43788 RECORDED IN MAP BOOK 1084 AT PAGES 61-70, LOS ANGELES COUNTY RECORDS

O.R.L.A.C. OFFICIAL RECORDS LOS ANGELES COUNTY

 6' WIDE TRANSMISSION LINE EASEMENT  
AREA = 2,910± SQ.FT. (0.07 ACRES)

S84°49'14"E 30.00'

FD. SPIKE AND WASHER PER R2

LAS VIRGENES ROAD  
BASIS OF BEARINGS  
S05°10'46"W 763.56' (R1,R2)

EASTERLY RIGHT OF AS SHOWN ON 93 RS 74--77 LOS ANGELES COUNTY RECORDS

50'

30'

S85°09'35"E 6.00'

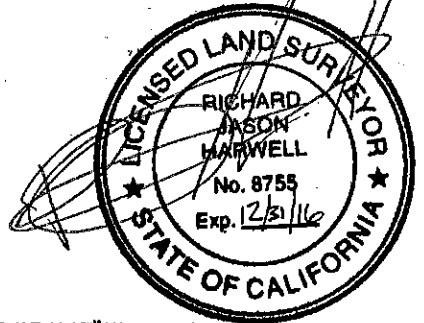
6' WIDE TRANSMISSION LINE EASEMENT  
AREA = 2,910± SQ.FT. (0.07 ACRES)

N05°45'31"E 214.71'

S05°45'31"W 214.77'

APN 4455-025-900  
LAS VIRGENES MUNICIPAL WATER DISTRICT  
PARCEL ONE  
INST. NO. 85-450302  
OFFICIAL RECORDS OF LOS ANGELES COUNTY

SCALE = 1" = 80'



N84°34'47"W 6.00'  
TRUE POINT OF BEGINNING EAST RIGHT-OF-WAY OF LAS VIRGENES ROAD

PROJECT NAME: CRATER - MALIBU - VALDEZ 66KV T/L			M.S.
W.O. NO.: 801358284	CITY: CALABASAS	COUNTY: LOS ANGELES	STATE: CA
SURVEYED BY: BLAIR, CHURCH & FLYNN	SCE F.B. REF.:	Blair, Church Flynn	
DRAWN BY: RJR	MAP REF.:		
CHECKED BY: RSW	LAND INFO.:	SERIAL NO.: 70891A	SHEET 75 OF 1



CITY of CALABASAS

September 17, 2015

Las Virgenes Municipal Water District  
4332 Las Virgenes Road  
Calabasas, CA 91302  
Attn: John Zhao

The City of Calabasas hereby consents to the grant of a six foot wide easement by the Las Virgenes Municipal Water District (LVMWD) to Southern California Edison Company (SCE) for the purpose of constructing, operating, using and maintaining guy wires, anchors, crossarms, wires, and other fixtures for conveying electric energy on the following condition and understanding; that the construction, use and maintenance of the guy wires, anchors, crossarms, wires, and other fixtures does not interfere or otherwise obstruct or limit the City of Calabasas in the construction and maintenance of the Las Virgenes Street Improvement Project (Project) including landscaping and a soil nail retaining wall to be constructed and maintained on land under an easement from LVMWD to the City.

We understand that SCE is designing their utility relocation consistent with the Project, which if designed consistent with the Project plans, will not interfere or obstruct the City's construction and maintenance of the retaining wall or landscaping.

Very truly yours,

Tony Coroalles  
City Manager



## State Water Resources Control Board

SEP 25 2015

John Zhao  
Las Virgenes MWD  
4232 Las Virgenes Road  
Calabasas, CA 91302

Dear Mr. Zhao:

### LAS VIRGENES MUNICIPAL WATER DISTRICT; EASEMENT REQUEST FROM SOUTHERN CALIFORNIA EDISON

I understand the Las Virgenes Municipal Water District (LVMWD) received a construction grant (C-06-1028-410) from the California State Water Resources Control Board (State Water Board) in 1979. The grant included land acquisition for construction of a solids injection facility. The Grant Deed from December 1984 grants, among other things, a security interest in the grant purchased property to the United States Environmental Protection Agency (USEPA) and the State Water Board. The Grant Deed also requires LVMWD to obtain approval from USEPA and the State Water Board to use the property for other purposes when LVMWD determines that the property is no longer needed for the original grant purpose.

You requested an additional approval in an email to my staff on September 11, 2015, because Southern California Edison (SCE) requested a 6-ft easement to relocate their utility poles along the same easement that LVMWD granted to the City of Calabasas (City). The City is currently widening the road next to the grant purchased property, and it is necessary to relocate SCE's poles as part of that project.

LVMWD would like to grant the easement, but requested both USEPA and State Water Board approval before doing so. You have indicated that granting the easement would not trigger a lien release or result in a title change to the property.

After consulting with USEPA, neither USEPA nor the State Water Board object to LVMWD's approval of the easement as long as the proposed road widening project and the easement do not interfere with the purpose of the original construction grant funded project. We have no reason to believe that granting the easement would trigger a lien release or a title change to the property as long as the road project and easement do not impede the original purpose of the grant.

If you have any further concerns, please contact Mr. Christopher Stevens at (916) 341-5698, or [Christopher.stevens@waterboards.ca.gov](mailto:Christopher.stevens@waterboards.ca.gov).

Sincerely,



Darrin Polhemus, Deputy Director  
Division of Financial Assistance

cc: Tatiana L. Holden, P.E.  
Associate Civil Engineer  
[tholden@cityofcalabasas.com](mailto:tholden@cityofcalabasas.com)

Joshua Amaris  
USEPA  
[Amaris.josh@epa.gov](mailto:Amaris.josh@epa.gov)



November 30, 2015 LVMWD Regular Board Meeting

TO: JPA Board of Directors

FROM: Facilities & Operations

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**Subject : Tapia Water Reclamation Facility NPDES Effluent Limit Exceedances: Settlement Offer  
No. R4-2015-0233**

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**SUMMARY:**

On November 10, 2015, the Los Angeles Regional Water Quality Control Board (RWQCB) issued the JPA the attached Notice of Violation and Settlement Offer, alleging six effluent violations for four different parameters occurring from May through June 2015. The alleged violations included three violations for bis (2-ethylhexyl) phthalate and one violation each for chloride, dichlorobromomethane and total trihalomethanes. The total penalty for the violations was \$18,000.

Staff reviewed the documentation provided by the RWQCB and verified that the exceedances were accurately characterized and classified. Based on this information, the Administrating Agent/General Manager executed the Settlement Offer and approved payment in the amount of \$18,000.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

Penalties levied for water quality exceedances are charged to JPA Account No. 751810.5420, and the costs are allocated 70.6% to LVMWD and 29.4% to Triunfo Sanitation District.

**DISCUSSION:**

Bis (2-ethylhexyl) phthalate:

Bis (2-ethylhexyl) phthalate, also called DEHP, is a suspected carcinogen. It is an ubiquitous substance that is used as a plasticizer for polyvinylchloride (PVC) and other polymers, including rubber, cellulose and

styrene. Bis (2-ethylhexyl) phthalate is present in plastic tubing and bags used in food production and medical care. It is also used in insect repellent formulations, cosmetics, rubbing alcohol, liquid soap, detergents, decorative inks, lacquers, munitions, industrial and lubricating oils, defoaming agents during paper and paperboard manufactures, as a pesticide carrier, in photographic film, wire and cable, adhesives, as an organic vacuum pump fluid, and a dielectric in capacitors.[i]

A Time Schedule Order to address bis (2-ethylhexyl) phthalate was issued to the JPA in the 2005 Tapia NPDES Permit, and measures were undertaken to address potential contamination during sample collection. Compliance with permit limits was generally maintained with occasional exceedances until mid-2013. With the recurrence of exceedances of the permit limits, staff has increased monitoring of bis (2-ethylhexyl) phthalate.

#### Chloride:

Chloride is an anion (negatively charged ion) that exists naturally in soils and water. Chlorides are widely distributed in nature as salts of sodium chloride (NaCl), potassium chloride (KCl), and calcium chloride (CaCl<sub>2</sub>). These salts dissolve in water, and the ions dissociate. Chloride levels have risen in Tapia's effluent in recent years as water conservation provides a more concentrated influent, and the water delivered to JPA customers comes from new sources that have higher chloride concentrations.

#### Dichlorobromomethane:

Dichlorobromomethane, or DCBM, is a disinfection byproduct. It is formed during disinfection from the presence of organic material and chlorine. As a part of the 2010 Tapia NPDES permit, a Cease and Desist Order was issued to reduce the levels of DCBM in the 001 Outfall (Malibu Creek). The JPA constructed chloramination facilities in 2013 to help prevent the formation of DCBM. The facilities are still relatively new and operational adjustments are being made to address DCBM levels. There have been no DCBM violations since May.

#### Total Trihalomethanes:

Total Trihalomethanes (TTHMs) are the sum of four disinfection byproducts: bromoform, chlorodibromomethane (DCBM), chloroform and dichlorobromomethane (DCBM). TTHMs are formed during disinfection from the presence of organic material and chlorine. The TTHM permit limit is only applicable to the Los Angeles River outfall. The new chloramination disinfection facilities are being adjusted to address the TTHM violation and prevent recurrences.

[i] "Technical Factsheet On: DI (2-ETHYLHEXYL) PHTHALATE (DEHP)." EPA.gov. Web. 15 June 2015.

Prepared by: Brett Dingman, Water Reclamation Manager