

**LAS VIRGENES - TRIUNFO
JOINT POWERS AUTHORITY
AGENDA**

4232 Las Virgenes Road, Calabasas, CA 91302

CLOSING TIME FOR AGENDA IS 8:30 A.M. ON THE TUESDAY PRECEDING THE MEETING. GOVERNMENT CODE SECTION 54954.2 PROHIBITS TAKING ACTION ON ITEMS NOT ON POSTED AGENDA UNLESS AN EMERGENCY, AS DEFINED IN GOVERNMENT CODE SECTION 54956.5 EXISTS OR UNLESS OTHER REQUIREMENTS OF GOVERNMENT CODE SECTION 54954.2(B) ARE MET.

5:00 PM

April 4, 2016

PLEDGE OF ALLEGIANCE

1 CALL TO ORDER AND ROLL CALL

2 APPROVAL OF AGENDA

3 PUBLIC COMMENTS

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

4 CONSENT CALENDAR

A Minutes: Special Meeting of February 29, 2016, Regular Meeting of March 7, 2016, and Special Meeting of March 15, 2016 (Pg. 3)

Approve.

5 ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recycled Water Seasonal Storage Project Basis of Design Report: Status Update

6 ACTION ITEMS

A Rancho Las Virgenes Composting Facility: Biofilter Maintenance (Pg. 18)

Authorize the Administering Agent/General Manager to approve a purchase order to Viramontes Express, in the amount of \$56,992.50, for the supply and delivery of new biofilter media and disposal of the old media off-site.

B Centrate Equalization Tank Project: Reject All Bids (Pg. 20)

Reject all bids for the Centrate Equalization Tank Project.

C Recycled Water Seasonal Storage Project: Request for Proposals for Development of Funding Strategy and Financing Plan (Pg. 22)

Approve the issuance of a Request for Proposals for development of a funding strategy and financing plan for the Recycled Water Seasonal Storage Project.

D Heal the Bay's "Bring Back the Beach" Event: Attendance (Pg. 24)

Authorize one Board Member from each agency and the Administering Agent/General Manager to attend the Heal the Bay "Bringing Back the Beach" Event at a cost of \$500 per person.

7 BOARD COMMENTS

8 ADMINISTERING AGENT/GENERAL MANAGER REPORT

9 FUTURE AGENDA ITEMS

10 PUBLIC COMMENTS

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

11 CLOSED SESSION

A Conference with District Counsel - Potential Litigation (Government Code Section 54956.9): One Case

In the opinion of Legal Counsel, disclosure of the identity of the litigants would be prejudicial to the JPA.

B Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):

1. Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson (TMDL cases)
2. Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency (FOIA case)

12 ADJOURNMENT

Pursuant to Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and applicable federal rules and regulations, requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the Executive Assistant/Clerk of the Board in advance of the meeting to ensure availability of the requested service or accommodation. Notices, agendas, and public documents related to the Board meetings can be made available in appropriate alternative format upon request.

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

5:00 PM

February 29, 2016

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by John Mathews.

1. CALL TO ORDER AND ROLL CALL**A** Call to order and roll call

The meeting was called to order at **5:00 p.m.** by Chair Glen 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: Director(s): Caspary, Iceland, Lewitt, McReynolds, Paule, Peterson, Polan, Renger, and Wall.

Absent: Director(s): Orkney.

2. PUBLIC COMMENTS

None.

3. CLOSED SESSION**A Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):**

Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson

The Board recessed to Closed Session at **5:01 p.m.** and reconvened to Open Session at **6:35 p.m.**

District Counsel Wayne Lemieux reported that the Board authorized District Counsel to file a Notice of Appeal in the litigation against the United States Environmental Protection Agency, and present a budget to the Board for the appeal.

4. **ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:35 p.m.**

Glen Peterson, Chair

ATTEST:

Michael Paule, Vice Chair

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

5:00 PM

March 7, 2016

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Vice Chair Michael Paule.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Vice Chair Michael Paule 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: Director(s): Caspary, Iceland, Lewitt, Orkney, Paule, Polan, and Renger.

Absent: Director(s): McReynolds, Peterson, and Wall.

2. APPROVAL OF AGENDA

Director Iceland moved to approve the agenda as presented. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger

NOES: None

ABSENT: McReynolds, Peterson, Wall

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A Minutes: Special Meeting of January 27, 2016 and Regular Meeting of February 1, 2016: Approve

Director Caspary moved to approve the Minutes of the Special Meeting of January 27, 2016 as presented. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger
NOES: None
ABSENT: McReynolds, Peterson, Wall

Director Caspary moved to approve the Minutes of the Regular Meeting of February 1, 2016 as presented. Motion seconded by Director Iceland. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger
NOES: None
ABSENT: McReynolds, Peterson, Wall

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recycled Water Seasonal Storage Project Basis of Design Report: Status Update

Administering Agent/General Manager David Pedersen stated that the March 15th workshop would focus on key technical issues associated with Scenarios 4 and 5. He also stated that staff would be meeting with staff from the Los Angeles Department of Water and Power (LADWP) on March 14th to discuss the concept of repurposing the Encino Reservoir for recycled water storage; whether LADWP would be willing to be a financial partner in the project; and whether LADWP would be willing to provide a portion of potable water in return for storing recycled water in the San Fernando Basin. Director Lewitt requested that staff also address seismic issues associated with the dam.

Director Caspary inquired regarding information on the City of Los Angeles' timeline. Administering Agent/General Manager David Pedersen responded that staff would include discussion of the City's timeline, as well as the Woodland Hills Country Club.

B Fiscal Years 2016-18 Two-Year JPA Budget Plan Workshop

Mark Uribe, Finance Manager, provided a PowerPoint presentation for the Fiscal Years 2016-18 Two-year Budget Planning Workshop. He responded to questions posed by the Board related to decreased flow and anticipated future increased flow to the Tapia Water Reclamation Facility, chemical and amendment costs, and annual JPA wholesale recycled water sales.

Principal Engineer John Zhao presented the Capital Improvement Project Detail for the Miscellaneous Recycled Water Extension Project and the Alice Stelle Recycled Water Main Extension Project.

The JPA Board held a lengthy discussion regarding these two proposed projects. The Triunfo Sanitation District (TSD) Board members expressed concern with

whether the two projects would benefit the TSD service area and with lack of proposed projects within Ventura County.

Administering Agent/General Manager David Pedersen stated that the Miscellaneous Recycled Water Extension Project would eliminate a long existing service line to Yerba Buena School on Lindero Road and provide recycled water service to Canyon Oaks Park. He also stated that this project would be a part of the interconnection project with Calleguas Municipal Water District, and both of these projects would benefit the TSD service area. He noted that grant funding was received from the State's Integrated Regional Water Management Planning Program, of which \$354,000 would be allocated to the recycled water portion of the project. He stated that he would meet with TSD District Manager Mark Norris to discuss these two projects, and he suggested that the JPA Board revisit the two projects before adopting the budget.

Director Orkney requested that an item be placed on a future agenda for the JPA Board to continue to discuss whether to include these two projects in the Fiscal Years 2016-18 Two-Year JPA Budget.

6. ACTION ITEMS

A Rancho Digester No. 1 Cleaning: Call for Bids

Approve the issuance of a Call for Bids for the Rancho Digester No. 1 Cleaning Project.

Administering Agent/General Manager David Pedersen presented the report.

Director Iceland moved to approve Item 6A as presented. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger
NOES: None
ABSENT: McReynolds, Peterson, Wall

B Tapia Water Reclamation Facility Secondary Influent Slide Gates Replacement: Call for Bids

Approve the issuance of a Call for Bids for the Tapia Water Reclamation Facility Secondary Influent Slide Gates Replacement Project.

Administering Agent/General Manager David Pedersen presented the report.

Director Orkney moved to approve Item 6B as presented. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger
NOES: None
ABSENT: McReynolds, Peterson, Wall

C Primary Clarifier Tank Nos. 2 and 3 Rehabilitation Project: Award of Design Contract

Accept the proposal from HDR Engineering, Inc.; authorize the Administering Agent/General Manager to execute a professional services agreement, in the amount of \$63,422, for design services; and appropriate \$98,264 for the Primary Clarifier Tank Nos. 2 and 3 Rehabilitation Project.

Administering Agent/General Manager David Pedersen presented the report.

Eric Schlageter responded to a question regarding the \$19,000 appropriation for G & A by stating that historically G & A costs have exceeded the amount budgeted for projects; therefore, staff was seeking approval to include these costs up front rather than requesting approval at a later date. Director of Finance and Administration Donald Patterson added that this amount was originally appropriated as a multi-phase project; however, the project was inadvertently closed out as part of Phase I. He noted that G & A is typically included as part of the entire project.

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

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger
NOES: None
ABSENT: McReynolds, Peterson, Wall

D Notice of Intention to Amend Conflict of Interest Code

Authorize the Administering Agent/General Manager to sign a Notice of Intention to Amend the Conflict of Interest Code and file the required documentation with the Fair Political Practices Commission.

Administering Agent/General Manager David Pedersen presented the report.

District Counsel Wayne Lemieux responded to a question regarding which consultants would file Statements of Economic Interests by stating these would include independent consultants who advise the Board on expenditures.

Director Caspary moved to approve Item 6D as presented. Motion seconded by Director Orkney. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, Orkney, Paule, Polan, Renger
NOES: None
ABSENT: McReynolds, Peterson, Wall

7. BOARD COMMENTS

Director Orkney referred to an article in the Los Angeles Times regarding “superbugs” from hospitals that are not being treated in the sewer system, and she asked that the Board look into this matter. Administering Agent/General Manager David Pedersen stated that the article addressed the challenges of treating the “superbugs” with antibiotics and seeing them in the influent to wastewater treatment plants. However, he noted that the article did not mention the presence of “superbugs” in the effluent from the wastewater treatment plants. He also noted that the Hyperion plant treats wastewater using secondary standards; whereas, the District treats wastewater to tertiary standards, including filtration and disinfection. He stated that although the treatment processes are different, staff could look into this matter.

Director Polan reported that he attended the California Association of Sanitation Agencies (CASA) Washington DC Conference and there was much discussion on the Water Infrastructure Finance and Innovation Act (WIFIA). Administering Agent/General Manager David Pedersen noted that Congress was asked to increase WIFIA funding, which is currently in the President’s budget in the amount of \$20 million, although no commitment was received from any Members of Congress. He also noted that because this is a loan program, the funds could potentially be leveraged at a ratio of 69:1.

Director Polan also mentioned that Senator Dianne Feinstein provided a presentation on her drought bill and proposed changes to Title XVI. He stated that the White House would hold its first Water Summit on March 22nd, corresponding with the United Nations’ World Water Day. He also mentioned that he met with the assistants for Congressman Ted Lieu, Congresswoman Julia Brownley, and Congressman Brad Sherman.

Vice Chair Paule noted that the Port Hueneme Water Agency would hold a presentation regarding an ocean desalination project on March 9th at 4:00 p.m. in the Port Hueneme Council Chambers.

Director Caspary stated that Tom Ford, Executive Director of the Santa Monica Bay Foundation and the Santa Monica Bay Restoration Commission, submitted an editorial to the Los Angeles Times regarding the impacts of nutrient loading from wastewater treatment plants on the ocean chemistry, and the importance of the City of Los Angeles’ proposal to increase water recycling by using advanced treatment to make potable water.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen reported on recent rain events and noted that the Tapia Water Reclamation Facility received 3.4 inches of rain, Westlake Filtration Plant received 1.22 inches of rain, and the peak flow into Tapia Water Reclamation Facility was 13 million gallons per day. He also reported that the Los Angeles Regional Water Quality Control Board would hold a CEQA Scoping Meeting on March 17th at 10:00 a.m. regarding the CEQA document needed for incorporating the implementation plan for the 2003 Nutrients TMDL and 2013 Benthic Macroinvertebrate TMDL into the Los Angeles Basin Plan. He noted that the JPA's consultant, Larry Walker & Associates, and staff would attend the scoping meeting and report back to the JPA Board.

9. FUTURE AGENDA ITEMS

None.

10. INFORMATION ITEMS

A Rancho Las Virgenes Composting Facility: Replacement of Loader

Director Iceland inquired whether the existing loader could be sold as used equipment rather than destroyed per the Carl Moyer Program grant requirements. Water Reclamation Manager Brett Dingman responded that the existing loader is 22 years old and could bring in \$20,000; however, the Carl Moyer Program Grant would provide nearly \$40,000 in grant funding to be used toward the purchase of the new loader with the caveat that the existing loader be destroyed and rendered permanently unusable and irreparable.

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

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

1. Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson (TMDL cases)
2. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency (FOIA case)

The Board recessed to Closed Session at **6:28 p.m.** and reconvened to Open Session at **7:10 p.m.**

District Counsel Wayne Lemieux reported the JPA Board discussed the appeal of Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency and there was no reportable action.

13. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **7:10 p.m.**

Glen Peterson, Chair

ATTEST:

Michael Paule, Vice Chair

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

5:30 PM

March 15, 2016

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Carlos Reyes.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Glen 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, Iceland, Lewitt, McReynolds, Orkney, Paule, Peterson, Polan, and Renger

Absent: Director: Wall

Staff: David Pedersen, General Manager
Josie Guzman, Clerk of the Board
David Lippman, Director of Facilities and Operations
Donald Patterson, Director of Finance and Administration
Carlos Reyes, Director of Resource Conservation and Public Outreach
Larry Miller, Water System/Facilities Manager
John Zhao, Principal Engineer
Jeffrey Reinhardt, Public Affairs and Communications Manager
Keith Lemieux, District Counsel

Representatives from the following organizations:

Montgomery Watson Harza (James Borchardt, Kyleen Marcella, Oliver Slosser, and Areeba Syed); Triunfo Sanitation District (Mark Norris and John Mathews)

2. APPROVAL OF AGENDA

Director Renger moved to approve the agenda as presented. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Caspary, Iceland, Lewitt, McReynolds, Orkney, Paule, Polan, Peterson, Renger.

NOES: None

ABSENT: Wall

3. PUBLIC COMMENTS

None.

4. RECYCLED WATER SEASONAL STORAGE PROJECT: BASIS OF DESIGN WORKSHOP NO. 3

Administering Agent/General Manager David Pedersen provided introductory remarks. He noted there were several technical questions posed at the previous workshop regarding Scenario 4 for indirect potable reuse using Las Virgenes Reservoir, and Scenario 5 for potentially repurposing the Encino Reservoir. He also noted that there was discussion at previous workshops regarding project risks and evaluation criteria in order for the Board to make a project selection or identify a preferred alternative for further study.

James Borchardt, representing Montgomery Watson Harza (MWH), presented a PowerPoint presentation and conducted the workshop. He noted the responses to questions from the previous workshop were included in the agenda packet, and he stated that he and his staff were present to solicit additional questions for Scenarios 4 and 5.

The Board engaged in the workshop and posed questions for further study of Scenarios 4 and 5.

The Board recessed to a break at 6:28 p.m. and reconvened at 6:38 p.m.

The following questions were posed by the Board for further study:

Scenario 5

- What would be the cost in dollars per month for customers?
- Which scenario provides greater water reliability?
- What would be the difference between agencies for recycled water supplement?

Scenario 4

- What would be the cost in dollars per month for customers?
- How will benefits be shared between agencies?
- What infrastructure is needed to connect the agencies?
- Which scenario provides greater water reliability?
- Why is potable water less for Scenario 4 than Scenario 5?
- What is the breakdown for preventative maintenance including operations

and maintenance?

- What are the fixed and variable costs for advanced water treatment, including assumptions on numbers?
- Is it possible to send brine to Pepperdine in the existing recycled water pipeline?
- Are there additional pumping costs for the 11 mile brine discharge line?
- What would be the operational conditions for a seven-day shutdown of imported water?
- What is the capital cost for a campaign to address public perception issues associated with indirect potable reuse?

Mr. Borchardt and JPA staff answered some of the questions based on information collected to-day. However, Mr. Borchardt explained that he and his staff would work on providing answers to the remaining questions and work with JPA staff to schedule another workshop in approximately one month.

5. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **7:48 p.m.**

Glen Peterson, Chair

ATTEST:

Michael Paule, Vice Chair

April 4, 2016 JPA Board Meeting

TO: JPA Board of Directors

FROM: Facilities & Operations

Subject : Rancho Las Virgenes Composting Facility: Biofilter Maintenance

SUMMARY:

As a part of the biofilter maintenance program at the Rancho Las Virgenes Composting Facility, the wood chip media is changed out annually. The replacement of the media in Biofilter Zone Nos. 1 through 4 is scheduled to be completed this spring. Zone Nos. 1 through 4 are larger than Zone Nos. 5 and 6, which had a media replacement earlier this fiscal year, so the cost is higher. Viramontes Express submitted a proposal, in the amount of \$56,992.50 (tax included), to deliver the new biofilter media and dispose of the old media off-site.

RECOMMENDATION(S):

Authorize the Administering Agent/General Manager to approve a purchase order to Viramontes Express, in the amount of \$56,992.50, for the supply and delivery of new biofilter media and disposal of the old media off-site.

FISCAL IMPACT:

Yes

ITEM BUDGETED:

Yes

FINANCIAL IMPACT:

The total cost of the work, including the equipment and personnel to be provided by The Gradall Rental Company, is \$71,867.50. Sufficient funds for the work are included in the adopted Fiscal Year 2015-16 JPA Budget. The costs are allocated 70.6% to LVMWD and 29.4% to TSD.

DISCUSSION:

Viramontes Express has supplied the wood chip media required for the annual biofilter maintenance in the past. They have been the only bid received through the competitive bid process to provide this material due to ownership of the appropriate chipping, grinding and

screening equipment at their facility. Staff will be exploring other options for bio-filter media in the near future.

To remove the existing spent media and place the new media in the biofilter, the JPA contracts with The Gradall Rental Company, which owns and operates a specialized grader designed to handle the biofilter media. The Gradall Rental Company submitted a proposal in the amount of \$14,875.00 to provide the necessary equipment and personnel. The equipment is not available to rent locally, so there have been no other bids received for this work during competitive bidding. The Administering Agent/General Manager proposes to administratively approve a purchase order for this portion of the work as the amount is within his approval authority.

Prepared by: Brett Dingman, Water Reclamation Manager

April 4, 2016 JPA Board Meeting

TO: JPA Board of Directors

FROM: Facilities & Operations

Subject : Centrate Equalization Tank Project: Reject All Bids

SUMMARY:

On January 4, 2016, the Board authorized a call for bids for the Centrate Equalization Tank Project. The project consists of a 480,000-gallon bolted-steel, glass-lined and coated tank; paved access road; site grading, preparation and drainage; tank mixing equipment, instrumentation and appurtenances; process piping including valves, flow meter and electrical components; and reprogrammed SCADA controls. The new tank will improve the reliability of the centrate treatment system and provide redundancy needed to allow for future maintenance of the existing centrate treatment facilities.

A mandatory pre-bid job walk was held on January 27, 2016. Seven bids were submitted and publically opened on February 19, 2016. The apparent low bid was submitted by United Engineering & Construction, Inc., in the amount of \$1,335,617, listing an "or equal" tank with limited substantiating information. Subsequently, the tank manufacturer's attorney submitted a 21-page asserting its suitability for the project; however, staff remains concerned with the lack of assurance that the tank can meet all of the specifications.

As a result, staff recommends rejecting all bids to allow the specifications to be revised such that additional assurances are provided that the tank will meet the project's needs. Also, clarification is required to provide that the tank manufacturer would be acting as a "supplier" for furnishing the tank and a "subcontractor" for erecting it. This clarification is necessary when verifying compliance with prevailing wage laws.

RECOMMENDATION(S):

Reject all bids for the Centrate Equalization Tank Project.

FISCAL IMPACT:

No

ITEM BUDGETED:

Yes

FINANCIAL IMPACT:

There is no financial impact associated with the rejection of bids.

DISCUSSION:

Following is a summary of the bids received:

United Engineering & Construction:	\$1,335,617.00
Pyramid Building & Engineering, Inc.	\$1,564,375.00
Cora Constructors, Inc.	\$1,576,693.00
GMZ Engineering	\$1,588,684.00
Spiess Construction Co., Inc.	\$1,642,298.63
Blois Construction, Inc.	\$1,792,740.00
Green Building Corporation	\$1,872,365.00

Prepared by: Eric Schlageter, P.E., Senior Engineer

April 4, 2016 JPA Board Meeting

TO: JPA Board of Directors

FROM: Finance & Administration

Subject : Recycled Water Seasonal Storage Project: Request for Proposals for Development of Funding Strategy and Financing Plan

SUMMARY:

With the recent completion of Basis of Design Workshop No. 3 for the Recycled Water Seasonal Storage Project, it has become increasingly evident that the financial aspects of the project warrant additional attention and study. Although the cost estimates for Scenario Nos. 4 and 5 require additional refinement as technical details are resolved, sufficient information is available to initiate the first portion of a multi-phase effort to develop a funding strategy and financing plan. Phase 1 of the effort would involve identifying and evaluating the potential funding sources/options for the project. Additionally, a customer impact analysis would be performed for both JPA Member Agencies to determine the financial implications of the various funding options.

Staff recommends the issuance of Request for Proposals for development of a funding strategy and financing plan.

RECOMMENDATION(S):

Approve the issuance of a Request for Proposals for development of a funding strategy and financing plan for the Recycled Water Seasonal Storage Project.

FISCAL IMPACT:

No

ITEM BUDGETED:

No

FINANCIAL IMPACT:

There is no financial impact in issuing the Request for Proposals.

DISCUSSION:

As part of the adoption of the Recycled Water Seasonal Storage Plan of Action, the JPA Board recognized the need for early development of a funding strategy and finance plan. Now that discussions have focused on two scenarios with similar overall costs, staff recommends selection of a financial advisor to assist in the development of the funding strategy and financing plan. The effort would be undertaken with a multi-phase approach such that subsequent phases of work could be dependent upon direction from the prior phases.

The scope of work for the phases would be as follows:

- Phase 1 - Identifying and Evaluating Funding Options: The first phase would consist of identifying and analyzing all possible funding options, including but not limited to: grant funds, federal and/or state appropriations or loans, bank loans, bonded indebtedness, lease-purchase agreements, and private/public or public/public partnerships. The selected firm would need to have a thorough understanding of the governance structure for the JPA and be qualified to examine funding options that could include the JPA issuing or securing debt or the JPA Member Agencies separately financing their respective shares of the project. Also, the scope would include a customer impact analysis for both JPA Member Agencies to determine the financial implications of the various funding options.
- Phase 2 - Developing Financing Plan: This phase would include the development of a financing plan based on preferred options identified during Phase 1. The financing plan would include the a schedule, key milestones, and resources needed to secure the identified financing, along with any necessary on-going financial advisory services.
- Phase 3 - Securing Funding (Future): The final phase would consist of securing of funds for completion of the project and would only occur if the JPA opted to secure the financing for the project. Alternatively, if each JPA Member Agency chose to finance its own proportional share, then the Member Agencies would independently complete this phase of work.

The specifics for the scope of work for Phases 2 and 3 would be partly dependent on funding options identified through Phase 1. Following the review of proposals received, staff would recommend a firm to complete Phase 1 of the work with an option to negotiate subsequent work under Phases 2 and 3, if desired by the JPA Board.

Prepared by: Donald Patterson, Director of Finance and Administration

April 4, 2016 JPA Board Meeting

TO: JPA Board of Directors

FROM: General Manager

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

SUMMARY:

Each year the environmental group Heal the Bay holds its "Bring Back the Beach" Event in Santa Monica as one of its key fundraising activities. This year the event will be held on Thursday, June 9, 2016, at the Jonathan Beach Club in Santa Monica.

Over the years, JPA Directors have attended the event to build relationships, not only with Heal the Bay, but also with other environmental group representatives attending the function. Previously, the JPA reserved a 10-seat table, but when costs rose from \$3,000 to \$5,000, it was decided to only send the Chairs of each Board, or their designee. Individual seats for the event are \$500.

RECOMMENDATION(S):

Authorize one Board Member from each agency and the Administering Agent/General Manager to attend the Heal the Bay "Bringing Back the Beach" Event at a cost of \$500 per person.

FISCAL IMPACT:

Yes

ITEM BUDGETED:

Yes

FINANCIAL IMPACT:

Sufficient funds for the event are available in the adopted JPA Fiscal Year 2015-16 Budget. Historically, this expense has been charged to the "Watershed Programs" portion of the JPA's Administration Budget, which is allocated 70.6% to LVMWD and 29.4% to TSD.

Prepared by: David W. Pedersen, Administering Agent/General Manager