

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

4232 Las Virgenes Road, Calabasas, CA 91302

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

5:00 PM

June 5, 2017

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: Special Meeting of April 18, 2017 and Regular Meeting of May 1, 2017 (Pg. 3)

5 ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recognition of Westlake High School Mentorship Program Participants

B Recognition of Director Steven D. Iceland's Service to the JPA

C Pure Water Project Las Virgenes-Triunfo: Update

D Federal Affairs Update: John Freshman, Best Best & Krieger LLP

6 ACTION ITEMS

A Digester No. 1 Rehabilitation Project: CEQA Determination and Call for Bids (Pg. 15)
Find that the work is exempt from the California Environmental Quality Act and approve the issuance of a Call for Bids for the Digester No. 1 Rehabilitation Project.

- B Financial Review: Third Quarter of Fiscal Year 2016-17 (Pg. 21)**
Receive and file the financial review for the third quarter of Fiscal Year 2016-17.
- C Proposed JPA Budget for Fiscal Year 2017-18: Adoption (Pg. 27)**
Adopt the proposed Fiscal Year 2017-18 JPA Budget.

7 BOARD COMMENTS

8 ADMINISTERING AGENT/GENERAL MANAGER REPORT

9 FUTURE AGENDA ITEMS

10 INFORMATION ITEMS

- A U.S. Bureau of Reclamation Grant Funding Awards for Pure Water Project Las Virgenes-Triunfo (Pg. 39)**

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

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
MINUTES
SPECIAL MEETING**

5:00 PM

April 18, 2017

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Carlos Reyes.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:31 p.m.** by Vice Chair Glen Peterson in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road in Calabasas, California. Joanne Bodenhamer, Acting Clerk of the Board, conducted the roll call.

Present: Directors: Caspary, Iceland, Lewitt, Orkney, Pan, Peterson, Polan,
and Renger

Absent: Paule and Wall

2. PUBLIC COMMENTS

None.

3. CLOSED SESSION**A Conference with Real Property Negotiators (Government Code Section 54956.8):**

- JPA Negotiators: David W. Pedersen, Administering Agent/General Manager, and Keith Lemieux, JPA Legal Counsel
- Property Owner Negotiators: Agoura Hills Center Properties, LLC, represented by CBRE
- Property: APN 2061-001-025
- JPA will be negotiating price and terms

The Board recessed to Closed Session at **5:32 p.m.** and reconvened to Open Session at **5:48 p.m.**

**4. RECONVENE TO OPEN SESSION AND PROPERTY SITE VISIT
APN 2061-001-025 (30800 Agoura Road, Agoura Hills, CA 91301)**

The Board Members were driven to the property where they visited the site as

Administering Agent/General Manager David Pedersen explained pertinent information about the location and its potential future use. He also responded to questions of the Board.

5. CLOSED SESSION

A Conference with Real Property Negotiators (Government Code Section 54956.8):

- JPA Negotiators: David W. Pedersen, Administering Agent/General Manager, and Keith Lemieux, JPA Legal Counsel
- Property Owner Negotiators: Agoura Hills Center Properties, LLC, represented by CBRE
- Property: APN 2061-001-025
- JPA will be negotiating price and terms

The Board returned to the Board Room and recessed to Closed Session at **6:53 p.m.**

The Board reconvened to Open Session at **7:36 p.m.**

Authority Counsel Keith Lemieux announced the JPA Board directed staff to make an offer on the property. The terms and conditions of the offer will not be disclosed unless the offer is accepted by the seller.

6. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **7:37 p.m.**

James Wall, Chair

ATTEST:

Glen Peterson, Vice Chair

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

5:00 PM

May 1, 2017

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 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, Lewitt, Orkney, Pan, Paule, Peterson, Polan, Renger, and Wall.

Absent: Director(s): Iceland.

2. APPROVAL OF AGENDA

Director Polan moved to approve the agenda. Motion seconded by Director Paule. Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Iceland

ABSTAIN: None

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A Minutes: Regular Meeting of April 3, 2017

Director Peterson moved to approve the Consent Calendar. Motion seconded by Director Caspary. Motion carried by the following vote:

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Pure Water Project Las Virgenes-Triunfo: Update

Administering Agent/General Manager David Pedersen provided the following update:

Funding and Financing: The PFM Group is finalizing the Preliminary Financial Feasibility Report, which will be presented to the Board in June. The report will assist both agencies in discussing project funding and financing.

Advocacy: Tours of the Tapia Water Reclamation Facility, Rancho Las Virgenes Compositing Facility, and Rancho Solar Generation Facility, and a presentation regarding the Pure Water Project will be provided to Congressman Ted Lieu's staff on May 3rd.

Outreach: Staff provided a presentation to the Agoura Hills City Council, which was well received. Staff developed business cards to distribute to homeowners' associations, service clubs, or groups to request a presentation on the project.

Demonstration Project: CDM Smith continues to work on the design. The Board will be given a tour of Building No. 1 at the June 5th meeting.

6. ACTION ITEMS

A Tapia Process Air Improvements Project: Preliminary Engineering Report, CEQA Determination and Request for Proposals for Selection of Diffusers and Blowers

Receive and file the Preliminary Engineering Report, find that the work is categorically exempt from the California Environmental Quality Act, and approve the issuance of a Request for Proposals for the selection of diffusers and blowers for the Tapia Water Reclamation Facility Process Air Improvements Project.

Administering Agent/General Manager David Pedersen presented the report.

Eric Schlageter, Senior Engineer, presented the project background, scope and implementation plan.

Director Orkney inquired regarding the process to develop performance-based

specifications. Mr. Schlageter responded that the consultant provided feedback, and staff received presentations from several blower equipment manufacturers to learn about available technology and efficiencies for energy savings.

Director Polan inquired regarding the removal of the building roof for equipment installation. Robert Murphy, representing Pacific Advanced Civil Engineering, Inc. (PACE), responded that the equipment's smaller footprint would fit through the existing roof, which was designed to be removable, and other equipment would fit through the door.

Director Polan inquired regarding the need for a crane system for the diffusers. Mr. Schlageter responded that the diffusers could be operated as a fixed installation, and the cost and maintenance of a crane system, if necessary, could be addressed and identified at a future time.

Director Caspary inquired whether consideration was given in the cost estimates for 12 MGD flow in 25 years should the JPA approach buildout. Mr. Schlageter responded that this was addressed in the design, and the facility would have the ability to handle 12 MGD. He also stated that the second blower would address peak flow, and the third blower would be available for redundancy.

Director Pan referred to the arrangement to select the equipment and award the contract and inquired whether this would involve sole sourcing. Keith Lemieux, Authority Counsel, responded that the proposal is to handle selection of equipment through the performance-based specifications, which would be incorporated in the final contract.

Director Peterson moved to approve Item 6A. Motion seconded by Director Lewitt. Motion carried by the following vote:

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

**B Rancho Amendment Bin and Conveyance Modifications Project:
Preliminary Design Report, CEQA Determination, and Award of
Design Contract**

Receive and file the Preliminary Design Report; find that the work is exempt from the California Environmental Quality Act; accept the proposal from MWH Global, Inc.; and authorize the Administering Agent/General Manager to execute a professional services agreement, in the amount of \$124,915, for the Amendment Bin and Conveyance Modifications Project.

Administering Agent/General Manager David Pedersen presented the report.

Eric Schlageter, Senior Engineer, discussed the scope of work and the recommendation for the environmental determination.

Director Peterson expressed concern with the outdoor covered storage of amendment material during fire season. Mr. Schlageter responded that the Preliminary Design Report included a suggestion for an enclosure; however, one of the challenges would be to keep moisture from the amendment during rain or damp conditions.

Director Caspary suggested the use of a drop trailer as the amendment bin, which could also feed material on demand to a conveyor through the original grate system. Mr. Schlageter responded that this suggestion would be addressed with the consultant. He stated that although the cost might be more than estimated, this suggestion could solve the moisture issues.

Director Paule moved to approve Item 6B. Motion seconded by Director Renger. Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Iceland

ABSTAIN: None

C Heal the Bay's "Bring Back the Beach" Event: Attendance

Authorize one Board Member from each agency and the Administering Agent/General Manager to attend the Heal the Bay "Bringing Back the Beach" Event at a cost of \$600 per person.

Administering Agent/General Manager David Pedersen presented the report.

The Board discussed designating Director Caspary and Chair Wall to attend the event.

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

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Iceland

ABSTAIN: None

7. BOARD COMMENTS

Director Polan inquired regarding the policy to reimburse Directors for travel expenses related to toll road fees. Administering Agent/General Manager David Pedersen stated that staff would follow-up.

Director Paule requested a summary and graphic or rendering of the Pure Water Project to present at the next Ventura County Special District Association's meeting. He noted that he would be attending the California Special District Association's Legislative Days on May 16th and 17th, and he requested informational materials on the Pure Water Project Las Virgenes-Triunfo, so that he may deliver them to Senator Henry Stern's staff.

Director Orkney noted that the Triunfo Sanitation District participated in the Westlake Street Fair. She also commended Administering Agent/General Manager David Pedersen on the editorial that he and Calleguas Municipal Water District General Manager Susan Mulligan prepared for *The Acorn*.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen reported that Carollo Engineers would be presenting a Brine Management Workshop at District Headquarters on May 2nd. He stated that a site visit of the Westlake Filtration Plant would be scheduled as part of the JPA Board meeting in June or July.

Chair Wall inquired regarding the status of the "for lease" sign posted in front of Building No. 1. Administering Agent/General Manager David Pedersen responded that staff would request to have the sign removed since the building would be used for the demonstration project.

9. FUTURE AGENDA ITEMS

None.

10. INFORMATION ITEMS

A Rancho Las Virgenes Composting Facility Switchgear Failure: End of Emergency

B 2016 Bioassessment Monitoring Report: Approval of Purchase Order

Director Caspary expressed concern with the language in the report referring to high sulfate and phosphate concentrations found in Malibu Creek "potentially" from the Monterey Formation. He requested that the word "potentially" be removed to confirm that the water quality is impacted by the Monterey Formation. Administering Agent/General Manager David Pedersen noted that former District

employee Randal Orton would be providing a presentation at the end of May on the impacts to water quality from the Monterey Formation. He stated that information regarding the location of the presentation and topic would be shared with the Board. He also stated that the results from studies regarding crayfish and their effect on the benthic macroinvertebrates community and the Monterey Formation would be presented to the Board.

Director Orkney requested that staff provide a copy of the 2016 Bioassessment Monitoring Report to the Board for review.

11. **PUBLIC COMMENTS**

None.

12. **CLOSED SESSION**

A Conference with Real Property Negotiators (Government Code Section 54956.8):

- JPA Negotiators: David W. Pedersen, Administering Agent/General Manager, and Keith Lemieux, JPA Legal Counsel
- Property Owner Negotiators: Agoura Hills Center Properties, LLC, represented by CBRE
- Property: APN 2061-001-025
- JPA will be negotiating price and terms

The Board recessed to Closed Session at **5:50 p.m.** and reconvened to Open Session at **6:32 p.m.**

Authority Counsel Keith Lemieux reported that the Board met in Closed Session regarding real property negotiations for the property listed.

Director Peterson moved to authorize the Administering Agent/General Manager to enter into an option agreement under the same terms and conditions outlined in a letter of intent, and direct staff to prepare and execute the option agreement and open escrow. Motion seconded by Director Orkney. Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Peterson, Polan, Renger, Wall

NOES: None

ABSENT: Iceland

ABSTAIN: None

13. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:33 p.m.**

James Wall, Chair

ATTEST:

Glen Peterson, Vice Chair

June 5, 2017 JPA Board Meeting

TO: JPA Board of Directors

FROM: Facilities & Operations

Subject : Digester No. 1 Rehabilitation Project: CEQA Determination and Call for Bids

SUMMARY:

On November 7, 2016, the JPA Board authorized the Administering Agent/General Manager to execute a professional services agreement with Pacific Advanced Civil Engineering, Inc. (PACE), in the amount of \$53,694, to prepare plans and specifications for the rehabilitation of Digester No. 1 at the Rancho Las Virgenes Composting Facility. The design is now complete, and staff recommends issuance of a Call for Bids for the project.

RECOMMENDATION(S):

Find that the work is exempt from the California Environmental Quality Act and approve the issuance of a Call for Bids for the Digester No. 1 Rehabilitation Project.

FISCAL IMPACT:

No

ITEM BUDGETED:

Yes

FINANCIAL IMPACT:

There is no financial impact associated with this action.

DISCUSSION:

The three digesters at the Rancho Las Virgenes Composting Facility process biosolids from the Tapia Water Reclamation Facility before dewatering and composting. Digester Nos. 1 and 2 were constructed in the early 1990s and have been in continuous service since that time. In 2015, Digester No. 3 was constructed to provide redundancy and allow for the older Digesters Nos. 1 and 2 to be temporarily taken out of service (one at a time) for maintenance purposes. Staff recently took Digester No. 1 off-line to perform cleaning and allow for an interior inspection. Based upon staff's observations, as well as inspection by PACE

engineers, the following scope of work for the rehabilitation work is recommended:

- Removal and replacement of existing concrete construction joint seals.
- Removal and replacement of all interior mechanical piping systems.
- Modifications of existing level control instrumentation and implementation of additional instrumentation.
- Replacement of existing exterior valves and actuators (feed, circulation and gas systems).
- Removal of obsolete equipment (e.g. steam lances).
- Modifications to the existing gas withdrawal piping system.
- Rehabilitation of existing roof penetrations and viewports.

The proposed bid schedule is as follows:

Call for Bids	June 5, 2017
1st Advertisement	June 8, 2017
2nd Advertisement	June 15, 2017
Pre-Bid Meeting	June 21, 2017
Bids Open	July 12, 2017
Award of Contract	August 6, 2017
Project Completion	January 2018 (est.)

The work is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15301(b) of the CEQA Guidelines because it involves only minor alterations to an existing facility with no expansion of use. Attached is a Notice of Exemption that staff proposes to file, pending Board approval of the CEQA Determination. Also attached is the Notice Inviting Sealed Proposals.

Prepared by: Jared Q. Adams, P.E., Associate Engineer

ATTACHMENTS:

Notice of Exemption
Notice Inviting Sealed Proposals

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk
County of: _____

From: (Public Agency): _____

(Address)

Project Title: _____

Project Applicant: _____

Project Location - Specific:

Project Location - City: _____ Project Location - County: _____

Description of Nature, Purpose and Beneficiaries of Project:

Name of Public Agency Approving Project: _____

Name of Person or Agency Carrying Out Project: _____

Exempt Status: (check one):

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: _____
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

Lead Agency
Contact Person: _____ Area Code/Telephone/Extension: _____

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: _____ Title: _____

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

**NOTICE INVITING SEALED PROPOSALS (BIDS)
DIGESTER #1 REHABILITATION PROJECT**

NOTICE IS HEREBY GIVEN that the Board of Directors of Las Virgenes-Triunfo Joint Powers Authority (JPA) invites and will receive sealed proposals (bids) up to the hour of **3:00PM** on **July 12, 2017**, for furnishing the work described in the contract documents. Bids received after the time stated in the Call for Bids will not be accepted and will be returned, unopened, to the bidder. The time shall be determined by the time on the receptionist telephone console in our Headquarters lobby. Proposals will be publicly opened and read aloud at the office of the JPA, 4232 Las Virgenes Road, Calabasas, California 91302. Said bids shall conform to and be responsive to the Specifications and Contract Documents for said work as heretofore approved by the JPA.

A **mandatory** pre-bid tour will be conducted at **10:00AM** on **June 21, 2017**. The meeting will begin at the Headquarters Building at 4232 Las Virgenes Road, Calabasas, CA 91302. Attendance at the pre-bid conference is a condition precedent to submittal of the bid and the JPA will not consider a bid from any bidder not represented at the pre-bid conference. Questions regarding the project may be directed to Project Manager Jared Q. Adams at (818) 251-2147.

Sets of contract documents may be downloaded for free by going to <http://www.LVMWD.com/Ebidboard> and following the links to this project.

In order to be placed on the plan holder's list, contractors shall register for free as a document holder for this project on Ebidboard by going to www.LVMWD.com/Ebidboard and following the links to this project. Addendum notifications will be issued through Ebidboard.com, but may also be provided by calling the JPA's Project Manager. Although Ebidboard will fax and/or email all notifications to registered plan holders after the JPA uploads the information, Bidders are responsible for obtaining all addenda and updated contract documents.

Each bid must be on the JPA bid form and shall be sealed and filed with the secretary of the JPA at or before the time stated in the Notice.

No Contractor or Subcontractor may be listed on a bid proposal for a public works project submitted on or after March 1, 2015 unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. No Contractor or Subcontractor may be awarded a contract for public work on a public works project awarded on or after April 1, 2015 unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. Effective January 1, 2016, no Contractor or Subcontractor may perform on a contract for public work on a public works project unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. This project is subject to compliance monitoring and enforcement by the DIR.

All terms and conditions contained in the Specifications and Contract Documents shall become part of the contract. The Board of Directors of Las Virgenes-Triunfo Joint Powers Authority reserves the right to reject any and all bids and to waive any and all irregularities in any bid. No bidder may withdraw his bid after the said time for bid openings until 60-days thereafter or until the JPA has made a final award to the successful bidder or has rejected all bids, whichever event first occurs.

The Board of Directors of Las Virgenes-Triunfo Joint Powers Authority reserves the right to select the schedule(s) under which the bids are to be compared and contract(s) awarded.

BY ORDER OF THE GOVERNING BODY OF LAS VIRGENES-TRIUNFO JOINT
POWERS AUTHORITY

Dated

James Wall, Chair
Las Virgenes-Triunfo Joint Powers Authority

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June 5, 2017 JPA Board Meeting

TO: JPA Board of Directors

FROM: Finance & Administration

Subject : Financial Review: Third Quarter of Fiscal Year 2016-17

SUMMARY:

The third quarter financial review presents data through April 30, 2017, which includes one additional month of data due to the timing of the report. It is important to note that due to the timing of various projects and payments, the third quarter report should primarily be used to identify areas where an emerging trend may affect the JPA's position at fiscal year-end.

RECOMMENDATION(S):

Receive and file the financial review for the third quarter of Fiscal Year 2016-17.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

FINANCIAL IMPACT:

There is no financial impact associated with this action.

DISCUSSION:

The JPA's year-to-date net uses of funds through April 30, 2017 totaled \$13.8 million, compared to \$12.3 million for the same period in Fiscal Year 2015-16. There were year-over-year reductions in operating revenues (11.6%) and a slight decrease in operating expenditures (0.7%). The reductions in revenues were primarily due to decreased recycled water sales stemming from the impacts of drought. Capital project expenditures were approximately \$1.4 million higher than the prior year.

When comparing to Fiscal Year 2016-17 budget estimates through April 30, 2017, actual operating expenditures were approximately \$1.4 million (10.6%) below budget estimates, primarily due to lower than expected energy, chemical and sprayfield costs as well as decreased labor hours for maintenance. Capital project expenditures were approximately

\$5.3 million below budget estimates, primarily due to the timing of expenditures for planned projects.

Prepared by: Angela Saccareccia, Finance Manager

ATTACHMENTS:

JPA Third Quarter Financial Review for Fiscal Year 2016-17

Joint Powers Authority Operations

Quarterly Update - Comparison to Budget & Prior Year at April 30, 2017

	FY 15-16 Actual YTD	FY 16-17 Budget YTD	FY 16-17 Actual YTD
Total Operating Revenues	\$ 1,816,941	\$ 1,971,429	\$ 1,606,214
RW Pump Station	898,420	936,418	972,561
RW Tanks & Reservoirs	62,488	96,292	110,118
RW System Operations	26,880	31,189	20,598
RW Distribution	48,533	95,929	108,806
Sewer	108,472	198,852	116,733
Waste Water Treatment	6,070,482	6,433,820	5,692,779
Composting	3,524,188	4,159,260	3,533,098
Centrate Treatment	221,875	319,903	246,220
Adminstration	848,185	854,554	928,318
Total Operating Expenses	11,809,523	13,126,217	11,729,231
Net Operating (Expenses)	\$ (9,992,582)	\$ (11,154,788)	\$ (10,123,017)

Joint Powers Authority Operations
Quarterly Update - Comparison to Budget & Prior Year at April 30, 2017
FY 16-17 Year To Date

	<u>FY 15-16 Actual</u> <u>YTD</u>	<u>FY 16-17 Budget</u> <u>YTD</u>	<u>FY 16-17 Actual</u> <u>YTD</u>
<u>Las Virgenes Share:</u>			
<u>Total Revenues</u>			
Operating Revenues	\$ 1,282,760	\$ 1,391,829	\$ 1,133,987
Other Revenues	10,744	10,590	10,797
Total Revenues	<u>1,293,504</u>	<u>1,402,419</u>	<u>1,144,784</u>
<u>Total Expenses</u>			
Operating Expenses	\$ 8,136,761	\$ 8,792,102	\$ 8,081,440
Capital Project Expenses	1,609,383	6,382,196	2,633,824
Total Expenses	<u>9,746,145</u>	<u>15,174,298</u>	<u>10,715,264</u>
Net (Uses) of Funds - LV	<u><u>\$ (8,452,641)</u></u>	<u><u>\$ (13,771,879)</u></u>	<u><u>\$ (9,570,480)</u></u>
<u>Triunfo Share:</u>			
<u>Total Revenues</u>			
Operating Revenues	\$ 534,181	\$ 579,600	\$ 472,227
Other Revenues	4,474	4,410	4,496
Total Revenues	<u>538,655</u>	<u>584,010</u>	<u>476,723</u>
<u>Total Expenses</u>			
Operating Expenses	\$ 3,672,762	\$ 4,334,115	\$ 3,647,791
Capital Project Expenses	670,197	2,657,742	1,096,805
Total Expenses	<u>4,342,958</u>	<u>6,991,857</u>	<u>4,744,596</u>
Net (Uses) of Funds - TSD	<u><u>\$ (3,804,303)</u></u>	<u><u>\$ (6,407,847)</u></u>	<u><u>\$ (4,267,873)</u></u>
Total JPA Net (Uses) of Funds	<u><u>\$ (12,256,944)</u></u>	<u><u>\$ (20,179,726)</u></u>	<u><u>\$ (13,838,353)</u></u>

Joint Powers Authority Operations
Quarterly Update - Comparison to Budget & Prior Year at April 30, 2017
FY 16-17 Year To Date

	<u>FY 15-16 Actual YTD</u>	<u>FY 16-17 Budget YTD</u>	<u>FY 16-17 Actual YTD</u>
<u>Total Revenues</u>			
Operating Revenues	\$ 1,816,941	\$ 1,971,429	\$ 1,606,214
Other Revenues	15,218	15,000	15,293
Total Revenues	<u>1,832,159</u>	<u>1,986,429</u>	<u>1,621,507</u>
<u>Total Expenses</u>			
Operating Expenses	\$ 11,809,523	\$ 13,126,217	\$ 11,729,231
Capital Project Expenses	2,279,580	9,039,938	3,730,629
Total Expenses	<u>14,089,103</u>	<u>22,166,155</u>	<u>15,459,860</u>
Net (Uses) of Funds	<u>\$ (12,256,944)</u>	<u>\$ (20,179,726)</u>	<u>\$ (13,838,353)</u>
Las Virgenes Share	<u>(8,653,402)</u>	<u>(13,771,879)</u>	<u>(5,323,177)</u>
Triunfo Share	<u>(3,603,542)</u>	<u>(6,407,847)</u>	<u>(8,515,176)</u>

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June 5, 2017 JPA Board Meeting

TO: JPA Board of Directors

FROM: Finance & Administration

Subject : Proposed JPA Budget for Fiscal Year 2017-18: Adoption

SUMMARY:

In June 2016, the JPA Board adopted the Fiscal Year 2016-17 Budget and approved the Fiscal Year 2017-18 Budget Plan. This report highlights the proposed changes from the original budget plan for the second year, which consist of a total reduction to the capital project budget, in the amount of approximately \$5.3 million (33.9%), and an operating budget increase, in the amount of \$50,511 (0.4%), proposed for Fiscal Year 2017-18.

RECOMMENDATION(S):

Adopt the proposed Fiscal Year 2017-18 JPA Budget.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

FINANCIAL IMPACT:

The proposed Fiscal Year 2017-18 JPA Budget totals \$26,767,919, consisting of \$16,375,127 for operations and \$10,392,792 for capital improvements.

DISCUSSION:

On June 6, 2016, the Board approved the JPA's first-ever two-year budget, consisting of adoption of the Fiscal Year 2016-17 Budget and approval of the Fiscal Year 2017-18 Budget Plan. The two year budget process was implemented to:

1. Improve long-term planning;
2. Concentrate on the implementation of long-term strategic objectives;
3. Create a framework for stable operations and orderly spending patterns; and

4. Reduce staff time to prepare the budget, freeing focus on other tasks.

JPA Operating Budget:

In preparation of the proposed Fiscal Year 2017-18 Budget, staff reviewed the approved budget plan to identify areas that required adjustment. Attached is a document with key excerpts from the previously-approved Fiscal Year 2017-18 Budget Plan along with details of the proposed changes. Staff proposes a net increase to the operating budget in the amount of \$50,511 (0.37%), as compared to the approved Fiscal Year 2017-18 Budget Plan.

The proposed budget for operating revenues is \$2,553,224, which is \$77,150 more than the budget plan and \$40,450 more than Fiscal Year 2016-17, due to a slight increase in the wholesale recycled water rate. The proposed budget for operating expenses is \$16,375,127, which is \$127,661 more than the budget plan and \$471,734 more than Fiscal Year 2016-17. The net operating expense is \$13,821,903, which is \$50,511 more than the budget plan.

Capital Improvement Program Budget:

Additionally, staff completed a comprehensive review of the proposed Capital Improvement Program for Fiscal Year 2017-18 with the goal of updating the plan to reflect current anticipated schedules and to align it with available funding. The review resulted in a proposed reduction of \$5,328,793 to the Fiscal Year 2017-18 Capital Improvement Program Budget. The reduction was due to removal of the Woodland Hills Country Club Recycled Water Pipeline Extension (\$8.1 million), which was partially offset by an increase for potential land acquisition (\$2 million) and increases/additions to several smaller projects at the Tapia Water Reclamation Facility.

The capital project budget is \$10,392,792, including the Process Air Improvements Project (\$1.6 million), Pure Water Project Las Virgenes-Triunfo (\$1.8 million) and potential land acquisition (\$2 million). Attached is a report with changes proposed to the capital improvement program budget.

Wholesale Recycled Water Rate:

The budget process includes calculating the wholesale recycled water rate in accordance with the JPA Board-approved methodology. The proposed rate for Fiscal Year 2017-18 is \$423.13 per acre foot, as compared to \$410.10 in the budget plan. The change is due to an increase in the operating expenses budget as well as an increase in the projected depreciation expense.

The attached proposed budget document includes the following:

1. Operating budget line item summary at the enterprise level
2. Projection of allocated JPA expenses to participants
3. Recycled water wholesale rate computations
4. Capital improvement project listing

The proposed Fiscal Year 2017-18 JPA Budget is available for review in hard-copy at District Headquarters at 4232 Las Virgenes Road, Calabasas and on-line at <http://www.lvmwd.com/about-us/adopted-budget-and-annual-financial-reports>.

Prepared by: Angela Saccareccia, Finance Manager

ATTACHMENTS:

Excerpts from Original Fiscal Year 2017-18 Budget Plan

Summary of Proposed Changes to Fiscal Year 2017-18 Operating Budget

Summary of Proposed Changes to Fiscal Year 2017-18 Capital Improvement Program Budget



Las Virgenes – Triunfo Joint Powers Authority

Excerpts - Original Fiscal
Year 2017-18 Budget Plan

**Las Virgenes - Triunfo
Joint Powers Authority
Operations Summary**

	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Budget	FY 15-16 Est. Actual	FY 16-17 Budget	FY 17-18 Budget
OPERATING REVENUES							
4235 RW Sales - LVMWD	\$2,218,255	\$2,052,560	\$1,508,136	\$1,761,572	\$1,665,136	\$1,664,596	\$1,654,203
4240 RW Sales - TSD	789,907	839,098	626,542	704,310	747,639	745,625	741,871
4245 MWD Incentive - Local Projects	194,055	107,800	100,331	0	0	0	0
4505 Other Income from Operations	61,853	63,028	54,523	65,000	65,000	65,000	65,000
4510 Compost Sales	13,781	40,390	36,698	15,000	35,000	15,000	15,000
TOTAL OPERATING REVENUES	\$3,277,851	\$3,102,876	\$2,326,230	\$2,545,882	\$2,512,775	\$2,490,221	\$2,476,074
SOURCE OF SUPPLY							
5115 Purchased Water - Potable Suppl	0	0	136,529	0	0	0	0
OPERATIONS DIVISION EXPENSE							
5400 Labor	1,906,514	1,851,775	1,833,291	1,860,660	1,794,950	1,862,173	1,935,364
5405.1 Electricity	2,202,452	2,746,502	2,547,058	2,543,565	2,480,686	2,393,041	2,470,770
5405.2 Telephone	16,355	20,587	21,501	20,084	26,515	25,112	25,488
5405.3 Natural Gas	13,168	11,782	23,294	12,452	13,706	16,385	16,631
5405.4 Water	11,956	10,520	11,141	12,514	6,296	9,580	9,725
5410 Supplies/Material	87,208	101,724	58,280	67,674	65,586	74,350	75,365
5410.1 Fuel	16,617	15,979	14,978	18,600	11,312	14,604	15,233
5410.5 Ferric Chloride	90,209	84,096	60,306	84,709	64,200	69,500	70,700
5410.6 Defoamer/Deodorant	9,895	5,992	5,990	6,832	0	6,800	0
5410.7 Polymer	195,755	167,894	114,821	162,024	69,741	117,485	119,247
5410.8 Amendment	206,434	242,394	181,136	186,623	193,587	193,000	195,000
5410.9 Alum	31,739	25,577	14,569	25,600	14,500	25,600	25,900
5410.10 Sodium Hypochlorite	272,820	272,557	243,406	333,518	159,000	160,000	160,000
5410.11 Sodium Bisulfite	158,802	187,291	150,059	188,826	128,000	130,000	130,000
5410.13 Aqua Ammonia	19,732	18,298	20,249	25,000	43,313	50,000	50,000
5415 Outside Services	49,041	30,376	42,275	66,720	52,045	52,349	40,997
5417 Odor Control	67,805	99,259	130,480	108,000	96,380	141,200	141,800
5420 Permits and Fee	158,164	172,834	188,358	185,511	180,823	190,482	193,249
5425 Consulting Services	21,090	10,142	11,582	0	0	0	0
5430 Capital Outlay	51,267	38,610	16,609	30,500	26,500	82,000	0
Sub-total	\$5,587,023	\$6,114,189	\$5,689,383	\$5,939,412	\$5,427,140	\$5,613,661	\$5,675,469
MAINTENANCE DIVISION EXPENSE							
5500 Labor	1,348,996	1,204,745	1,259,216	1,294,284	1,191,661	1,408,815	1,445,396
5510 Supplies/Material	515,952	423,874	532,159	414,384	429,505	477,008	484,164
5515 Outside Services	532,242	214,212	362,683	295,232	361,555	509,015	313,657
5518 Building Maintenance	124,365	115,790	108,602	117,472	95,437	107,000	108,605
5520 Permits and Fee	280	937	768	500	500	500	500
5525 Consulting Services	5,100	0	4,002	0	0	0	0
5530 Capital Outlay	0	47,789	23,670	129,000	40,000	143,000	275,640
Sub-total	\$2,526,935	\$2,007,347	\$2,291,100	\$2,250,872	\$2,118,658	\$2,645,338	\$2,627,962
INVENTORY EXPENSES							
5536 Inventory Adjustment	9,463	50	12,800	3,100	4,000	4,400	4,840
Sub-total	\$9,463	\$50	\$12,800	\$3,100	\$4,000	\$4,400	\$4,840
PUBLIC INFORMATION							
6602 School Education Program	2,511	5,156	10,509	8,393	8,272	9,915	11,975
6604 Public Education Program	43,641	66,785	39,331	67,398	64,891	67,634	71,835
6606 Community Group Outreach	4,859	373	1,184	10,195	4,958	5,015	6,525
6608 Intergovernmental Coordination	5,486	1,872	1,842	10,712	2,500	10,342	10,618
Sub-total	\$56,497	\$74,186	\$52,866	\$96,698	\$80,621	\$92,906	\$100,953
RESOURCE CONSERVATION							
6788 District Sprayfield	296,358	267,574	254,095	274,676	267,121	311,384	311,920
6789 005 Discharge	20,163	350	5,523	384	360	370	380
6785 Watershed Programs	87,932	23,796	27,504	83,596	8,661	88,389	89,474
Sub-total	\$404,453	\$291,720	\$287,122	\$358,656	\$276,142	\$400,143	\$401,774

**Las Virgenes - Triunfo
Joint Powers Authority
Operations Summary**

	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Actual	FY 15-16 Budget	FY 15-16 Est. Actual	FY 16-17 Budget	FY 17-18 Budget
SPECIALTY EXPENSES							
5700 SCADA Services	77,970	88,895	68,401	110,646	121,190	135,650	142,568
5710.2 Technical Services	15,625	0	1,090	12,924	1,293	320	332
5712 Compost Sales/Use Tax	3,747	7,852	4,549	4,000	2,392	4,000	4,000
5715.2 Other Lab Services	162,451	148,230	147,489	150,292	110,327	151,292	153,562
5715.3 Tapia Lab Sampling	128,283	135,336	140,569	130,917	151,584	132,887	137,915
7202 Allocated Lab Expense	382,094	356,930	351,743	391,208	351,978	397,304	411,386
Sub-total	\$770,170	\$737,243	\$713,841	\$799,987	\$738,764	\$821,453	\$849,763
ADMINISTRATIVE EXPENSES							
6872 Litigation/Outside Services	89,933	88,533	219,268	50,000	150,000	50,000	50,000
6874 Litigation/District Costs	0	0	0	0	5,000	0	0
6516 Other Professional Services	15,069	92,259	20,186	75,000	100,000	6,540	50,000
6517 Audit Fees	5,300	5,300	2,500	5,300	2,575	2,650	2,730
7110 Travel/Misc Staff Expense	619	13	54	0	26	0	0
7135.1 Property Insurance	59,731	55,127	55,181	56,726	55,132	56,801	59,073
7135.4 Earthquake Insurance	92,878	92,800	89,726	92,238	88,786	91,475	95,134
7145 Claims Paid	0	0	147,000	0	72,000	0	0
7153 TSD Staff Services	0	500	4,036	5,000	5,000	5,000	5,000
6260 Rental Charge - Facility Repl	355,476	389,038	344,732	337,598	336,150	336,456	377,798
7203 Allocated Building Maint	105,823	80,473	88,082	102,117	90,453	95,565	85,410
7225 Allocated Support Services	3,719,446	3,413,211	3,432,606	3,817,509	3,402,787	4,044,489	4,177,028
7226 Allocated Operations Services	1,508,229	1,711,033	1,602,547	1,608,358	1,530,811	1,636,516	1,684,532
Sub-total	\$5,952,504	\$5,928,287	\$6,005,918	\$6,149,846	\$5,838,720	\$6,325,492	\$6,586,705
TOTAL EXPENSES	\$15,307,045	\$15,153,022	\$15,189,559	\$15,598,571	\$14,484,045	\$15,903,393	\$16,247,466
NET OPERATING EXPENSE	\$12,029,194	\$12,050,146	\$12,863,329	\$13,052,689	\$11,971,270	\$13,413,172	\$13,771,392

RW WHOLESALE RATE COMPUTATIONS

FY 2017-18 Budgeted Costs	Total Cost	Base Cost	Add'l Pumping	East-West Cost
Pump Stations	1,187,027	560,912	626,115	
Reservoirs	108,523	108,523		
System Operations	39,346	39,346		
Distribution	104,682	104,682		
RW Operations	<u>1,439,578</u>			
RW Ops/Total JPA Ops	8.9%			
Total JPA Admin	1,046,223			
RW Administration	92,699	92,699		
subtotal:Operations & Admin	<u>1,532,277</u>	<u>906,162</u>		
Est. Depreciation FY15-16	863,814	863,814	-	
Total Cost	<u>\$ 2,396,091</u>	<u>\$ 1,769,976</u>	<u>\$ 626,115</u>	

Costs per Acre Foot	<u>\$ 298.93</u>	<u>\$ 111.17</u>	<u>\$ 410.10</u>
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FY 2017-18 Estimated Deliveries

	Acre Feet	Rate	
LV Valley	289	\$ 298.93 /AF	\$ 86,390.77
LVMWD East	1,517	\$ 410.10 /AF	\$ 622,121.70
LVMWD West	<u>2,306</u>	\$ 410.10 /AF	<u>\$ 945,690.60</u>
Total LVMWD	<u>4,112</u>		<u>\$ 1,654,203.07</u>
TSD	<u>1,809</u>	\$ 410.10 /AF	<u>\$ 741,870.90</u>
	<u>5,921</u>		<u>\$ 2,396,073.97</u>

Las Virgenes - Triunfo Joint Powers Authority

Working Capital Requirements

Capital Improvement Projects

FY15-16 through FY17-18

Job #	Title	Approved Appropriations	Prior Expenditures	Estimated Expenditures FY15-16	FY16-17 Appropriations	FY16-17 Working Capital Requirement	FY17-18 Appropriations
10418	Rehabilitation of 18" RW Pipe (Tapia/Mulholland Highway)	\$443,231	\$324,336	\$118,895	\$0	\$0	\$0
10487	Construct 3rd Digester at Rancho	\$7,423,548	\$7,876,866	\$14,190	\$0	\$0	\$0
10513	Tapia Sluice Gate and Drive Replacement	\$545,105	\$7,768	\$8,053	\$0	\$529,284	\$212,800
10520	SCADA System Communication Upgrades	\$93,100	\$32,447	\$0	\$0	\$60,653	\$7,008
10522	Reservoir #2 Improvements (Lining Cover)	\$1,607,010	\$1,503,277	\$187	\$0	\$0	\$0
10537	Raw Sludge Wet Well Mixing Improvements	\$127,000	\$0	\$0	\$22,000	\$149,000	\$0
10538	Tapia Channel Mixing Improvements	\$1,109,242	\$92,939	\$1,106,241	\$0	\$0	\$0
10540	Lost Hill Overpass Recycled Water Main Relocation	\$765,101	\$93,914	\$136,465	\$87,332	\$622,054	\$0
10551	Centrate System - New Pump Impellers	\$35,000	\$0	\$0	\$0	\$35,000	\$0
10559	Manhole Rehabilitation, F2/F3 Line	\$291,500	\$0	\$2,495	\$0	\$289,005	\$85,757
10560	Rancho: Rehabilitate Existing Centrate Line	\$175,390	\$0	\$175,390	\$0	\$0	\$0
10562	Tapia Structural Repairs	\$46,500	\$2,345	\$238	\$0	\$0	\$0
10563	Tapia Supplemental Carbon Study	\$85,000	\$0	\$0	\$0	\$0	\$0
10564	Centrate Equalization Tank	\$1,250,519	\$42,197	\$161,613	\$1,092,489	\$2,139,198	\$0
10565	Rancho Las Virgenes Digester Cleaning and Repair	\$287,500	\$0	\$130,000	\$40,500	\$198,000	\$0
10567	Programmable Logic Controller Upgrades	\$216,500	\$0	\$0	\$171,000	\$387,500	\$379,050
10570	Rancho Las Virgenes Composting Facility: Purchase of New Loader	\$180,000	\$0	\$180,000	\$0	\$0	\$0
10573	Sewer Grit Handling	\$50,000	\$13,680	\$30,723	\$0	\$0	\$0
10574	Rancho Facility Improvements	\$384,000	\$74,496	\$61,604	\$0	\$247,900	\$0
10579	Security Upgrades - JPA	\$32,000	\$0	\$18,244	\$6,044	\$19,800	\$0

Las Virgenes - Triunfo Joint Powers Authority

Working Capital Requirements

Capital Improvement Projects

FY15-16 through FY17-18

Job #	Title	Approved Appropriations	Prior Expenditures	Estimated Expenditures FY15-16	FY16-17 Appropriations	FY16-17 Working Capital Requirement	FY17-18 Appropriations
10582	Tapia Balancing Pond Sealant Replacement	\$80,500	\$22,060	\$11,262	\$0	\$0	\$0
10587	Recycled Water Storage Study	\$721,644	\$174,716	\$546,928	\$1,750,000	\$1,750,000	\$1,850,000
10588	Woodland Hills Golf Course RW Pipeline Extension	\$1,338,638	\$12,366	\$360,326	\$94,054	\$1,060,000	\$8,106,000
10589	WIMS Software Implementation	\$32,350	\$25,740	\$0	\$0	\$0	\$0
10595	Tapia Primary Flow Diversion	\$44,000	\$0	\$0	\$0	\$44,000	\$0
10597	Tapia Electrical and Instrumentation Upgrades	\$137,250	\$0	\$0	\$35,560	\$172,810	\$66,000
10600	Tapia Water Reclamation Facility Reliability Improvements	\$100,000	\$0	\$100,000	\$132,000	\$132,000	\$132,000
10601	Rancho Reliability Improvements	\$100,000	\$0	\$64,400	\$96,400	\$96,400	\$132,000
10602	Miscellaneous RW Extension	\$106,000	\$0	\$6,921	\$399,780	\$399,780	\$131,400
10607	Tapia: Primary Tanks No. 2 - 5 Rehabilitation	\$98,264	\$0	\$98,264	\$646,600	\$646,600	\$329,800
10608	Rancho Amendment Bin and Conveyance Modification Project	\$0	\$0	\$0	\$776,500	\$776,500	\$0
10611	Tapia Duct Bank Infrastructure Upgrade	\$0	\$0	\$0	\$66,000	\$66,000	\$184,750
10617	Flow Meter Replacement - JPA Meters	\$0	\$0	\$0	\$25,849	\$25,849	\$0
10619	Summer Season 2013 TMDL Compliance	\$0	\$0	\$0	\$200,000	\$200,000	\$400,000
10621	Recycled Water Tank Coating Evaluation and Repair	\$0	\$0	\$0	\$30,000	\$30,000	\$71,500
10622	Capri Tract w/o Lindero Greenbelt Recycled Water Improvements	\$0	\$0	\$0	\$431,000	\$431,000	\$0
10623	Hillcrest and Oak Park North Apartments Recycled Water Improvements	\$0	\$0	\$0	\$300,000	\$300,000	\$0
10624	Tapia Chemical Building Roof Replacement	\$0	\$0	\$0	\$55,000	\$55,000	\$0
10626	Process Air Improvements	\$0	\$0	\$0	\$1,797,400	\$1,797,400	\$1,873,600
60023	Tapia Lighting Efficiency Upgrade	\$0	\$0	\$0	\$0	\$0	\$469,920

Las Virgenes - Triunfo Joint Powers Authority

Working Capital Requirements

Capital Improvement Projects

FY15-16 through FY17-18

Job #	Title	Approved Appropriations	Prior Expenditures	Estimated Expenditures FY15-16	FY16-17 Appropriations	FY16-17 Working Capital Requirement	FY17-18 Appropriations
60024	Rancho Lighting Efficiency Upgrade	\$0	\$0	\$0	\$0	\$0	\$594,000
60045	Alice Stelle Recycled Water Main Extension Project	\$0	\$0	\$0	\$0	\$0	\$671,000
99911	Rancho Las Virgenes: FOG Receiving Facilities	\$0	\$0	\$0	\$0	\$0	\$25,000
Total CIP Budget		\$17,905,892	\$10,299,147	\$3,332,439	\$8,255,508	\$12,660,733	\$15,721,585

**Summary of Significant Changes
Operations
Fiscal Year 2017-18**

Joint Powers Authority

Adjustments

	Amount
Revenues	
Recycled Water Sales- LVMWD	53,579.00
Recycled Water Sales- TSD	23,571.00
	77,150.00
Expenses	
Operating:	
Outside Services	9,100.00
Odor Control	3,200.00
Permits and Fees	(1,304.00)
Capital Outlay	37,000.00
Maintenance:	
Building Maintenance	8,235.00
Capital Outlay	18,000.00
Administrative:	
Allocated Building Maintenance	11,600.00
Allocated Support Services	41,617.00
Allocated Operations Services	213.00
	127,661.00
Net Increase (Decrease)	\$ 50,511.00

**Summary of Significant Changes
Capital Improvement Projects
Fiscal Year 2017-18**

Expenditures by Fund

2017-18 Budget Plan \$ 15,721,585.00

Adjustments

10513- Tapia Sluice Gate and Drive Replacement	\$	343,800.00
10520- SCADA System	\$	(7,008.00)
10357- Raw Sludge Wet Well Mixing Improvements	\$	107,627.00
10559- Manhole Rehabilitation F2/F3 Line	\$	536,297.00
10565- Rancho Las Virgenes Digester Cleaning/Repair	\$	822,691.00
10567- Programmable Logic Controller Upgrades	\$	(46,200.00)
10588- Woodland Hills Golf Course RW Pipeline Ext.	\$	(8,106,000.00)
10607-Tapia Primary Tanks No. 2-5 Rehabilitation	\$	460,200.00
10608- Rancho Amendment Bin and Conveyance Mod Proj	\$	370,150.00
10619- Summer Season TMDL Compliance	\$	(200,000.00)
10621- Recycled Water Tank Coating	\$	(41,500.00)
10626- Process Air Improvements	\$	(321,600.00)
60045-Alice Stelle Recycled Water Main Ext.	\$	(671,000.00)
60006- Tapia Duct Bank Infrastructure Upgrade	\$	(184,750.00)
60024- Rancho Lighting Efficiency Upgrade	\$	(594,000.00)
70012- Tapia Grit and Skimmings Pipeline Replace	\$	202,500.00
70013- Land Acquisition	\$	2,000,000.00

Adjustments Total \$ (5,328,793.00)

CIP Total \$ 10,392,792.00

INFORMATION ONLY

June 5, 2017 JPA Board Meeting

TO: JPA Board of Directors

FROM: General Manager

**Subject : U.S. Bureau of Reclamation Grant Funding Awards for Pure Water Project
Las Virgenes-Triunfo**

SUMMARY:

On May 12, 2017, U.S. Secretary of the Interior Ryan Zinke announced that the Bureau of Reclamation awarded \$23.6 million in grant funding to the highest-rated water recycling and reuse projects in the seven western states. The JPA was successful in receiving two grants for the Pure Water Project Las Virgenes-Triunfo, totaling \$450,000. The first is a \$150,000 grant to prepare a Title XVI Feasibility Study for the effort, and the second is a \$300,000 grant for the planned demonstration project. The grants will help to offset the cost of the proposed project and, more importantly, initiate a federal partnership for the Pure Water Project Las Virgenes-Triunfo.

Attached for reference are copies of the press release and grant award letters.

FISCAL IMPACT:

Yes

ITEM BUDGETED:

No

FINANCIAL IMPACT:

The grant funding totaling \$450,000 will offset the cost of the Pure Water Project Las Virgenes-Triunfo.

Prepared by: David Pedersen, Administering Agent/General Manager

ATTACHMENTS:

Press Release

Grant Award Letter for Title XVI Feasibility Study

Grant Award Letter for Demonstration Project



OFFICE OF THE SECRETARY

**U.S. Department
of the Interior**

www.doi.gov
News Release

Date: May 12, 2017

Contacts: Interior_Press@ios.doi.gov

Secretary Zinke Announces \$23.6 Million for Water Reclamation and Reuse Projects and Studies

*Bureau of Reclamation Funding Goes to Six Authorized Projects,
Thirteen Feasibility Studies and Four Research Studies in California,
Kansas, Nevada, Oklahoma, Texas, Utah and Washington*

WASHINGTON – U.S. Secretary of the Interior Ryan Zinke today announced that the Bureau of Reclamation awarded \$23,619,391 to communities in seven states for planning, designing and constructing water recycling and re-use projects; developing feasibility studies; and researching desalination and water recycling projects. The funding is part of the Title XVI Water Reclamation and Reuse program.

"This funding provides essential tools for stretching limited water supplies by helping communities reclaim and reuse wastewater and impaired ground or surface waters," said Secretary Zinke. "These tools are just part of the toolkit for bridging the gap between water supply and demand and thus making water supplies more drought-resistant. In addition to this funding, Reclamation is actively supporting state and local partners in their efforts to boost water storage capacity. "

Title XVI Authorized Projects are authorized by Congress and receive funding for planning, design and/or construction activities on a project-specific basis. Six projects will receive \$20,980,129. They are:

- **City of Pasadena Water and Power Department (California)**, Pasadena Non-Potable Water Project, Phase I, \$2,000,000
- **City of San Diego (California)**, San Diego Area Water Reclamation Program, \$4,200,000
- **Hi-Desert Water District (California)**, Hi-Desert District Wastewater Reclamation Project, \$4,000,000
- **Inland Empire Utilities Agency (California)**, Lower Chino Dairy Area Desalination and Reclamation Project, \$5,199,536

- **Padre Dam Municipal Water District (California)**, San Diego Area Water Reclamation Program, \$3,900,000
- **Santa Clara Valley Water District (California)**, South Santa Clara County Recycled Water Project, \$1,680,593

Title XVI Feasibility Studies are for entities that would like to develop new water reclamation and reuse feasibility studies. Thirteen projects will receive \$1,791,561. They are:

- **City of Ada Public Works Authority (Oklahoma)**, Reuse Feasibility Study for the City of Ada, Oklahoma, \$136,193
- **City of Bartlesville (Oklahoma)**, Feasibility Study to Augment Bartlesville Water Supply with Drought-Resilient Reclaimed Water, \$150,000
- **City of Garden City (Kansas)**, Strategic Plan for Reuse Effluent Water Resources in Garden City, Kansas, and Vicinity, \$65,368
- **City of Quincy (Washington)**, Quincy 1 Water Resource Management Improvement Feasibility Study for Comprehensive Wastewater Reuse and Water Supply Project, \$150,000
- **El Paso Water Utilities - Public Services Board (Texas)**, Aquifer Storage-Recovery with Reclaimed Water to Preserve Hueco Bolson using Enhanced Arroyo Infiltration for Wetlands, and Secondary Reducing Local Power Plant Reclaimed Water Demand, \$150,000
- **Kitsap County (Washington)**, Feasibility Study for a comprehensive water reuse project at the Kitsap County Kingston Wastewater Treatment Plant, \$150,000.
- **Las Virgenes Municipal Water District (California)**, Pure Water Project Las Virgenes Municipal Water District, \$150,000
- **North Alamo Water Supply Corporation (Texas)**, Feasibility Study of Energy-Efficient Alternatives for Brackish Groundwater Desalination for the North Alamo Water Supply Corporation, \$90,000
- **Oklahoma Water Resources Board (Oklahoma)**, Feasibility Study of Potential Impacts of Select Alternative Produced Water Management and Reuse Scenarios, \$150,000
- **Soquel Creek Water District (California)**, Pure Water Soquel - Replenishing Mid-County Groundwater with Groundwater with Purified Recycled Water, \$150,000
- **Valley Center Municipal Water District (California)**, Lower Moosa Canyon Wastewater Recycling, Reuse, and sub-regional Brine Disposal Project, \$150,000
- **Washoe County (Nevada)**, Northern Nevada Indirect Potable Reuse Feasibility Study, \$150,000
- **Weber Basin Water Conservancy District (Utah)**, Weber Basin Water Conservancy District Reuse Feasibility Study, \$150,000

The Title XVI Program will provide funding for research to establish or expand water reuse markets, improve or expand existing water reuse facilities, and streamline the implementation of clean water technology at new facilities. Four projects will receive \$847,701. They are:

- **City of San Diego (California)**, Demonstrating Innovative Control of Biological Fouling of Microfiltration/Ultrafiltration and Reverse Osmosis Membranes and Enhanced Chemical and Energy Efficiency in Potable Water, \$300,000
- **City of San Diego (California)**, Site-Specific Analytical Testing of RO Brine Impacts to the Treatment Process, \$48,526

- **Kansas Water Office (Kansas)**, Pilot Test Project for Produced Water near Hardtner, Kansas, \$199,175
- **Las Virgenes Municipal Water District (California)**, Pure Water Project Las Virgenes-Truinfo Demonstration Project, \$300,000

Reclamation provides funding through the Title XVI Water Reclamation and Reuse Program for projects that reclaim and reuse municipal, industrial, domestic or agricultural wastewater and naturally impaired ground or surface waters. Reclaimed water can be used for a variety of purposes, such as environmental restoration, fish and wildlife, groundwater recharge, municipal, domestic, industrial, agricultural, power generation or recreation.

Since 1992, Title XVI funding has been used to provide communities with new sources of clean water, while promoting water and energy efficiency and environmental stewardship. In that time, approximately \$672 million in federal funding has been leveraged with non-federal funding to implement more than \$3.3 billion in water reuse improvements.

To learn more about Title XVI and these awards, please visit <https://www.usbr.gov/watersmart/title>.

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United States Department of the Interior

BUREAU OF RECLAMATION
P.O. Box 25007
Denver, CO 80225-0007

IN REPLY REFER TO:

84-27810
ACM-1.10

MAY 15 2017

VIA ELECTRONIC MAIL

Las Virgenes Municipal Water District
Attn: Mr. David W. Pedersen
4232 Las Virgenes Road
Calabasas, CA 91302-1994

Subject: Funding Opportunity Announcement (FOA) No. BOR-DO-17-F003 – WaterSMART: Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program for Fiscal Year 2017 – Your Application Titled, “Title XVI Feasibility Study for Pure Water Project Las Virgenes Municipal Water District”

Dear Mr. Pedersen:

Thank you for submitting an application for development of a feasibility study under the Title XVI Water Reclamation and Reuse Program. Reclamation conducted a review of applications for funding based on the evaluation criteria included in the FOA announced on October 25, 2016, and posted at www.grants.gov. The Bureau of Reclamation is pleased to inform you that your application was among those receiving the highest ratings and is now being considered for award of a financial assistance agreement. Reclamation anticipates awarding Federal funds in the amount of \$150,000 for your proposed feasibility study. Please note that Reclamation may adjust the award amount in order to ensure that the feasibility study remains in compliance with statutory requirements.

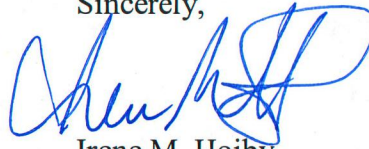
A financial assistance agreement will not be executed, nor have funds awarded, until all statutory and regulatory requirements, including those described in Section V.C. of the FOA, been met. Note that if the non-Federal cost-share for your feasibility study has not yet been secured, letters indicating commitments for non-Federal funding must be submitted to Reclamation prior to award of a financial assistance agreement.

Also, please be advised that your application has been ranked based on your description of the feasibility study you intend to develop. Changes to the description in your application may affect your study's ranking and eligibility for Federal funds under this FOA. Revisions to the scope of the feasibility study described in your application can be made only after Reclamation determines that revisions would be consistent with the selection process.

For additional information, including a list of the other feasibility studies identified for funding, please see the announcement of selected studies which is available at www.usbr.gov/WaterSMART. To receive information and announcements regarding upcoming activities under this program, please send an email with your name and email address to watersmart@usbr.gov.

Thank you for your interest and participation in the Title XVI Water Reclamation and Reuse Program. The Reclamation regional or area office that will be responsible for awarding and administering your agreement will contact you to finalize your award. If you have questions concerning the next steps in awarding this agreement, please contact Ms. Amanda Erath at 303-445-2766, or contact Matthew Reichert at 303-445-3865.

Sincerely,



Irene M. Hoiby
Grants Officer



United States Department of the Interior

BUREAU OF RECLAMATION

P.O. Box 25007

Denver, CO 80225-0007

IN REPLY REFER TO:

84-27810

1.3.11

MAY 15 2017

VIA ELECTRONIC MAIL

Las Virgenes Municipal Water District
Attn: Mr. David W. Pedersen
4232 Las Virgenes Road
Calabasas, CA 91302-1994

Subject: Funding Opportunity Announcement (FOA) No. BOR-DO-17-F004 – WaterSMART: Water Reclamation Research under the Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year 2017 – Your Application Titled, “Pure Water Project Las Virgenes-Truinfo Demonstration Project”

Dear Mr. Pedersen:

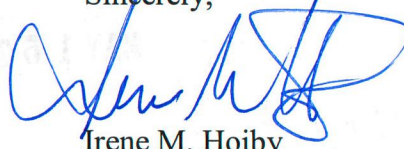
Thank you for submitting an application for the Water Reclamation Research under the Title XVI Water Reclamation and Reuse Program FOA. Reclamation conducted a review of applications for funding based on the evaluation criteria included in the FOA announced on November 3, 2016, and posted at www.grants.gov. The Bureau of Reclamation is pleased to inform you that your application was among those receiving the highest ratings and is now being considered for award of a financial assistance agreement. Reclamation anticipates awarding Federal funds in the amount of \$300,000 for your project. Please note that Reclamation may adjust the award amount in order to ensure that the research study remains in compliance with statutory requirements.

A financial assistance agreement will not be executed, nor have funds awarded, until all statutory and regulatory requirements, including those described in Section V.B.5 of the FOA, been met. Note that if the non-Federal cost-share for your research study has not yet been secured, letters indicating commitments for non-Federal funding must be submitted to Reclamation prior to award of a financial assistance agreement.

For additional information, including a list of the other projects identified for funding, please see the announcement of selected projects which is available at www.usbr.gov/WaterSMART. To receive information and announcements regarding upcoming activities under this program, please send an email with your name and email address to watersmart@usbr.gov.

Thank you for your interest and participation in the Title XVI Water Reclamation and Reuse Program. The Reclamation regional or area office that will be responsible for awarding and administering your agreement will contact you to finalize your award. If you have questions concerning the next steps in awarding this agreement, please contact Ms. Amanda Erath at 303-445-2766, or contact Matthew Reichert at 303-445-3865.

Sincerely,



Irene M. Hoiby
Grants Officer