

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

5:00 PM

October 5, 2020

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Jane Nye.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Lewitt via teleconference in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. The meeting was conducted via teleconference pursuant to the provisions of the Governor's Executive Order, N-29-20, which suspended certain requirements of the Ralph M. Brown Act to support social distancing guidelines associated with response to the coronavirus (COVID-19) outbreak. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Caspary, Lewitt, Lo-Hill, Nye, Orkney, Polan, Renger, Shapiro, Tjulander, and Wall.

Absent: None.

2. APPROVAL OF AGENDA

Director Renger moved to approve the agenda. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A Minutes: Regular Meeting of September 8, 2020: Approve

B Pure Water Demonstration Project: Final Acceptance

Authorize the Administering Agent/General Manager to approve Change Order No. 3, in the amount of \$39,040.25; 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 \$111,474.70, 30-calendar days after filing the Notice of Completion for the Pure Water Demonstration Project.

C Tapia Headworks Floor Rehabilitation 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 \$14,747.50, 30-calendar days after filing the Notice of Completion for the Tapia Headworks Floor Rehabilitation Project.

D Centrate Treatment 24-inch Pump Suction Header and Valve Replacement Project: Call for Bids

Authorize the issuance of a Call for Bids for the Centrate Treatment 24-inch Pump Suction Header and Valve Replacement Project of the Rancho Las Virgenes Composting Facility.

Director Renger moved to approve the Consent Calendar. Motion seconded by Director Orkney. Motion carried unanimously by roll call vote.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Pure Water Project Las Virgenes-Triunfo: Update

Joe McDermott, Director of Engineering and External Affairs, provided an update regarding Director Orkney's request for consideration of a mascot for the Pure Water Project Las Virgenes-Triunfo. He stated that staff was in the process of seeking quotes for a mascot costume that would be similar to Little Drop. He also stated that he would share concepts and renderings at the next JPA Board meeting. He provided an update regarding the possibility of holding tours at the Pure Water Demonstration Facility. He noted that staff was looking into developing a pre-recorded virtual tour due to COVID-19 social distancing restrictions. He stated that the pre-recorded tour and orientation video would be available for viewing on the website. He also stated that outdoor water tasting under a pop-up tent and tours of the Sustainability Garden could be scheduled bimonthly on Saturdays once restrictions were lifted in the County of Los Angeles. He noted that staff was in the process of directing the QR codes for plants in the Sustainability Garden to the appropriate web pages and completing specialized COVID-19 training prior to allowing people to visit the garden and taste the treated water. He also provided an update regarding the contract with Jacobs Engineering for the Owner's Advisor/Program Manager Services for the Pure Water Project Las Virgenes-Triunfo, and noted that a kick-off meeting would be held soon.

Director Orkney noted that she had requested an agenda item for the Board to consider a mascot for the Pure Water Project Las Virgenes-Triunfo. Administering Agent/General Manager David Pedersen responded that staff would bring back ideas at the next JPA Board meeting in order to receive the Board's feedback

Mr. McDermott responded to a question regarding providing small bottles of treated water from the Pure Water Demonstration Facility to local city councils and the Oak Park Municipal Advisory Council by stating that staff could pursue how this could be accomplished; however, there were many regulations from the State Water Resources Control Board, Division of Drinking Water, and other agencies. He noted that the Orange County Water District provided bottles of advanced treated recycled water. He also responded to questions regarding possible malfunctions at the Pure Water Demonstration Facility that could prevent water tasting by stating that a storage tank was available that could store treated water for approximately one week. Administering Agent/General Manager David Pedersen added that the future full-scale plant would include a bypass to waste feature so treated water not meeting water quality standards would not be supplied to customers.

Mr. McDermott responded to questions regarding the need to disinfect the entire facility once tours were allowed by stating that staff discussed not offering on-site tours until the County was in the State's orange or moderate tier, which would allow for some indoor business operations with modifications. He stated that wearing facemasks would be required, limiting access to only family units for ages 12 and above, and prohibiting touching of equipment. He also stated that tour facilitators would disinfect the touchscreens.

Director Lo-Hill spoke in support of providing small bottles of treated water and suggested purchasing and relabeling the bottled treated water from Orange County Water District to demonstrate a sample of treated recycled water.

Chair Lewitt stated that he was pleased that employees would have an opportunity to practice operations at the Pure Water Demonstration Facility.

B State and Federal Legislative Update

Lowry Crook, federal lobbyist for the JPA with Best Best & Krieger LLP (BBK), presented the federal legislative update, and noted that the Senate announced that it would be out of session for two weeks due to an outbreak of COVID-19 amongst several Senators. He also noted that the House of Representatives would be out of session until November 16th; however, the House could return following 24-hour notice to continue COVID-19 relief negotiations. He noted that the current Administration had expressed support for a \$1.6 trillion COVID-19 relief bill, while the House of Representatives was proposing a \$2.2 trillion relief bill. He stated that BBK was tracking proposed assistance to state and local governments, including special districts; however, there was more focus on the airline industry, layoffs, and

bankruptcies. He stated that BBK would recommend focusing on a stimulus package for infrastructure investments. He also reported that the House of Representatives passed a Continuing Resolution to maintain funding for the federal government until December 11th; however, appropriations were currently stalled in the Senate. He noted that the House of Representatives infrastructure-related bill would include \$10.2 billion for water infrastructure through the State Revolving Funds, with 40 percent taking the form of grants rather than revolving loans. He also noted that the House of Representatives proposed rescinding and re-appropriating Water Infrastructure Finance and Innovation Act (WIFIA) funding with no additional or new WIFIA funds, and BBK received assurance that this would be fixed in the Senate. He also reported that negotiations regarding Water Resources Development Act (WRDA) funding was stalled pending authorization for additional funding for port dredging. He provided an update regarding the application to the U.S. Bureau of Reclamation for Title XVI funding, and stated that the grant program was stalled due to disagreements regarding funding work to raise Shasta Dam.

Syrus Devers, state lobbyist for the JPA with BBK, presented the state legislative report and provided an update regarding the current wildfires occurring in the state. He stated that catastrophic wildfires appeared to be capable of placing hazardous substances into groundwater, which might be caused by burning plastics. He also stated that a legislative item regarding reporting and remediation following a catastrophic fire could come forth in the next few years. He also reported that a drought was potentially expected in the state. He provided an update regarding negotiations with the South Coast Air Quality Management District (SCAQMD) on the proposal to change its rules dealing with exceeding runtime limits during a Public Safety Power Shutoff (PSPS) event and addressing testing and maintenance. He stated that SCAQMD was seeking assurances from all parties involved that no one would seek legislation related to emergency backup generators. He also stated that regardless of SCAQMD's request, he would begin to work on a possible legislative effort for next year. He responded to a question regarding any discussions to conserve water due to the expected drought by stating that this was not currently a topic of discussion amongst regulators, the public, or the media. Joe McDermott, Director of Engineering and External Affairs, added that the new water year began on October 1st, and predictions for October and November indicated above-average temperatures.

Mr. Devers reported that the Association of California Water Agencies (ACWA) discussed the financial impacts of the suspension of water shutoffs and requested voluntarily requests for information from affected water agencies. He stated that very few responses were received; therefore, the State Water Resources Control Board would likely consider mandatory reporting.

6. ACTION ITEMS

A Pure Water Demonstration Facility: Operational Support

Authorize the Administering Agent/General Manager to execute a professional services agreement with Carollo Engineers, Inc., in the amount of \$228,208, to provide operational support and testing for the Pure Water Demonstration Facility.

John Zhao, Director of Facilities and Operations, presented the report.

Director Tjulander moved to approve Item 6A. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.

B Multi-Site Battery Energy Storage System Project: Request for Proposals

Accept the proposal from TerraVerde Energy, LLC; authorize the Administering Agent/General Manager to execute a professional services agreement, in the amount of \$57,250, and apply for Self Generation Incentive Program funding; and approve the issues of a Request for Proposals for the Multi-Site Battery Energy Storage System Project.

John Zhao, Director of Facilities and Operations, presented the report and shared a copy of the Battery Energy Storage Systems and Resiliency Financial Analysis Results Summary.

Kevin Ross, representing TerraVerde Energy, LLC (TerraVerde), reviewed the Battery Energy Storage Systems and Resiliency Financial Analysis Results Summary. He responded to a question regarding the reason that the Westlake Filtration Plant was included in Group 1 for a Net Energy Metering Solar Photovoltaic Plus Battery Energy Storage System (NEM Solar PV + BESS) since it currently did not have a solar system by stating that Group 1 was representative of proposed new solar and BESS projects. He noted that a standalone BESS project was included in Group 2 that was being added to the existing solar project at the JPA Recycled Water Pump Station. He stated that TerraVerde explored adding a standalone BESS at the Westlake Filtration Plant; however, due to its operating profile and rate schedules, it was determined that a BESS would not add enough overall benefit. He also responded to a question regarding the frequency of tariff changes by stating that major changes in rate structures occur every three years; however, minor updates occur twice per year. He noted that Southern California Edison had filed its Phase 1 general rate case with the Public Utilities Commission, and it could take one year or more to go through the proceedings.

Director Renger moved to approve Item 6B. Motion seconded by Director Polan.

Director Orkney expressed concern that the Board did not receive a copy of the Battery Energy Storage Systems and Resiliency Financial Analysis Results Summary in advance. She requested additional information regarding the standalone BESS and the efficiency. Mr. Ross responded that a standalone BESS

consisted of batteries that use the grid as a source of energy. He stated that all of the proposed scenarios would use a microgrid configuration that would allow BESS operations to be powered if the battery is fully charged at the time of a Public Safety Power Shutoff (PSPS) event. He noted that battery storage was measured in hours, and the proposed projects would be based on best-case economics and the longest duration in terms of hours. He also noted that the battery would run for one hour at the Tapia Water Reclamation Facility and up to 48 hours at the lift stations.

Director Orkney expressed her hope that the JPA Board would receive a more detailed report in advance when the responses to the Request for Proposals (RFP) are presented.

Mr. Ross responded to questions regarding the availability of Self-Generation Incentive Program (SGIP) funds by stating that he believed there was \$100 million available for BESS projects. He stated that should the Board approve issuing the RFP for the Multi-Site BESS Project, it would take up to four weeks to prepare the specifications, and the proposals would be due before the end of the year. He also stated that a Memorandum of Understanding would be entered into with the BESS provider to apply for the SGIP funds.

Mr. Zhao responded to a question regarding the purpose of the BESS project by stating that the primary purpose of the project would be to reduce demand charges, while also providing some level of energy resiliency during PSPS events and other grid outages. He also responded to a question regarding the disposal of used batteries after their 15-year lifecycle by stating that staff would propose third-party ownership and require proper disposal of the batteries by the selected contractor. He also responded to a question regarding annual savings from time-of-use rate arbitrage by stating that batteries would be charged when power costs were lower and discharged when power costs were higher.

Motion carried by the following roll call vote:

AYES: Lewitt, Lo-Hill, Nye, Polan, Renger, Shapiro, Tjulander, Wall

NOES: Caspary

ABSTAIN: Orkney

ABSENT: None

**C Tapia Sodium Hypochlorite Tank and Piping Replacement Project:
Construction Award**

Award a construction contract to James C. Cushman, Inc., in the amount of \$489,140, and reject all remaining bids upon receipt of the duly executed contract documents; and appropriate an additional \$534,793.80 for the Tapia Sodium Hypochlorite Tank and Piping Replacement Project.

Veronica Hurtado, Assistant Engineer, presented the report.

Director Polan moved to approve Item 6C. Motion seconded by Director Caspary.

Ms. Hurtado responded to a question regarding James C. Cushman, Inc.'s work experience by stating that the contractor had successfully completed the Tapia Process Air Improvements Project.

Motion carried unanimously by roll call vote.

7. BOARD COMMENTS

Director Polan commended staff for repairing a water main break in his community.

Director Orkney reported on the first day that Triunfo Water & Sanitation District (TWSD) had its directly hired District employees and stated that additional administrative staff would be hired in the coming year. She noted that TWSD contracted with Ventura Regional Sanitation District for administrative and operational support services.

Director Caspary requested that staff provide information in advance to the Board regarding complex issues to allow sufficient time to make decisions.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen reported that the flow in Malibu Creek measured 3.5 cubic feet per second (CFS) at the gauging station; therefore, fish flow was not needed. He also reported that the Rancho Solar Generation Project Phase 2 was nearly completed and was expected to be operational by the end of the calendar year. He noted that he was recently appointed to the Southern California Edison's Public Safety Power Shutoff Advisory Board, and the first meeting would be held on October 20th. He referred to Item 6C, Tapia Sodium Hypochlorite Tank and Piping Replacement Project, and stated that there would be an offsetting reduction in appropriation need for the TMDL Summer Compliance Project.

Chair Lewitt departed from the meeting at 6:33 p.m. Vice Chair Wall presided.

John Zhao, Director of Facilities and Operations, responded to a question regarding the cleaning cycle for the solar panels at the Rancho Solar Generation Project by stating that the owner of the solar facility cleans the solar panels twice per year in accordance with the terms of the Power Purchase Agreement.

9. FUTURE AGENDA ITEMS

None.

10. INFORMATION ITEMS

A Pure Water Project Las Virgenes-Triunfo: Role of Las Virgenes Reservoir

Director Lo-Hill acknowledged staff for providing the report, and stated that the report was very informative.

John Zhao, Director of Facilities and Operations, responded to a question regarding the possibility of installing solar systems in Las Virgenes Reservoir by stating that currently there was not enough usage; however, installation of an entire solar system could be revisited once the reservoir is used more often.

11. PUBLIC COMMENTS

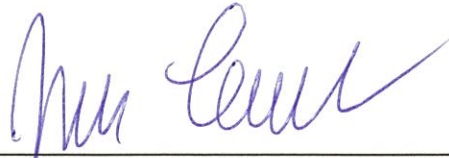
None.

12. CLOSED SESSION

None.

13. ADJOURNMENT

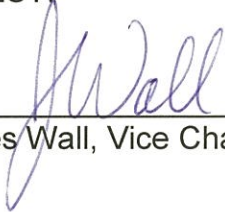
Seeing no further business to come before the Board, the meeting was duly adjourned at 6:36 p.m.



Handwritten signature of Jay Lewitt in blue ink.

Jay Lewitt, Chair

ATTEST:



Handwritten signature of James Wall in blue ink.

James Wall, Vice Chair