

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

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5:00 PM

December 3, 2018

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Angela Saccareccia.

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

The meeting was called to order at **5:00 p.m.** by Chair 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: Directors Caspary, Lewitt, Orkney, Pan, Peterson, Polan (arrived at 5:09 p.m.), Renger, Shapiro, Tjulander, and Wall.

Absent: None

**2. APPROVAL OF AGENDA**

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

AYES: Caspary, Lewitt, Orkney, Pan, Peterson, Renger, Shapiro, Tjulander, and Wall

NOES: None

ABSTAIN: None

ABSENT: Polan

**3. PUBLIC COMMENTS**

None.

**4. CONSENT CALENDAR**

**A Minutes: Regular Meeting of November 5, 2018**

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

AYES: Caspary, Lewitt, Orkney, Pan, Peterson, Renger, Shapiro, Tjulander, and Wall

NOES: None

ABSTAIN: None

ABSENT: Polan

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

### **A Annual Financial Statements and Independent Auditor's Report**

**Receive and file the Fiscal Year 2017-18 JPA Financial Statements and Independent Auditor's Report.**

Kenneth Pun, representing The Pun Group, provided a PowerPoint presentation and discussed the management responsibilities, auditor's responsibilities, approach to the audit, and an overview of the financial statements.

Director Polan arrived at 5:09 p.m.

Mr. Pun presented the unmodified opinion audit results.

Director Caspary moved to receive and file the Fiscal Year 2017-18 JPA Financial Statements and Independent Auditor's Report. Motion seconded by Director Wall. Motion carried unanimously.

### **B Pure Water Demonstration Project: 60 Percent Design Review**

Administering Agent/General Manager David Pedersen provided a brief summary of the JPA Board's direction and feedback from the July 11, 2018 workshop. He noted that the JPA Board previously approved the procurement of the equipment for the Demonstration Project, and the process was currently underway to prepare the shop drawings and fabricate the equipment. He stated that the main elements for discussion would include the architectural improvements, landscaping, and the visitor experience. He provided a summary regarding applications submitted for grant funding in the amount of \$2.4 million, including:

- U.S. Bureau of Reclamation Water Smart grant awarded in the amount of \$300,000.
- Application to the Metropolitan Water District of Southern California (MWD) Future Water Supply Actions Funding Program in the amount of \$34,600 to fund artificial intelligence and machine learning.

- Application to the Santa Monica Bay Restoration Commission for Proposition 12 water bond funds in the amount of \$1.16 million. Commission staff is recommending an award in a yet to be determined amount.
- Application to the State Water Resources Control Board's Pilot Project Grant, which is under its Water Recycling Funding Program, in the amount of \$893,249.

Adam Zacheis, Project Manager representing Carollo Engineers, provided a PowerPoint presentation, including architectural changes, landscaping elements, process layout, and new heating, ventilation, and air conditioning (HVAC) to the building. He noted the following architectural changes:

- Incorporation of input received from the JPA Board.
- Strive to maintain the connection between the two facilities.
- Reduced architectural treatment to the entrance and process area in order to reduce costs.
- Replacement of the storefront door to provide a more inviting entrance.
- Enclose the process room in order to limit building upgrades.
- Clean ceiling space to improve the aesthetics.

Mr. Zacheis reviewed the proposal for the demonstration garden:

- Alter landscaping to highlight a variety of plantings using California natives and climate appropriate plantings.
- Use of grasses in certain areas.
- Showcase groundcovers in other areas around the building.
- Plant succulents in the southern area of the building.
- Plant California-native perennials in front of the building's parking lot.

Mr. Zacheis reviewed the treatment process layout. He also reviewed the next steps, which would include a 90 percent submittal in January 2019, a 100 percent submittal in March 2019, and contract award in May 2019.

Director Orkney inquired regarding the color scheme for the interior of the building and the landscaping. She also expressed concern with placing plants under the oak tree, which could lead to overwatering and root problems. Mr. Zacheis responded that he would discuss Director Orkney's concerns with the architects.

Director Renger stated that the Demonstration Project is meant for the public to see it as a model, and he suggested that no grasses be planted in front of the building. He noted that there was currently low groundcover planted on the slope fronting Las Virgenes Road, and he suggested planting something exciting while still maintaining the soil.

Director Polan questioned whether the trees currently planted in the planter would remain, and he inquired what impacts the recent fires would have on construction

costs and electrical work. Mr. Zacheis responded that he would follow-up with SCE's Planner to discuss delays due to the recent fires.

Director Polan inquired regarding expansion of the electrical service to the building. Mr. Zacheis responded that the current services come from a pole-mounted transformer on the northwest corner of the site, and the building is fed by a 240-volt service. He noted that 480-volt power is needed for the electrical loads for the equipment. He stated that he believed it would be more cost efficient to bring in a new 480-volt service and re-feed all the lighting and power supply to the building from the new service. He stated that this would also eliminate having two electrical services going to the building, which is against the electrical code.

Director Shapiro inquired regarding direct site line of the process equipment. Mr. Zacheis responded that the visitors would be able to see the front of the equipment; however, they would not be able to see the piping that runs behind the equipment.

Director Lewitt inquired whether grant funding could be used for aesthetics, plants, or walkways. Administering Agent/General Manager Pedersen responded that all of the grants include different requirements for eligible costs. He noted that the State Water Resources Control Board's Pilot Project Grant only covers the construction costs of the demonstration equipment.

Director Orkney inquired whether the JPA Board could authorize LVMWD to apply for grants and allow the TSD Board to review the documents. Administering Agent/General Manager David Pedersen responded that as the Administering Agent, LVWMD frequently applies for grants because most of the granting agencies are familiar with LVMWD. He stated that staff could look into applying for grants in the name of the JPA and the JPA Board could adopt resolutions directing staff to apply for grants in the name of the JPA. He also stated that he would share the grant packages with the JPA Board as information items.

Director Pan suggested posting the plant names in the demonstration garden. She stated that she believed MWD had a small grant available that would help fund plant signage.

Lynda Lo-Hill noted that she parked in the small parking lot in front of Building No. 1, and she asked that the JPA Board take parking into consideration so that parking would not be an issue.

Director Shapiro inquired where the water generated from the Demonstration Project would be sent. Administering Agent/General Manager David Pedersen responded that the product water would be sent back to the sewer system and then to the Tapia Water Reclamation Facility. He stated that the water would be available for tasting, which would be one of the key elements of the Demonstration Project.

Director Renger inquired whether minerals would be added to the water. Mr. Zacheis responded that the water would be extremely pure and it would need to have minerals added to stabilize the water; however, minerals would not be added to the water for the Demonstration Project. Director Renger suggested that this might need to be reconsidered so that people may taste the difference in the water.

Director Caspary requested that extra ports be added throughout the system to allow for testing in case of regulatory standard changes. Mr. Zacheis responded that he had asked the design engineers to design for different types of water, as well as installing several sample taps into the process.

Director Lewitt suggested that visitors be encouraged to bring water jugs so that they may take home some of the water.

Tac Roberts, representing Astound/New Water Resources, provided a PowerPoint presentation regarding the visitor's experience and messaging. He discussed conveying the story of bringing water full circle and establishing learning opportunity locations. He suggested starting with an orientation video in the Board room; providing an overview of water resources and the State Water Project; discussing the value and purpose of the Las Virgenes Reservoir and the Westlake Filtration Plant; providing an overview of the value of clean water to the community and the value of the Tapia Water Reclamation Facility; discussing the challenges facing Malibu Creek; discussing that water reclamation mimics natural processes; introducing new water treatment processes; and discussing the benefits of a new treatment plant to the region. He displayed a site map showing the different areas of the Demonstration Project.

Chair Peterson stated that the video production would need to serve several different purposes, such as being advertised on local broadcasting stations to entice people to visit the Demonstration Project and taste the water, and encouraging people to visit the Demonstration Project.

Director Pan expressed support for having animation on how the process works, and she suggested that all of the materials be kept so that they could be included as part of tours for the final plant.

Director Orkney suggested that the video focus on the fact that the JPA is mandated by the State Regional Water Quality Control Board to build this project. She also suggested that the video component be separated and shown after the tour and that it be played in the hallway. She questioned whether one faucet at the tasting area would be sufficient or whether multiple faucets would be needed.

Director Wall noted that a small segment of individuals remain skeptical of the project and whether certain substances such as pharmaceuticals could be removed. He suggested that this information be covered in the animation.

Director Polan referred to the approach to the building and suggested placing sheet metal around the columns and have the building lighted correctly.

Chair Peterson stated that granite countertops would need to be installed in the kitchen in order to be consistent with the community.

### **C Woolsey Fire Response and Recovery**

David Lippman, Director of Facilities and Operations, provided a PowerPoint presentation of the Woolsey Fire, which began on November 8, 2018 and which was 100 percent contained on November 21, 2018. He displayed a map showing the progression and outline of the fire, which affected 66 percent of LVMWD and TSD service areas. He also displayed a copy of Cal Fire's Progression Map and pointed out the area where the fire began and its path to the Pacific Ocean. He also displayed satellite imaging from NASA showing the burn scar from the Hill Fire and the Woolsey Fire. He provided a detailed timeline of the Woolsey Fire and response activities conducted by LVMWD, including opening the Emergency Operations Center (EOC), procuring emergency generators when the Seminole/Latigo subsystem lost pressure, and issuing the boil water notice. He displayed a map showing the areas that experienced low water pressure and several photographs of LVMWD facilities that were threatened and/or damaged by the fire. He spoke regarding the water main break, which occurred on Mulholland and Troutdale when the bridge collapsed, and the water main break at Mulholland and Decker Canyon. He noted that the flow at the Tapia Water Reclamation Facility decreased by 2 MDG during the mandatory evacuations. He also noted that staff was currently focusing on erosion control, clean-up and safety, and developing Requests for Proposals for design specifications for the repair of damaged facilities at the Rancho Las Virgenes Compositing Facility, Westlake Filtration Plant, and District Headquarters. He stated that the water system is not designed to fight wildfires; however, the water system performed well during the fire. He also stated that staff was working on preparing an analysis to determine how much water was used and where it was drawn for fire-fighting purposes.

Don Patterson, Director of Finance and Administration, provided an overview of financial recovery efforts. He reported that LVMWD filed a claim with its insurance carrier as the primary source of reimbursement. He also reported that staff met with the Federal Emergency Management Agency (FEMA) and California Office of Emergency Services (OES) to discuss maximizing eligible reimbursement. He noted that Local Agency Applicant Assistance training would occur on December 5, 2018, in Calabasas, to learn about maximizing FEMA reimbursement. He also noted that FEMA is secondary funding to cover the costs not reimbursed by the District's insurance carrier. He commented on the importance of following the FEMA purchasing requirements, which must be followed stringently in order to maximize reimbursement. He responded to questions related to the insurance policy coverages and the \$100,000 self-insured retention.

6. **ACTION ITEMS**

**A Rancho Solar Generation Project Phase II: Service Agreement for Wholesale Distribution Service and Rule 21 Generator Interconnection Agreement**

**Authorize the Administering Agent/General Manager to execute a Service Agreement for Wholesale Distribution Service and Rule 21 Generator Interconnection Agreement with Southern California Edison, and appropriate \$138,013.87 for the reimbursable expense of an interconnection facility for the Rancho Solar Generation Project Phase II.**

John Zhao, Principal Engineer, presented the report. He noted that the blank amounts in the draft agreements would be completed after the JPA Board approves the contract in 2019. He also noted that the recommendation for project appropriation should be \$208,557.38 for the reimbursable expense, as opposed to \$138,103.87, which would be reimbursable by the company that is awarded the Power Purchase Agreement.

Director Renger suggested continuing to keep energy storage in mind for the future as technology progresses.

Director Caspary noted that at the recent Association of California Water Agencies (ACWA) Energy Committee meeting it was suggested that agencies meet regularly with legislators to discuss challenges implemented by the California Public Utilities Commission (CPUC) regarding reimbursement rate for solar energy and time of use changes.

Kevin Ross, representing Terra Verde Renewable Partners, LLC, provided a PowerPoint presentation, including an overview of the Feasibility Study results; Request for Proposals (RFP) process; a summary of the RFP results; proposal evaluation criteria; summary of findings evaluation; Power Purchase Agreement (PPA) price comparison from the eight proposals received; selection process status; and project schedule.

Director Renger moved to approve Item 6A with the modified appropriation in the amount of \$208,557.38. Motion seconded by Director Caspary. Motion carried unanimously.

**B Carbon Tower Media Replacement: Authorization of Purchase Order**

**Accept the bid from Carbon Activated Corporation and authorize the Administering Agent/General Manager to issue a purchase order, in the amount of \$38,596, for the carbon tower media replacement.**

Administering Agent/General Manager David Pedersen presented the report.

Director Orkney moved to approve Item 6B. Motion seconded by Director Polan. Motion carried unanimously.

**7. BOARD COMMENTS**

None.

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

Administering Agent/General Manager David Pedersen reported that the discharge period for Malibu Creek began on November 16th. He noted that the U.S. Bureau of Reclamation approved the Title XVI Feasibility Study without comment, and the study would be included in the next report to Congress for eligibility of Title XVI funds for the Pure Water Project Las Virgenes -Triunfo.

**9. FUTURE AGENDA ITEMS**

None.

**10. INFORMATION ITEMS**

**A State and Federal Legislative Update**

**B Sodium Hypochlorite: Award of Bid**

**C Sodium Bisulfite: Award of Bid**

**11. PUBLIC COMMENTS**

None.

**12. CLOSED SESSION**

**A Conference with Legal Counsel – Existing Litigation (Government Code Section 54956.9(a)):**

**Zusser Company, Inc. v. Las Virgenes Municipal Water District**

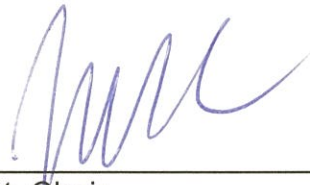
The Board recessed to Closed Session at **7:19 p.m.**, and reconvened to Open Session at **7:55 p.m.**

Authority Counsel Keith Lemieux announced that the Board received a report from Legal Counsel and there was no reportable action.



13. **ADJOURNMENT**


Seeing no further business to come before the Board, the meeting was duly adjourned at **7:55 p.m.**



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Jay Lewitt, Chair

ATTEST:



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Janna Orkney, Vice Chair