

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

5:00 PM

May 1, 2023

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Janna Orkney.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Jane Nye in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, and Wall

Absent: None

2. APPROVAL OF AGENDA

Director Wall moved to approve the agenda. Motion seconded by Director Caspary. Motion carried 10-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, Wall

NOES: None

ABSTAIN: None

ABSENT: None

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

Director Polan pulled Item 4A for discussion.

**B Statement of Revenues, Expenses, and Changes in Net Position:
March 2023**

Receive and file the Statement of Revenues, Expenses, and Changes in Net Position for the period ending on March 31, 2023.

C Heal the Bay's "Bring Back the Beach" Event: Attendance

Authorize one Board Member from each agency and the Administering Agent/General Manager to attend the Heal the Bay "Bring Back the Beach" Event at a cost of \$750 per person.

Director Caspary moved to approve the Consent Calendar. Motion seconded by Director Wall. Motion carried 10-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, Wall
NOES: None
ABSTAIN: None
ABSENT: None

4. CONSENT CALENDAR – SEPARATE ACTION ITEM

A Minutes: Regular Meeting of April 3, 2023: Approve

Director Polan withdrew his request to discuss the Minutes of April 3, 2023.

Director Polan moved to approve Consent Calendar Item 4A. Motion seconded by Director Orkney. Motion carried 10-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, Wall
NOES: None
ABSTAIN: None
ABSENT: None

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A State and Federal Legislative Update

Lowry Crook, federal lobbyist for the JPA with Best Best & Krieger LLP (BBK), provided the status of debt ceiling negotiations, and noted that the federal government would not be able meet spending obligations by the end of May if negotiations were not finalized. He reported that Congress failed to override President Joe Biden's veto on clean water regulations for waters and wetlands regulated under the Clean Water Act, and a case was pending in the Supreme

Court related to wetlands protected under the Clean Water Act. He also provided an update regarding the U.S. Environmental Protection Agency's (EPA) proposed regulations for maximum contaminant levels (MCLs) for per- and polyfluoroalkyl substances (PFAS), and noted that the EPA was proposing four parts per trillion of PFAS in drinking water, which was lower than California's voluntary limit. He noted that the comment period for the proposed regulations would end at the end of May. He also reported that an advanced notice was released for proposed regulations under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) designating perfluorooctanoic acid (PFOA) and perfluorooctanoic sulfonate (PFOS) as hazardous substances. He noted that the comment period for the proposed regulations would end mid-June. He also reported that discussions had begun regarding the California Congressional delegation's water and drought bills. He responded to a question regarding S.188 Wildfire Emergency of 2023 Landscape-scale Forest Restoration Projects by stating that this bill would direct the Secretary of Agriculture to conduct additional large-scale forest restoration and forest management to prevent wildfires. He also responded to a question regarding H.R. 872 Federally Integrated Species Health (FISH) Act by stating that this bill would place all Endangered Species Act regulations under the U.S. Fish and Wildlife Service at the Department of Interior.

Syrus Devers, state lobbyist for the JPA with BBK, reported that SB 366 (Caballero) The California Water Plan Long-Term Supply Projects, and SB 23 (Caballero) Water Supply and Flood Risk Reduction Projects Expedited Permitting were moving forward. He noted that bills related to modernizing water rights received amendments; however, the amendments did not address the District's most important concerns. He also reported that AB 838 (Connelly) California Water Affordability and Infrastructure Transparency Act included provisions to calculate the median and total dollar amounts billed to customer accounts. He noted that extensive information on water rates was already being reported, and the California Municipal Utilities Association (CMUA) and the Association of California Water Agencies (ACWA) submitted opposition letters. He also reported that AB 755 (Papan) Water, Public Entity, Cost of Service Analysis would require the identification of major water users who are in the top ten percent, and calculation of how much extra residential customers would be paying as a result of the cost of major water users. He noted that letters of opposition were submitted. He also reported that SB 687 (Eggman) Water Quality Control Plan, Delta Conveyance Project proposed to delay the tunnels under the Delta Conveyance Project. He noted that the JPA was a State Water Project-Dependent Area, and this bill would attack the infrastructure that would provide water reliability. He stated that he and Jeremy Wolf, Legislative Program Manager, were working on preparing opposition letters against this bill.

B Pure Water Project Las Virgenes-Triunfo: Update

Oliver Slosser, Engineering Program Manager, presented the report. He noted that ten entities submitted their point of contact and intent to submit proposals for the

Progressive Design-Build Procurement, and staff was working on preparing an addendum to the Request for Proposals in response to questions. He also reported that the application for State Revolving Funds was submitted, and staff was continuing the application process for MWD Local Resources Program funding. He noted that staff and the Jacobs Team met with Director Polan to discuss the architectural direction for the project. He also noted that staff were looking into reengaging the Independent Advisory Panel to review reservoir modeling and tracer studies, and prepare for discussions with regulators.

6. ACTION ITEMS

A JPA Fiscal Year 2023-24 Draft Budget Review

Review and provide feedback on the JPA Fiscal Year 2023-24 Draft Budget.

Debbie Rosales, Financial Analyst II, presented the report and a PowerPoint presentation.

Administering Agent/General Manager David Pedersen responded to a question regarding the calculation of recycled water rates by stating that the rates were calculated annually using the Board-approved criteria, and staff were looking at a three-year average for projecting recycled water sales for budgeting purposes.

Ms. Rosales responded to a question regarding the estimated carry forward budget for the Pure Water Project Las Virgenes-Triunfo by stating that the budgeted amount would be carried forward based on rate of expenditures. She noted that staff were evaluating the cash flows received to determine whether all funds would be expended in the coming year. Brian Richie, Finance Manager, added that the carry forward budget calculation would be updated when the budget is presented for adoption.

Ms. Rosales responded to questions regarding budgeting for anticipated inflation and increased insurance premiums.

Director Caspary moved to approve Item 6A. Motion seconded by Director Polan. Motion carried 10-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, Wall

NOES: None

ABSTAIN: None

ABSENT: None

B Indicative Credit Rating for Financing of Pure Water Project Las Virgenes-Triunfo

Authorize the Administering Agent/General Manager to execute an agreement with Kroll Bond Rating Agency, LLC, in the amount of \$48,000, for an indicative credit rating required for the planned financing of the Pure Water Project Las Virgenes-Triunfo.

Don Patterson, Director of Finance and Administration, presented the report.

Greg Swartz, Financial Advisor representing Piper Sandler, responded to a question regarding an indicative credit rating by stating that it was largely the same as a public rating except that it would not be a published rating, and an indicative rating would afford the opportunity to seek a public rating. He noted that an indicative rating would be used to comply with the Water Infrastructure Finance and Innovation Act (WIFIA) statutory requirements.

Director Orkney moved to approve Item 6B. Motion seconded by Director Polan. Motion carried 10-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, Wall
NOES: None
ABSTAIN: None
ABSENT: None

C Proposed Formation of Las Virgenes-Triunfo Joint Powers Financing Authority

Authorize staff and legal counsel to prepare the documentation required to form the Las Virgenes-Triunfo Joint Powers Financing Authority to facilitate the joint financing of the Pure Water Project Las Virgenes-Triunfo.

Don Patterson, Director of Finance and Administration, provided introductory remarks and introduced Brian Forbath, Bond Counsel from Stradling Yocca Carlson & Rauth.

Mr. Forbath provided a PowerPoint presentation of the Pure Water Project Las Virgenes-Triunfo (Pure Water Project) legal and finance structure including: an overview on joint powers authorities; the intent to finance the Pure Water Project; existing JPA agreement does not include provisions to finance projects; options to form a new Joint Powers Financing Authority (JPFA) or amend the exiting JPA to carry out financing of the Pure Water Project; and separate installment sale agreements with 70.6 percent by Las Virgenes Municipal Water District and 29.4 percent by Triunfo Water & Sanitation District. He responded to questions regarding the structure of JPFAs and similarities with public financing authorities.

John Mathews, Legal Counsel for Triunfo Water & Sanitation District, noted that the proposed JPFA would be similar to the Triunfo Financing Authority.

Director Caspary moved to approve Item 6C. Motion seconded by Director Lewitt. Motion carried 10-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Nye, Orkney, Polan, Shapiro, Tjulander, Wall

NOES: None

ABSTAIN: None

ABSENT: None

7. BOARD COMMENTS

Director Polan reported that he viewed the April 25th MWD Subcommittee on Bay-Delta Meeting where an update was provided regarding the Delta Smelt Preservation Project.

Director Orkney expressed concern with the placement of the television monitor as it was obstructing the view of the audience. Administering Agent/General Manager David Pedersen noted that improvements to the audiovisual equipment would soon be made in the Board Room.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen reported that staff would bring back the future agenda items requested by Directors Orkney and Polan at the next JPA Board meeting regarding public outreach for the Pure Water Project Las Virgenes-Triunfo at events held in Ventura County and to the Los Angeles County Medical Association. He noted staff would send a letter to the Regional Water Quality Control Board for authorization to discharge to the Malibu Creek during the creek avoidance period due to forecasted rain. He also reported that flow in Malibu Creek measured 159 cubic feet per second (CFS).

9. FUTURE AGENDA ITEMS

Director Polan requested a Future Agenda Item regarding the U.S. Environmental Protection Agency's (EPA) proposed regulations for maximum contaminant levels (MCLs) for per- and polyfluoroalkyl substances (PFAS), and whether an analysis would be conducted before regulations are issued.

10. PUBLIC COMMENTS

None.

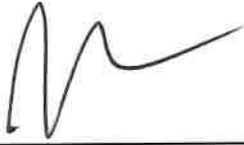
11. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:24 p.m.**

Jane Nye

Jane Nye, Chair

ATTEST:



Jay Lewitt, Vice Chair