

TRIUNFO SANITATION DISTRICT

Minutes of the January 22, 2018 Board of Directors Regular Meeting
Oak Park Library (Film & Lecture Room 102)
899 N. Kanan Road, Oak Park, California

1. Call to Order and Roll Call: Chair Wall called the meeting to order at 5:15 p.m. Directors Janna Orkney, Susan Pan, Ray Tjulander, Vice Chair Michael Paule, and Chair James Wall were present.

Staff present: General Manager Mark Norris; Deputy Legal Counsel John Mathews; Director of Finance Carlos Corrales; Management Analyst Sandy Warren; Water/Wastewater Operations Superintendent Richard Jones; Environmental Resource Analyst Eric Walker; Environmental Resource Analyst Arik Baharouzi; Clerk of the Board Juliet Rodriguez; and Consultant Tim Doyle.

2. Pledge of Allegiance: The Pledge was led by Chair Wall.
3. Agenda Review: *It was moved Vice Chair Paule, seconded by Director Orkney,* to accept the agenda with corrections presented:

Information Agenda:

Item #20 – Revenue & Expense Report is November 2017 and December 2017
Item #23 – Statewide Water Supply Conditions Report – the correct report date is January 16, 2018

VOTE: Directors Orkney, Pan, Tjulander, Vice Chair Paule, and Chair Wall were in favor; the motion carried 5-0.

4. Public Comments: There were no public comments.

BOARD OF DIRECTORS REORGANIZATION (Items 5 and 6)

5. Election of Calendar Year 2018 Chair and Vice Chair
It was moved by Director Tjulander seconded by Director Orkney, to nominate and elect Michael Paule as Chair for Calendar Year 2018. VOTE: Directors Orkney, Pan, Tjulander, Vice Chair Paule, and Chair Wall were in favor. The motion carried 5-0.

It was moved by Director Wall, seconded by Director Tjulander, to nominate and elect Janna Orkney as Vice Chair for Calendar Year 2018. VOTE: Directors Orkney, Pan, Tjulander, Wall and Chair Paule were in favor. The motion carried 5-0.

6. Calendar Year 2018 Standing Committees, Ad Hoc Committees and Other Board Appointments
At the discretion of the Chair, the following committee assignments and appointments were made:

- Finance Committee: Vice Chair Orkney and Director Pan

- Public Outreach/Communications Committee: Chair Paule and Director Pan.
- Recycled Water/Pure Water Project Committee: Directors Wall and Tjulander
- Financial Oversight/Billing Review: Director Tjulander

PRESENTATIONS (Items 7 and 8)

7. Triunfo Sanitation District FY2017 Comprehensive Annual Financial Report (CAFR)

Carlos Corrales, Director of Finance, gave the presentation. Independent Auditor Craig Hartzheim, Moss, Levy & Hartheim, LLP, was available to answer any questions. *It was moved by Director Wall, seconded by Director Pan, to receive and file the Fiscal Year 2017 Comprehensive Annual Financial Report. VOTE: Directors Orkney, Pan, Tjulander, Wall and Chair Paule were in favor. The motion carried 5-0.*

8. Emergency Response Plan

General Manager Mark Norris gave introductory remarks. Water/Wastewater Operations Superintendent Richard Jones introduced new Water/Wastewater Staff: Environmental Resource Analyst Eric Walker and Environmental Resource Analyst Arik Baharouzi. Consultant Ryan Bray, Risk Management Professions, Inc. gave the presentation. Mr. Jones distributed a revised plan to the Board. The lessons learned from the recent Thomas Fire have been invaluable to the timeliness of working on the Emergency Response Plan.

Discussion ensued highlighting the need for clear and consolidated communication during any disaster. The Board expressed appreciation for the work done on developing the Emergency Response Plan and asked to see a decision tree made available to the Board that shows where the Board fits in the process and that clarifies expectations for each participant.

CONSENT ITEM (Item 9 only)

9. Approval of Minutes: November 27, 2017 Regular Meeting

It was moved by Vice Chair Orkney, seconded by Director Wall, to approve the consent item. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0

ACTION ITEMS (Items 10 through 16)

10. Ordinance No. TSD-76 (Revised January 22, 2018) – Reestablishing the Retail Rate Upper Limit for Recycled Water

Mr. Norris presented the report. *It was moved by Director Orkney, seconded by Director Pan, to conduct a public hearing regarding a proposed revision to*

Ordinance No. TSD-76 (Revised January 22, 2018), that will reestablish the retail recycled water rate to no greater than 90% of the Oak Park Water Service Tier 1 potable water rate for recycled water to the TSD service area; and conduct the second reading, by title only of Ordinance TSD-76. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.

The Board called to order and opened the public hearing at 6:20 p.m. With no one submitting written communication or providing public comment, the public hearing was closed at 6:21 p.m.

Ms. Rodriguez conducted the second reading, by title only:

ORDINANCE NO. TSD-76 (REVISED JANUARY 22, 2018): ESTABLISHING THE RETAIL RATE LIMIT FOR RECYCLED WATER SUPPLIED BY TRIUNFO SANITATION DISTRICT

11. Ordinance No. TSD-97 (Revised January 22, 2018) – Prescribing Fees and Charges for Recycled Water

Mr. Norris presented the report. *It was moved by Director Pan, seconded by Director Tjulander,* to conduct a public hearing regarding proposed revision to Ordinance No. TSD-97 (Revised January 22, 2018), that will increase the retail recycled water rate by \$0.25 per hundred cubic feet (HCF) to ensure adequate funding for future recycled water capital projects and maintain the historical pricing relationship between District retail potable water rates and retail recycled water rates; and to conduct the second reading, by title only, of proposed revision to Ordinance No. TSD-97, Prescribing fees and charges for Recycled water to the TSD Service Area. *The motion was amended by Director Pan, seconded by Director Tjulander,* to include directing Staff to (1) Mail notice of the rate increase to the addresses to which TSD customarily mails parcel owner recycled water billing statements so that said notice is received at those addresses no later than February 1, 2018, and 2) place rate increase information on the Triunfo sanitation District website. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.

The Board called to order and opened the public hearing at 6:26 p.m. With no one submitting written communication or providing public comment, the public hearing was closed at 6:28 p.m.

Ms. Rodriguez conducted the second reading, by title only:

ORDINANCE NO. TSD-97 (REVISED JANUARY 22, 2018): PRESCRIBING FEES AND CHARGES FOR RECYCLED WATER SUPPLIED BY TRIUNFO SANITATION DISTRICT

12. Design-Build Project Delivery for Lake Sherwood Variable Grade Gravity Sewer System Replacement (Vacuum Sewer Project Update)

Mr. Norris gave introductory remarks and introduced Ken Hume, from KEH and Associates, who provided an update on the project. Six contractors have responded to the request of interest letter. The next step is the first part of a two-part process where a Request for Qualifications (RFQ) would be posted for bidding and a shortlist would be developed using weighted criteria, to be determined by the District. The selected shortlist of contractors would then participate in a Request for Proposals (RFP) process and the winning proposal would be subsequently selected based on both the RFQ and RFP, with price not being the only determining factor.

It was moved by Vice Chair Orkney, seconded by Director Tjulander, to proceed with the Design-Build Project as outlined in the report. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.

13. Board of Directors Deferred Compensation Plan Review

Mr. Norris presented the report of available options to correct required funding deficiencies in the Deferred Compensation Plan. Director of Finance Carlos Corrales was available to answer any of the Board's questions. Board members were presented with sealed individual summaries to note any back contributions due to the Deferred Compensation Plan.

Discussion ensued with a request that Staff return with individualized accountings of the figures given to each Director, and additional options for reimbursement. Staff was also asked to include what impact termination of the plan would have on each Director and what other plan alternatives are available.

It was moved by Chair Paule, seconded by Vice Chair Orkney, to have the District pay the unpaid contributions and return with Board Member's reimbursement options. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.

14. Reaffirmation of the Current District Investment Plan.

Carlos Corrales, Finance Director, presented the report. *It was moved by Director Wall, seconded by Director Pan, to reaffirm the Current District Investment Plan. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.*

15. Oak Park Unified School District Sustainability Fair – Potential TSD Participation

Mr. Norris gave the report. *It was moved Director Pan; seconded by Vice Chair Orkney, to participate in the April 22, 2018 Oak Park Unified School District Sustainability Fair at the same level of participation as last year. VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.*

The Board requested that Staff coordinate the Board's participation as was done last year.

16. District Representation and Attendance at the Association of California Water Agencies (ACWA) DC 2018 Annual Washington DC Conference

Mr. Norris presented the report. *It was moved by Vice Chair Orkney*, to designate Director Pan to attend the ACWA Conference and approve payment of approximately \$4,000 to cover cost. The motion died for lack of a second. Subsequently, Director Pan motioned to designate herself to attend the ACWA Conference and approve payment of approximately \$4,000 to cover cost. After deliberation ensued, Director Pan withdrew her motion.

INFORMATION AGENDA (Items 17 through 26)

17. National Award for Outstanding Financial Reporting

18. Disbursements: November and December 2017

19. Investment Report: November and December 2017

20. Revenue & Expense Report: November 2017 and December 2017

21. Oak Park Water Service Update

22. Water Conservation Report: November and December 2017

23. Statewide Water Supply Conditions Report: January 16, 2017

24. TSD Website – Google Analytics Report

25. Water Conservation Customer Rebate Program

26. Future Meetings, Seminars and Conferences:

- Jan. 24 – 26 – CASA Winter Conference, Palm Springs
- Feb. 5, 5:00 p.m. – JPA Meeting (at LVMWD)
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- Feb. 6, 5:30 p.m. – VSDA Annual Dinner, Camarillo
- Feb. 7-9 – Urban Water Institute Spring Conference, Palm Springs
- Feb. 22, 5:15 p.m. – TSD Special Board Meeting (Oak Park Library)
- Feb. 24, 10:00 a.m. – OPUSD Sustainability Fair, Oak Park
- Feb. 27-Mar. 1 – ACWA Washington D.C. Conference

- Mar. 5, 5:00 p.m. – JPA Meeting (at Oak Park Library)

Vice Chair Orkney asked for clarification of revenue variances between recycled water and potable water in the Quarterly Revenue and Expense Graph on page 223 of the packet. Staff responded that potable water demand has declined at this time.

Chair Paule mentioned that Sheriff Dean will be the keynote speaker at the VCSDA meeting and encouraged all to attend. He also mentioned that nominations are open for Board Member of the Year and Elector of the Year. *It was moved by Director Wall, seconded by Director Pan, to receive and file the Information Items as presented.* VOTE: Directors Pan, Tjulander, Wall, Vice Chair Orkney, and Chair Paule were in favor. The motion carried 5-0.

ORAL REPORTS – (Items 27 through 28)

27. Standing Committee Reports:

- a. Finance Committee –Director Pan stated that the committee met with the District’s auditor prior to tonight’s meeting and were shown additional detail regarding the on-site audit process.
- b. Recycled Water Committee – No report.
- c. Website Oversight Committee – No report.

28. Board Member Comments

Director Tjulander reported on having met with Water/Wastewater Operations Superintendent Richard Jones and received a briefing on infrastructure.

Chair Paule expressed that the Thomas Fire had affected many people in different ways. Former Director of Finance Vicki Dragon lost her home in the fire. On behalf of the board, Chair Paule expressed well wishes to Ms. Dragon and her husband in their recovery efforts.

Vice Chair Orkney requested that the next Board agenda have a report on video-taping meetings.

29. Reports on Outside Meetings/Conferences

Director Pan stated that in addition to having attended the AWA Breakfast meeting, she also attended an AWA Water Issues meeting. She recently heard that the Twin Towers Project will be a single tunnel project because some of the other agencies have decided not to participate.

Vice Chair Orkney also attended the AWA Breakfast meeting and said that it will take 2-3 good storms to have a wet year. She also stated that the Cajuegas interconnect with Las Virgenes now has the plans for the proposed pump house. She is on a panel with 7 people that are not all familiar with water issues.

Chair Paule said we are in a La Niña year and water reservoirs up north are good. He also learned that .5 inches of rain were recorded in Montecito in a 5 minutes period, which was a 500-year occurrence.

30. General Manager, Legal Counsel Comments

Mr. Norris stated the Department of Water Resources reported that Triunfo Sanitation District has one of the best water loss percentages (at 3.7%) in the State. Chair Paule encouraged Staff to share this success with the media. Mark requested that Management Analyst Sandy Warren distribute wallet-size contact cards for Directors to review.

CLOSED SESSION – (Item 31 only)

At 8:13 p.m., Mr. Mathews announced that the Board would meet in closed session to consider the following item:

31. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code § 54956.9, subdivision (a) – *Triunfo Sanitation District v. New Mission, LLC*, Superior Court of the State of California, County of Ventura, Case No. 56-2017-00499222-CU-OR-VTA

The meeting resumed open session at 8:15 p.m and Mr. Mathews announced that no action was taken by the Board.

ADJOURNMENT: There being no further business, and without objection, Chair Paule adjourned the meeting at 8:15 p.m. to the Regular Meeting to be held Monday, February 26, 2018, at 5:15 p.m. at the Oak Park Library.

Prepared by:

Approved:

Juliet Rodriguez
Clerk of the Board

Michael Paule, Chair
Triunfo Sanitation District

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