

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

5:00 PM

September 5, 2017

PLEDGE OF ALLEGIANCE

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

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Wall in the Conference Room at Oak Park Library, 899 N. Kanan Road in Oak Park, California. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Caspary, Lewitt, Orkney, Pan, Peterson, Polan, Renger, Tjulander, and Wall.
Absent: Director Paule

2. APPROVAL OF AGENDA

Director Orkney moved to approve the agenda. Motion seconded by Director Caspary. Motion carried by the following vote:

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

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A Minutes: Regular Meeting of August 7, 2017

Director Polan moved to approve the Consent Calendar. Motion seconded by Director Renger. Motion carried by the following vote:

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

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:

Institutional Issues: Staff met with City of Thousand Oaks Public Works Department staff to discuss progress on the project. Staff also discussed possible partnership opportunities with Thousand Oaks for the proposed brine pipeline and bringing groundwater from Thousand Oaks to the Advanced Water Treatment Facility for treatment during the summertime when the plant would not be running.

Funding and Financing: Staff participated in a debriefing with the United States Environmental Protection Agency (USEPA) to discuss the JPA's letter of interest for the Water Infrastructure Finance and Innovation Act (WIFIA) low-interest loan program funding. The Pure Water Project Las Virgenes-Triunfo (Pure Water Project) was one of 43 applications submitted; however, the project was not selected because the USEPA was seeking projects that were ready for construction and demonstrated diversity in geography. The Pure Water Project did well with respect to project type because it is unique; however, the project had challenges with geography due to the large number of applicants from California. Staff learned about the USEPA's review process, which included three different criteria: selection criteria scoring; preliminary engineering feasibility; and credit worthiness. The project scored well in the category for selection criteria, scored low in the preliminary engineering feasibility category due to uncertainty and risk because a site had not been selected, and scored low in credit worthiness due to the lack of a pro forma showing how the debt would be serviced by member agencies. The USEPA encouraged the JPA to reapply for funding opportunities in the future.

Public Outreach: Staff reported that it has conducted 24 presentations to date, including a presentation to the Oak Park Municipal Advisory Council on July 25th, Ventura College Advanced Water Treatment Science Class on July 27th, and the JPA Quarterly Tour on August 8th. Presentations will be given on September 8th to the Westlake Village Sunrise Rotary Club and to Mark Gold at UCLA.

A discussion ensued regarding the following topics:

- The timing for the formal site selection for the Advanced Water Treatment Facility, which is expected by March 2018 pending completion of the siting

study and commencement of the environmental document;

- Partnership opportunities with the City of Thousand Oaks on the brine line and through treatment of impaired groundwater, along with the possibility of wheeling water through the future interconnection with Calleguas Municipal Water District to Thousand Oaks;
- Potential partnership with the City of Thousand Oaks on the Pure Water Project, which could improve the financial structure so that the treated water would cost less on an acre-foot basis and compete with the cost of imported water, help with grant applications due to multi-county involvement, and demonstrate that the project will be regional, which could assist when competing for grants;
- Consideration of including Calleguas Municipal Water District or the City of Thousand Oaks in a new joint powers authority or financing entity for the project; and
- Consideration of seeking other funding/financing sources other than WIFIA.

6. **ACTION ITEMS**

A Tapia Process Air Improvements Project: Approval of Design Scope Change

Authorize the Administering Agent/General Manager to approve a Change in Scope to the professional services agreement with Pacific Advanced Civil Engineering (PACE) in the amount of \$47,718, for the Tapia Process Air Improvements Project.

Administering Agent/General Manager David Pedersen presented the report.

Director Peterson moved to approve Item 6A.

David Lippman, Director of Facilities and Operations, responded to a question regarding the possibility of installing a smaller pipe within the existing deteriorated pipeline by stating that it would be challenging because there is not much space for an entry and exit pit. He noted that staff would continue to explore the possibility of sliplining as an option.

Administering Agent/General Manager David Pedersen responded to a question regarding installing the pipe above ground instead of underground by stating that staff was concerned that installing the pipe above ground could impair access through and under the area; however, he explained that this may turn out to be one of the better options.

David Lippman, Director of Facilities and Operations, responded to a question regarding the lifecycle of the pipe by stating that these types of pipelines can be expected to last 30 to 35 years.

Motion seconded by Director Polan. Motion carried by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Paule

B Policy Principles for Management of the JPA's Recycled Water System

Adopt the draft *Policy Principles for Management of the JPA's Recycled Water System*.

Administering Agent/General Manager David Pedersen presented the report.

Director Peterson expressed concern with the value of the proposed policy principles because they could be changed at any time. He suggested that it needed to be made clear that the recycled water belongs to the JPA, and the JPA should include a policy principle to keep the recycled water in the region. He referred to proposed Policy Principle No. 2 and expressed concern with sharing the system with the City of Thousand Oaks and that the policy principle might affect a potential future partnership. Administering Agent/General Manager David Pedersen responded that this was not the intent of this policy principle; the purpose was to ensure the wastewater generated within the service area would only be used within the service area. He stated that the intent of Policy Principle No. 2 would only be for new, long-term agreements for recycled water, and not for rendering judgment on existing agreements. Additionally, he clarified that staff would not have the authority to make changes to the policy principles; Board approval would be required for any changes. He suggested amending Policy Principle No. 2 to indicate that the JPA will not enter into long-term sale or transfer agreements without first evaluating the ability to provide that benefit to its own customers.

Administering Agent/General Manager David Pedersen continued presenting the report. He recommended a correction to proposed Policy Principle No. 5 to strike the words "and its member agencies." He also noted that the word "but" should be included between "including" and "not limited to" in proposed Policy Principle No. 6.

Director Pan suggested including a policy principle for stormwater capture and increasing recycled water storage before treatment. Administering Agent/General Manager David Pedersen responded that storage could be a policy principle on its own, including seeking cost-effective opportunities to increase recycled water storage.

Administering Agent/General Manager David Pedersen summarized the proposed changes to the draft Policy Principles: add a conditional element to Policy Principle No. 2 to include "without first evaluating opportunities for its use within the service

area,” strike the words “and its member agencies” from Policy Principle No. 5, and add the word “but” between “included” and “not limited to” as well as add mention of stormwater to Policy Principle No. 6.

Director Caspary moved to approve Item 6A as amended. Motion seconded by Director Lewitt.

Director Peterson expressed concern that the policy principles would be restrictive for future expansion of the recycled water system and noted there were currently several exceptions such as Pepperdine University. Administering Agent/General Manager David Pedersen suggested removing Policy Principle No. 5 and that staff would bring it back for a more thorough discussion.

Director Caspary amended his motion to adopt Policy Principles Nos. 1, 2, 3, 4, and 6, with Policy Principles Nos. 2 and 6 as amended, and bring back Policy Principle No. 5 for future discussion. Amended motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Polan, Tjulander, Wall

NOES: Peterson, Renger

ABSTAIN: None

ABSENT: Paule

C Woodland Hills Country Club Recycled Water System Extension Project

Opt not to sell or transfer wholesale recycled water to the Los Angeles Department of Water and Power, instead preserving it to augment future drinking water supplies through the Pure Water Project Las Virgenes-Triunfo.

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

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

NOES: None

ABSTAIN: None

ABSENT: Paule

D Pure Water Project Las Virgenes-Triunfo: Next Steps for Demonstration Project

Find that the work is exempt from the provisions of the California Environmental Quality Act, authorize the issuance of a Request for Proposals for project delivery management services, and authorize the solicitation of proposals from one or more public outreach firms for the Pure

Water Demonstration Project.

David Lippman, Director of Facilities and Operations, presented the report.

Director Peterson suggested using the current Las Virgenes Municipal Water District board room as the meeting room and using the old board room in Building No. 1 for the demonstration project. He also suggested placing all of the tanks and chemicals outside and behind Building No. 1, and installing a sink and faucet at the water tasting station instead of a laboratory-type water spigot.

A discussion ensued regarding the use the old board room for assembly and school education purposes, and operating the Demonstration Project until the Advanced Water Treatment Facility is online.

Administering Agent/General Manager David Pedersen suggested following the recommendations in the Preliminary Design Report in order to allow staff time to explore the costs for the architectural elements. He noted that the thought was to have the Demonstration Project be in a stand-alone facility, and he expressed concern that there could be challenges with space if all of the equipment were to be placed inside of the old board room.

David Lippman, Director of Facilities and Operations, stated that the Request for Proposals would include looking into options from the Preliminary Design Report, such as using the current board room versus the old board room, using bathroom facilities at the District Office rather than in Building No. 1, and maximizing existing facilities to the greatest extent.

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

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

7. BOARD COMMENTS

Director Polan noted there was discussion at the recent California Association of Sanitation Agencies (CASA) Conference regarding the need for more internship programs in the water and wastewater sector.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen reported on the status of the Centrate Equalization Tank Project and the contractor, Zusser Company. He noted that the contractor had demobilized from the site; however, all of the work

was not completed. He stated that payments to the contractor had ceased, the JPA holds a five percent retention and performance bond, and a notice of default had been filed. He explained that staff was working with legal counsel on the matter, and that the JPA Board may need to take action in the future. He also noted that the Las Virgenes Municipal Water District Board may need to designate a hearing officer to provide the contractor with due process.

Administering Agent/General Manager David Pedersen reported that he would be testifying before the U.S. House of Representatives Subcommittee on Water Resources and Environment in Washington DC on September 26th regarding support for robust federal funding for water and wastewater projects and to support longer terms for NPDES permits under the Clean Water Act. He provided an update on SB 231 (Hertzberg), which was pending the Governor's signature and would define the term "sewer" for Proposition 218 property-related fees. He also reported on the feedback provided by staff and the JPA's lobbyist regarding the implementation of *Making Water Conservation a California Way of Life*.

9. FUTURE AGENDA ITEMS

None.

10. PUBLIC COMMENTS

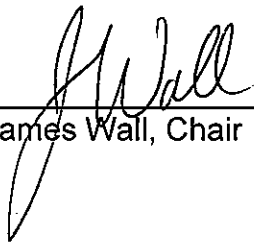
None.

11. CLOSED SESSION

None.


12. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:52 p.m.**



James Wall, Chair

ATTEST:



Glen Peterson, Vice Chair