

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

5:00 PM

June 5, 2017

PLEDGE OF ALLEGIANCE

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

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: Directors Caspary, Lewitt, Orkney, Pan, Paule, Peterson, Polan, Renger, and Wall.

Absent: Director Iceland.

2. APPROVAL OF AGENDA

Director Peterson moved to approve the agenda. 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

3. PUBLIC COMMENTS

Tony Vitullo stated that he was an organic farmer, and he has been using the free compost from the Rancho Las Virgenes Compositing Facility for the past two years. He expressed his appreciation for access to a free and excellent product. Director Caspary thanked Mr. Vitullo for providing his comments.

4. CONSENT CALENDAR

A Minutes: Special Meeting of April 18, 2017 and Regular Meeting of May 1, 2017

Director Orkney moved to approve the Consent Calendar. Motion seconded by Director Paule. Motion carried by the following vote:

Minutes of Special Meeting of April 18, 2017:

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

NOES: None

ABSENT: Iceland

ABSTAIN: Wall

Minutes of Regular Meeting of May 1, 2017:

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 Recognition of Westlake High School Mentorship Program Participants

Chair Wall provided introductory remarks and presented certificates of recognition to participants Marissa Huang, Nhuvi Tran, Jorge Avalos, and Evan Posner, and to staff mentors Jan Dougall, Joanne Bodenhamer, and Coleman Olinger.

Marissa Huang expressed appreciation for a well-organized program and a gratifying experience.

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

This item was postponed to a future meeting.

C Pure Water Project Las Virgenes- Triunfo: Update

David Lippman, Director of Facilities and Operations, provided the following update:

Funding and Financing: The U.S. Bureau of Reclamation awarded the JPA a grant, in the amount of \$150,000, to be used for the preparation of a Title XVI Feasibility Study and a grant, in the amount of \$300,000, to assist in funding the Demonstration Project. Staff submitted an application to the State Water Resources Control Board for a \$75,000 grant that would also be used to assist in funding the Title XVI Feasibility Study.

Outreach: Mr. Lippman reported that staff had participated in 18 speaker engagements, including one for the Sierra Club, Angeles Chapter. The Sierra Club

offered to prepare a support letter. Staff will also speak at the Ventura County Special Districts Association meeting on June 6, 2017.

Demonstration Project: Mr. Lippman explained that staff was reviewing the preliminary design report submitted by CDM Smith, which would be presented to the Board in July. The Board will also be provided a tour of Building No. 1 in July. Staff will provide an update on the next steps at the August 7th Board meeting.

Mixing Study: The bathymetric survey for the mixing study was reported to be completed.

Advanced Water Treatment Site: Mr. Lippman reported that the purchase option agreement had been executed, allowing staff to proceed with the 60-day due diligence period. The option deposit, in the amount of \$100,000, was wired to the escrow company. Due diligence will consist of RMC studying the previous reports of the site, including those for geotechnical, environmental and biological issues. Staff will meet with City of Agoura Hills staff to discuss the compatibility of the proposed use for the site with the City's general and specific plans. The preliminary title report and draft appraisal were received. Mr. Lippman explained that staff was working on scheduling tours for the JPA Board of the Westlake Filtration Plant, Westlake Pump Station, Las Virgenes Reservoir and the Leo Vander Lans Advanced Water Treatment Facility in Long Beach.

Director Renger inquired regarding the surface area of Las Virgenes Reservoir. Mr. Lippman responded that staff would follow-up and provide the information.

Director Pan inquired regarding the status of the financing plan. Administering Agent/General Manager David Pedersen responded that The PFM Group would present the report at the July 10th Board meeting.

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

John Freshman, Best Best & Krieger LLP, provided an update via teleconference regarding lobbying efforts, including the award of the two grants by the U.S. Bureau of Reclamation. He also provided an update regarding funding for water projects under the Fiscal Year 2018 Congressional Appropriation process.

Ana Schwab, Best Best & Krieger LLP, joined the teleconference and introduced herself.

Mr. Freshman responded to a question regarding feedback from legislative staff following the lobbying trip to Washington D.C. by stating that the main feedback was the approval of the Title XVI grants. He noted that he had been in contact with Congressman Ted Lieu's office, which had expressed support for the project. Administering Agent/General Manager David Pedersen added that staff had provided a tour of JPA facilities to Congressman Lieu's staff.

A discussion ensued regarding receiving future communications from Mr. Freshman. Administering Agent/General Manager David Pedersen stated that materials provided by Mr. Freshman would be included as Information Items on future agendas.

6. ACTION ITEMS

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

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.

Administering Agent/General Manager David Pedersen presented the report.

Director Polan moved to approve Item 6A. Motion seconded by Director Orkney.

Administering Agent/General Manager David Pedersen responded to questions related to the budget allocated for this item by noting that the project was included as CIP Job No. 10565, Rancho Las Virgenes Digester Cleaning and Repair. He also responded to a question regarding the Engineer's Estimate for the project by stating that staff would follow-up and provide the information to the Board.

Motion carried by the following vote:

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

NOES: None

ABSENT: Iceland

ABSTAIN: None

B **Financial Review: Third Quarter of Fiscal Year 2016-17**

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

Angela Saccareccia, Finance Manager, presented a PowerPoint presentation.

Director Orkney requested that staff provide percentages in the future. Don Patterson, Director of Finance and Administration, responded that staff would include the percentages for future financial reviews.

Director Orkney requested an explanation regarding the large difference in the Fiscal Year 2016-17 Year-To-Date Budget and the Year-To-Date Actual.

Director Peterson moved to approve Item 6B. 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

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

Adopt the proposed Fiscal Year 2017-18 JPA Budget.

Angela Saccareccia, Finance Manager, presented a PowerPoint presentation.

Director Caspary inquired whether the manhole rehabilitation budget included work on the F2/F3 line. David Lippman, Director of Facilities and Operations, responded that this budget includes rehabilitation of the stacks and manhole structures; however, he indicated that this project was deferred because repairs had been made, and the budget was reduced substantially.

Director Orkney inquired regarding the \$50,000 budgeted for "Other Professional Services". Don Patterson, Director of Finance and Administration, responded that this item included the budget for lobbyists and a retainer for accounting advice.

Director Orkney requested clarification on the budget, in the amount of \$377,798, for "Rental Charge – Facility." Angela Saccareccia, Finance Manager, responded that this budget covered the JPA's use of a portion of the Headquarters building.

Director Orkney referred to the budget for sewers and inquired whether staff monitored the condition of the sewers annually. David Lippman, Director of Facilities and Operations, responded that the JPA owns 60 miles of trunk sewers and that a portion of the sewers are inspected annually via camera. He noted that this function is budgeted under labor, outside services and materials.

Director Orkney expressed concern with the budget, in the amount of \$5.2 million, to produce and maintain compost. She suggested revisiting this budget once the Pure Water Project Las Virgenes-Triunfo gets underway.

Director Orkney referred to the "Treatment/Composting" budget, in the amount of \$2.3 million, for "Administrative Expenses - Allocated Support Services" and "Allocated Operations Services", and the "Administration" budget, in the amount of \$1 million. She inquired regarding the reason the costs were higher to produce and maintain compost as compared to the costs for administration. Administering Agent/General Manager David Pedersen responded that the "Treatment/Composting" costs were for staff who work at the composting facility, and the Administration costs were for his time and that of other managers who do

not necessarily work at the composting facility.

Director Orkney referred to the District Staffing Plan and noted that the Resource Conservation and Public Outreach Department shows 15 positions under "Customer Service Operations." She inquired regarding their job duties. Don Patterson, Director of Finance and Administration, responded that the District Staffing Plan identifies all Las Virgenes Municipal Water District positions and that those positions were primarily tasked with performing 100% LVMWD customer service duties. Director Orkney suggested that it would be helpful in the future to have the number of full-time equivalents that are budgeted for the JPA identified in the staffing plan.

Director Peterson moved to approve Item 6C. 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

7. **BOARD COMMENTS**

Director Polan noted that representatives from the First Neighborhood Property Owners' Association informed him of a piece of JPA equipment that had fallen into disrepair. He stated that JPA staff had determined that the equipment was an air-vacuum release valve for the recycled water system, and staff made the necessary repairs. He complimented staff on their quick response.

Director Paule reported that he attended the California Special Districts Association Legislative Days in Sacramento. He noted that the Little Hoover Commission was working on a report to review special districts and how special districts could improve public outreach efforts.

Director Caspary reported that he attended the Regional Water Quality Control Board's (Regional Board) hearing on June 1st regarding the issuance of the NPDES Permit and Time Schedule Order for the Tapia Water Reclamation Facility. He noted that Heal the Bay did not provide comment, and the Regional Board was very cooperative and complimentary. He commended staff on their efforts related to the issuance of the new permit. Director Orkney also commended staff and Director Caspary on their outreach efforts.

Director Polan reported that he and Administering Agent/General Manager David Pedersen attended Dr. Randal Orton's presentation at UCLA related to the impacts of the Monterey/Modelo Formation on stream health and algal growth in the Malibu Creek Watershed.

Director Pan echoed Director Paule's comments on the importance of public outreach. She also commended staff on the quarterly infrastructure tours and School Mentorship Program. She noted that the County of Ventura Public Works provides a one-day program to showcase equipment, and local schools are invited to view the equipment and exhibits.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen thanked the Board for their positive feedback related to the issuance of the new NPDES permit for Tapia. He also commended the Board for their efforts on the stakeholders' workshops and recognized staff for their efforts. He noted that there was still an issue with the lower limit for chloride concentrations for discharges to the Los Angeles River, and staff would need to study the sources of chloride for the Time Schedule Order and a Basin Plan Amendment.

9. FUTURE AGENDA ITEMS

None.

10. INFORMATION ITEMS

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

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

None.

13. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:32 p.m.**



James Wall, Chair

ATTEST:



Glen Peterson, Vice Chair