

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

5:00 PM

April 29, 2019

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Len Polan.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Orkney 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, Lo-Hill, Orkney, Pan, Polan, Renger, Shapiro, Tjulander, and Wall.
Absent: None.

2. APPROVAL OF AGENDA

Director Caspary moved to approve the agenda. Motion seconded by Director Lewitt. Motion carried unanimously.

3. PUBLIC COMMENTS

The Board presented a proclamation to David Lippman, Director of Facilities and Operations, in recognition of his retirement following 33 years of service. Mr. Lippman thanked the Board and staff.

4. CONSENT CALENDAR

A Minutes: Special Meeting of March 28, 2019:

Approve

B Financial Review: Third Quarter of Fiscal Year 2018-19

Receive and file the financial review for the third quarter of Fiscal Year 2018-19.

C Leak on 21-inch Trunk Sewer: End of Emergency

Declare an end to the emergency for repair of a 21-inch trunk sewer on the west side of Las Virgenes Road, south of the Centrate Treatment Facilities.

D Rancho Digester No. 2 Cleaning: Final Acceptance

Approve the execution of a Notice of Completion and have the same recorded, and in the absence of claims from subcontractors and others, release the retention, in the amount of \$17,481.37, within 30 calendar days after filing the Notice of Completion for the Rancho Digester No. 2 Cleaning Project.

E Rancho Lighting Efficiency Upgrade Project: Final Acceptance

Approve the execution of a Notice of Completion and have the same recorded, and in the absence of claims from subcontractors and others, release the retention, in the amount of \$15,178, within 30 calendar days after filing the Notice of Completion for the Rancho Lighting Efficiency Upgrade Project.

F Tapia Water Reclamation Facility Fiscal Year 2017-18 Rehabilitation Project: Finance Acceptance

Approve the execution of a Notice of Completion and have the same recorded, and in the absence of claims from subcontractors and others, release the retention, in the amount of \$77,156.15, within 30 calendar days after filing the Notice of Completion for the Tapia Water Reclamation Facility Fiscal Year 2017-18 Rehabilitation Project.

Director Caspary moved to approve the Consent Calendar. Motion seconded by Director Renger. Motion carried unanimously.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Pure Water Project Las Virgenes-Triunfo: Update

Administering Agent/General Manager David Pedersen reported that he, Chair Orkney, Director Lewitt, Director Polan, Director Tjulander, Director of Resource Conservation and Public Outreach Joe McDermott, and Triunfo Sanitation District General Manager Mark Norris traveled to Washington D.C., March 31 through April 5, 2019, for the annual lobbying trip.

Joe McDermott, Director of Resource Conservation and Public Outreach provided an overview of the lobbying trip. He stated that with the assistance of the JPA's lobbyists, John Freshman and Ana Schwab from Best Best & Krieger, the trip was focused on educating and informing lawmakers and their staff on the funding needs for the Pure Water Project Las Virgenes-Triunfo (Pure Water Project). He noted that the group asked Congressman Brad Sherman to support H.R. 1162, which would extend the Title XVI grant program from \$50 million to \$500 million for water recycling and reuse projects. He also stated that the group met with staff from the U.S. Environmental Protection Agency (EPA); U.S. Bureau of Reclamation; and House Transportation and Infrastructure Committee, Water Resources and Environment Subcommittee. He noted that a folder was provided that contained information regarding the Pure Water Project, unique characteristics of the JPA, Pure Water Project stakeholders, Woolsey Fire, map of Congressional Districts, and a letter of support for H.R. 1162. He summarized the following information from the trip:

- H. R. 1764 (Garamendi) would amend the Clean Water Act by extending National Pollutant Discharge Elimination System (NPDES) permits to ten years. Copies of letters of support to several members of Congress were provided to the Board.
- H.R. 1497 (DeFazio) would provide \$75 million annually for alternative water source projects; however, there is legacy language in the Clean Water Act that if a project had already received Title XVI funds then the project would not be eligible for these funds. WaterReuse was reported to be working on an amendment to this proposed bill.
- Discussion with EPA staff regarding the next round of Water Infrastructure Finance and Innovation Act (WIFIA) loans. The EPA was looking for high priority, construction-ready projects; therefore, staff proposed to wait one to two years before applying for a WIFIA loan for the Pure Water Project.
- Some lawmakers believed water storage and building dams was the solution for the water crisis in California and for long-term sustainability. Additionally, some lawmakers do not support recycled water projects without additional storage.
- The importance of having a diversified portfolio, such as recycled water, storage, conservation, and demand management.

Staff responded to several questions regarding Northern California lawmakers' non-support of recycled water projects and their preference for above-ground storage and raising Shasta Dam; the letter to members of Congress seeking their support for H.R. 1764; and waiting to apply for a WIFIA loan.

B Preliminary JPA Budget for Fiscal Year 2019-20

Provide staff with feedback on the Preliminary JPA Budget for Fiscal Year 2019-20.

Don Patterson, Director of Finance and Administration, presented the report. He responded to questions related to insurance and Federal Emergency Management Agency (FEMA) reimbursement for expenses related to the Woolsey Fire and updating the budget document to reflect Director Shapiro's name.

David Lippman, Director of Facilities and Operations, responded to questions regarding the decrease in compost sales, consideration of increasing the price for compost to commercial customers, and Capital Improvement Project No. 10667 – Tapia Headworks White Room Floor Plate Repair and Steel Framing.

Chair Orkney requested staff conduct outreach to schools in the Triunfo Sanitation District service area, and suggested that staff provide a presentation during a school board meeting. Administering Agent/General Manager David Pedersen responded that staff would follow-up.

6. ACTION ITEMS

A Independent Auditing Services: Award

Accept the proposal from The Pun Group and authorize the Administering Agent/General Manager to execute a one-year professional services agreement, in the amount of \$6,000, with up to four one-year renewal options, using a 3% annual escalation factor, for independent auditing services.

Administering Agent/General Manager David Pedersen presented the report.

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

A discussion ensued regarding the interviews and selection process for independent auditing services. Administering Agent/General Manager David Pedersen noted that Triunfo Sanitation District's (TSD) Finance Director was included in the initial interview process. He stated that the TSD's Finance Committee could be included in the future if they are interested in participating.

Don Patterson, Director of Finance and Administration, responded to a question regarding a policy to change auditors after a period of time by stating that there is no requirement for changing auditors although it has been past practice to change auditors once every five years. He noted that The Pun Group proposed a different audit team, and the agreement was structured to be a one-year contract with up to four one-year renewal options.

Motion carried unanimously.

B Tapia SCADA System Upgrade Project: Approval of Scope Change

Approve an additional appropriation, in the amount of \$55,260, and authorize the Administering Agent/General Manager to execute a change of scope, in the amount of \$68,660, to Wunderlich-Malec for providing additional services for the Tapia SCADA System Upgrade Project.

David Lippman, Director of Facilities and Operations, presented the report. He responded to questions regarding budgeting for continued maintenance and updates to the SCADA system, and integration amongst the different SCADA control systems for different enterprises located at Headquarters, Tapia, and Rancho.

Director Tjulander moved to approve Item 6B. Motion seconded by Director Renger. Motion carried unanimously.

C Tapia WRF Summer Season Waste Load Allocation Compliance Project: Award of Design

Accept the proposal from Stantec Consulting Services, Inc., and authorize the Administering Agent/General Manager to execute a professional services agreement, in the amount of \$207,917, for the design and services during construction for the Tapia WRF Summer Season Waste Load Allocation Compliance Project.

Brett Dingman, Water Reclamation Manager, presented the report.

Director Caspary moved to approve Item 6C. Motion seconded by Director Lewitt. Motion carried unanimously.

D Rancho Las Virgenes Centrate Storage Tank Project Takeover Agreement: Final Acceptance

Accept the work completed under the Takeover Agreement with Travelers Casualty and Surety Company of America; authorize the Administering Agent/General Manager to execute a Notice of Cessation for Labor and have the same recorded; withhold a Civil Wage Penalty Assessment, in the amount of \$118,152.48 per Department of Industrial Relations instructions; and release the remaining funds, in the amount of \$58,772.80, within 30 calendar days after filing the Notice of Cessation of Labor for the Rancho Las Virgenes Centrate Storage Tank Project.

Administering Agent/General Manager David Pedersen presented the report.

Keith Lemieux, Legal Counsel, stated this item is collaterally related to existing litigation. He noted that the litigation team suggested refinements to staff's

recommendation to be included in motion as follows, "The JPA reserves all rights in law and equity, including without limitation those matters stated in paragraphs 13 and 20 of the Takeover Agreement, and the JPA's acceptance of work and payment of funds under the Takeover Agreement are conditioned on and subject to such reservation of rights." He responded to questions related to Travelers Casualty and Surety Company's responsibility for any stop notices filed against the project.

Director Caspary moved to approve Item 6D, and the JPA reserves all rights in law and equity, including without limitation those matters stated in paragraphs 13 and 20 of the Takeover Agreement, and the JPA's acceptance of work and payment of funds under the Takeover Agreement are conditioned on and subject to such reservation of rights. Motion seconded by Director Polan. Motion carried unanimously.

E Pure Water Demonstration Project: Service Agreement for Visitor Experience Elements

Authorize the Administering Agent/General Manager to execute a service agreement with Astound Group, in the amount of \$59,397, plus applicable sales tax, for the design, fabrication and installation of graphics, signs and related items associated with the visitor experience for the Pure Water Demonstration Project.

Joe McDermott, Director of Resource Conservation and Public Outreach, presented the report.

Director Polan expressed concern with the size of the signage and with the columns in front of the building. He noted that he previously requested that the columns be wrapped with aluminum material.

Chair Orkney expressed concern that the letter "A" in the word "Water" was not clearly visible in the signage. She requested that the kitchen be designed in a professional manner.

Mr. McDermott responded to a question regarding signage placement at the street by stating that Astound would include wayfinding signs that could be included by the sidewalk area.

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

AYES: Caspary, Lewitt, Lo-Hill, Orkney, Pan, Renger Shapiro, Tjulander, Wall
NOES: None
ABSTAIN: Polan
ABSENT: None

F Pure Water Demonstration Project: Agreement for Visitor Experience Orientation Video

Accept the proposal from Global Visions and Associates, Inc., and authorize the Administering Agent/General Manager to execute a professional services agreement, in the amount of \$39,750, for production of a visitor experience orientation video for the Pure Water Demonstration Project.

Mike McNutt, Public Affairs and Communications Manager, presented the report.

Director Caspary requested that the video be produced in at least 4K definition.

A discussion ensued regarding addressing the extent of additional treatment the water would be receiving through microfiltration, reverse osmosis, and ultraviolet disinfection; sharing the video with local schools; and adding food coloring to the water to show it becomes clear after advanced water treatment.

Chair Orkney requested that the video be as specific as possible by specifying Malibu Creek instead of the creek and the Joint Powers Authority instead of the JPA.

Director Caspary moved to approve Item 6F. Motion seconded by Director Pan. Motion carried unanimously.

7. BOARD COMMENTS

Director Lo-Hill referred to Items 4D and 4E and noted that the Rancho Digester No. 2 Cleaning Project came in under budget and ahead of schedule, and the Rancho Lighting Efficiency Upgrade Project would result in an annual energy cost savings in the amount of \$32,000.

Director Shapiro noted that he attended the Westlake Street Fair, and mentioned that the information booths from Las Virgenes Municipal Water District and Triunfo Sanitation District were well staffed. He stated that it was important to remind residents of the free compost program. He also noted that several people expressed support for the Pure Water Project.

Director Renger noted that the California Science and Engineering Fair would be held on April 30th at the California Science Center.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

None.

9. **FUTURE AGENDA ITEMS**

None.

10. **INFORMATION ITEMS**

A State and Federal Legislative Update

B 2018 Bioassessment Monitoring Report: Approval of Purchase Order

C Annual Supply and Delivery of Polymer: Award

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 Closed Session was not held.


13. **ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **7:06 p.m.**



Janna Orkney, Chair

ATTEST:



Jay Lewitt, Vice Chair