

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

5:00 PM

May 11, 2016

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Josie Guzman.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Glen Peterson 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, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, and Wall.

Absent: Director(s): Iceland (arrived at **5:27 p.m.**), Orkney.

2. APPROVAL OF AGENDA

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

AYES: Caspary, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Iceland, Orkney

ABSTAIN: None

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

Director McReynolds asked to pull Item 4A from the Consent Calendar.

B Financial Review: Third Quarter of Fiscal Year 2015-16

Receive and file the financial review for the third quarter of Fiscal Year 2015-16.

C Las Virgenes-Triunfo Joint Powers Authority Conflict of Interest Code: Adoption

Pass, approve and adopt Resolution No. 5, adopting the Conflict of Interest and Disclosure Code of the Las Virgenes-Triunfo Joint Powers Authority, and authorize the Administering Agent/General Manager to file the required documentation with the Fair Political Practices Commission.

RESOLUTION NO. 5

A RESOLUTION OF THE GOVERNING BODY OF THE LAS VIRGENES – TRIUNFO JOINT POWERS AUTHORITY REPEALING RESOLUTION NO. 1 DEALING WITH THE CONFLICT OF INTEREST AND DISCLOSURE CODE AND ADOPTING IN LIEU THEREOF A CONFLICT OF INTEREST DISCLOSURE CODE OF THE LAS VIRGENES – TRIUNFO JOINT POWERS AUTHORITY

(Reference is hereby made to Resolution No. 5 on file in the JPA's Resolution Book and by this reference the same is incorporated herein.)

Director Caspary moved to approve Consent Calendar Items 4B and 4C. Motion seconded by Director Paule. Motion carried by the following vote:

AYES: Caspary, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall
NOES: None
ABSENT: Iceland, Orkney
ABSTAIN: None

4. CONSENT CALENDAR – (Separate Action Item)

A Minutes: Regular Meeting of April 4, 2016; Special Meeting of April 18, 2016. Approve

Director McReynolds referred to the Minutes from the Special Meeting of April 18, 2016, and inquired whether Mark Berry's comments should have been shown under Item 3, Public Comments. Chair Peterson noted that Public Comments were for items not appearing on the agenda, and Mark Berry had spoken regarding Item 4A on that agenda.

Director Paule moved to approve Consent Calendar Item 4A as presented. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Caspary, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall
NOES: None
ABSENT: Iceland, Orkney
ABSTAIN: None

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

Item 5B was discussed prior to Item 5A

B Preliminary JPA Budget Plan for Fiscal Years 2016-18

Mike Hamilton, Financial Analyst, provided a PowerPoint presentation. He responded to a question regarding increased operating expenses in Fiscal Year 2016-17 as compared to 2015-16 by stating that there were cost savings in Fiscal Year 2015-16 due to deferred maintenance and staff vacancies. He also noted that there would be one-time expenses in the amount of \$100,000 each in Fiscal Year 2016-17 for weed abatement at the Rancho Las Virgenes Composting Facility and Tapia Water Reclamation Facility.

Director McReynolds requested that staff separate the reclamation and composting budgets to better identify the differences between the Fiscal Year 2016-17 budget and Fiscal Year 2015-16 estimated actuals. Administering Agent/General Manager David Pedersen responded that the preliminary budget looks at budget to actuals as opposed to budget to budget. He referred to the Operations Summary and noted that the Fiscal Year 2016-17 budget was showing an approximate two percent increase from Fiscal Year 2015-16.

A discussion ensued regarding the budget for Fiscal Year 2016-17 showing higher in certain areas than the estimated actuals for Fiscal Year 2015-16, and the methodology for setting the wholesale recycled water rates based on estimates for the coming year. Don Patterson, Director of Finance and Administration, noted that an analysis over a multi-year period showed that costs come in higher in some years and lower in other years. He noted that the Board could take a policy approach for an annual adjustment; however, the rates come out fairly even over a multi-year period.

Director Iceland arrived at **5:27 p.m.**

David Lippman, Director of Facilities and Operations, responded to a question regarding the \$4.2 million future appropriation for the Recycled Water Seasonal Storage project by stating that this was for implementation of the Action Plan approved by the Board, including CEQA, preliminary design, and final design for either Scenario 4 or 5.

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

David Lippman, Director of Facilities and Operations, presented a PowerPoint presentation, which included a chart showing how much water would be available under each scenario: quantity of water available to send to the advanced water treatment facility under Scenario 4; the available amount of recycled water minus 15 percent loss from the advanced water treatment facility available to send to Las Virgenes Reservoir; the amount of water that could be sent to Encino Reservoir for demand in the West Valley of the Los Angeles Department of Water and Power (LADWP) service area; the amount of water left in the reservoir after taking out the estimated annual 400 acre-feet of seepage; and the supplement that would be available to send back to the JPA service area.

A discussion ensued regarding seepage and evaporation. Administering Agent/General Manager David Pedersen noted that these issues would be negotiated with LADWP as far as who would bear the cost of the seepage and evaporation.

Mr. Lippman continued the presentation and reviewed the next steps. He suggested scheduling a stakeholder workshop in June.

It was the consensus of the Board to tentatively schedule a Special JPA meeting on June 21, 2016, at 5:00 p.m. for a workshop with the stakeholders.

6. ACTION ITEMS

A Rancho Las Virgenes Digester No. 1 Cleaning Project: Construction Award

Award a construction contract to MP Environmental Services, Inc., in the amount of \$190,390, and reject all remaining bids upon receipt of the duly-executed contract documents for the Rancho Las Virgenes Digester No. 1 Cleaning Project.

Administering Agent/General Manager David Pedersen presented the report.

Director Iceland moved to approve Item 6A as presented. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Orkney

ABSTAIN: None

B Tapia Water Reclamation Facility Secondary Influent Slide Gates Replacement: CEQA Determination and Construction Award

Find the work categorically exempt from the California Environmental Quality Act; waive a minor bid irregularity and award a construction contract to ARB, Inc., in the amount of \$393,893; and appropriate additional funds, in the amount of \$235,455, for the Tapia Water Reclamation Facility Secondary Influent Slide Gates Replacement Project.

Administering Agent/General Manager David Pedersen presented the report.

Director McReynolds moved to approve Item 6B as presented. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall
NOES: None
ABSENT: Orkney
ABSTAIN: None

C Woodland Hills Water Recycled Project: Preliminary Design Report and Mitigated Negative Declaration

Receive and file the Preliminary Design Report; and adopt the Mitigated Negative Declaration, including a Mitigation Monitoring and Reporting Program, for the Woodland Hills Water Recycling Project.

Eric Schlageter, Senior Engineer, presented the report. He thanked Yoshi Tsunehara from the Los Angeles Department of Water and Power for attending the meeting, and he introduced Rich Bichette and Crystal Benham from RMC Water and Environment.

Crystal Benham provided a PowerPoint presentation. She responded to a question regarding construction noise mitigation measures for pipe jacking operations by stating that mitigation measures were included in the Mitigated Negative Declaration. Further, construction work involving jacking would only take place for a few days in each location.

Director Paule moved to approve Item 6C as presented. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall
NOES: None
ABSENT: Orkney
ABSTAIN: None

D Preliminary Fiscal Years 2016-18 JPA Capital Improvement Projects: Review of Proposed Recycled System Extension Projects

Approve the inclusion of the four proposed recycled water system extension projects in the final draft Fiscal Years 2016-18 JPA Budget Plan.

David Lippman, Director of Facilities and Operations, presented the report and reviewed the list of the four proposed recycled water system extensions. He also reviewed the table showing the cost per acre foot per year for the four projects and noted that the JPA does not have a formal benchmark for JPA projects; however, the Las Virgenes Administrative Code includes a provision that if the benchmark of \$5,500 per acre foot per year is exceeded then the District would normally proceed with the project. He noted that staff conducted an informal analysis and estimated that the benchmark should likely be closer to \$8,800 per acre foot per year. He also reviewed the wholesale revenue that could be generated by the proposed projects based on the Fiscal Year 2016-17 wholesale rate, and the capital cost allocations to the JPA partners.

Administering Agent/General Manager David Pedersen noted that some of the intangibles to consider for the four projects would be taking demand away from the potable water system and converting it to the recycled water system and how it helps meet 20% by 2020 conservation targets for both agencies. He noted that for Las Virgenes Municipal Water District, one of the key strategies for meeting those targets is to convert additional demand from the potable water system to the recycled water system and consideration for the customers who would be receiving the recycled water.

A discussion ensued regarding seeking MWD Local Resources Program (LRP) funds and other grants to fund these projects

Director Iceland moved to approve Item 6D as presented and direct staff to seek all available grant funding. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Orkney

ABSTAIN: None

7. BOARD COMMENTS

Director Polan reported that he attended the California Association of Sanitation Agencies (CASA) Public Policy Forum in Sacramento to speak with elected officials to support local projects. He stated that he found the forum to be very useful.

Director Paule acknowledged Director of Resource Conservation and Public Outreach Carlos Reyes and Public Affairs and Communications Manager Jeff Reinhardt for assisting him in preparing a PowerPoint presentation regarding wastewater, compost, and converting wastewater to beneficial reuse. He noted he would be attending the California Special Districts Association Legislative Days in Sacramento, May 17 through 18, 2016.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen noted that the JPA was currently in the creek avoidance period, which began on April 15, 2016, and staff was monitoring creek flows. He reported that S. 2848, the Water Resources Development Act of 2016 (WRDA), had passed through the Senate Environment and Public Works Committee with a 19-1 vote.

9. FUTURE AGENDA ITEMS

Chair Peterson requested that staff conduct research regarding the wells on the King Gillette property to consider whether well water could be utilized for creek flow augmentation.

10. INFORMATION ITEMS

- A 18-inch Recycled Water Pipeline Joint Bonding Repair Project: Call for Bids**
- B Lost Hills Interchange 10-inch Recycled Water Main Relocation Project: Change Order No. 1**

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

- A Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):**
 - 1. Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson (TMDL cases)
 - 2. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental protection Agency (FOIA case)

The Board recessed to Closed Session at **6:45 p.m.** and reconvened to Open Session at **7:20 p.m.**

District Counsel Wayne Lemieux reported that there was no reportable action taken during the Closed Session.


13. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 7:20 p.m., in memory of David Orkney, Director Janna Orkney's brother.



Glen Peterson, Chair

ATTEST:



Michael Paule, Vice Chair