

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting
Monday, August 1, 2016
Time: 2:00 P.M.
Place: Board Room
29300 Valley Center Road
Valley Center, CA 92082

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Broomell at 2:02 P.M.

ROLL CALL

Board members present were: Directors Broomell, Polito, Aleshire, Haskell and Ferro. Staff members present were: General Manager Arant, Acting General Counsel Martin, District Engineer Grabbe, Director of Operations Hoyle, Finance Director Pugh, IT Director Pilve, Manager of Accounting Velasquez, Project Managers Williams and Carrillo and Executive Assistant Johnson. Spectators present were: Jacqueline Howells – HGR and Ron Smith - Vertech.

CONSENT CALENDAR

1. Upon motion by Aleshire, seconded by Polito and unanimously carried, the following consent calendar items were approved:

- Minutes of the Board meeting held July 18, 2016.
- Audit demand check numbers 144192 through 144194 and 146166 through 146292 for July 7 through July 21, 2016
- Treasurer's Report for month ending June 30, 2016

ACTION AGENDA

2. Upper San Luis Rey River Watershed Authority Membership:

The Upper San Luis Rey Watershed Authority (USLRWA) was formed nine years ago as a 501-3(c) non-profit benefit corporation to preserve and defend the natural resources of the watershed area. Passage of the Sustainable Groundwater Management Act (SGMA) and the District's involvement with forming a GSA has made staff aware that a significant portion of the District's service area overlaps the watershed basin. The USLRWA has invited the District to join and become an active member by appointing a representative and alternate to participate in their meetings. Membership can be obtained by a \$2500 one-time initial buy-in fee.

Membership in the USLRWA would serve to increase the District's knowledge of the overall area and enhance the working relationship with the other entities, conveyed General Manager Arant.

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Upon motion by Aleshire, seconded by Polito and unanimously carried, the Board approved joining the Upper San Luis Rey Watershed Authority and appointed Director Ferro as the District's Member Representative and Director Haskell as his Alternate.

3. Award of Construction Contract for the Cool Valley Reservoir Cover/Liner Project:

The Cool Valley Reservoir Cover/Liner Project consists of installation of a liner, a floating cover, and some remedial concrete work on the District's existing 56 MG, concrete lined, potable water reservoir. Two bids were received on May 24, 2016, in accordance with formal bidding procedures, as follows:

Layfield Environmental Systems Corp.	\$2,309,200
Colorado Linings	\$2,394,947

The low bid came in at 23.7% less than the engineer's estimate of \$3,150,000. This is partially due to current favorable prices for petroleum products. Project construction is expected to take 200 days and reservoir testing an additional 30 days. With issuance of the Notice to Proceed on August 29, 2016, the expected project completion date would be April 17, 2017. Layfield has done previous work for the District by providing covers for the Cobb and Country Club Reservoirs.

Staff has submitted an application for a Drinking Water State Revolving Fund (SRF) low interest loan at 1.6% for the entire project cost, which was previously approved by the Board. The State Water Resources Control Board has indicated the Installment Sale Agreement (ISA) is being prepared for execution by the District; the final step in the approval process of the SRF loan. It is expected the ISA will be received about the same time as the construction contracts are fully executed and the District is in a position to issue the Notice to Proceed.

Staff recommends approval of Resolution 2016-25, awarding the construction contract for the Cool Valley Reservoir Cover/Liner project to Layfield Environmental Systems Corp. for their low bid of \$2,309,200.

Upon motion by Polito, seconded by Ferro and unanimously carried, the following resolution, entitled:

RESOLUTION NO. 2016-25

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VALLEY CENTER MUNICIPAL WATER DISTRICT
AWARDING THE CONSTRUCTION CONTRACT FOR THE
COOL VALLEY RESERVOIR COVER/LINER PROJECT
[PROJECT NO. 01-06-78-51620]**

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as adopted by the following vote, to wit:

AYES: Directors Broomell, Polito, Aleshire, Haskell and Ferro

NOES: None

ABSENT: None

GENERAL MANAGER'S AGENDA

4. Miscellaneous:

The following miscellaneous items were reported by General Manager Arant:

- The front office remodel is nearing completion. Staff will be moving in on Friday and it should be open for business on Monday, August 8th.
- Lilac Hills Ranch Subdivision will go before the Board of Supervisors on August 2nd for possible approval or recommendation for the November ballot.
- Ms. Jacqueline provided an update on the Regional Conservation Partnership Program (RCPP) for agricultural sustainability. She reported that the grant pre-application submitted by the Partnership has been approved to submit a full proposal to the USDA-NRCS. Strategy meetings have been ongoing. The full submittal is due September 19th with the final announcement expected in December.

In an abundance of caution, due to a possible conflict of interest, President Broomell stated he was abstaining from participating in Agenda Item 5. He turned the meeting over to the Vice President Polito at 2:44 p.m. and left the board room.

ACTION AGENDA (Cont'd)

5. Award of Contract for the Woods Valley Ranch WRF – SCADA Migration and Expansion Integration Project:

The HMI software interface between the equipment control systems and the plant operators has been in use District-wide since 2004 reported Project Manager Carrillo. Currently, Wonderware InTouch HMI software is utilized throughout the District's SCADA system. The manufacturer has developed the next generation software product that will replace the current version and eventually render the current version obsolete. Rather than upgrade to the newest Wonderware product, staff has evaluated other, less expensive, HMI products. After careful review, staff recommends the Ignition software product by Inductive Automation to replace the Wonderware InTouch product.

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The migration from InTouch to Ignition was incorporated into design of the Woods Valley Ranch WRF Phase 2 Expansion Project. Making the conversion slowly will allow District operators time to learn the new system and train during construction of the Expansion project.

A proposal for the migration and integration to the Ignition system was prepared with the scope of work divided into six items, as follows:

1. Migration of the existing WRF
2. Integration of Phase 2 Expansion
3. Integration of Charlan Road Seasonal Storage Facility
4. Integration of Orchard Run Lift Station
5. Integration of Butterfield Trails Lift Station
6. Integration of North Village Lift Station

The Engineer's estimate for the project was \$150,000; \$90K for migration of the existing HMI and \$60K for integration of the new facilities.

A request for proposals was advertised June 20th in accordance with formal procedures. A total of 20 firms were sent proposals. By the July 20th due date, only one proposal was received for the Project from Vertech Industrial Systems in the amount of \$141,040. Staff contacted the other firms as to why they did not submit a proposal. Some said they were too busy but many stated that they could not meet the requirement for the firm being certified in both the Wonderware and Inductive Ignition systems.

Funding for this project is being supplied by two sources; the replacement reserves and the SRF loan for the expansion project. With an August 15th notice to proceed, the project migration is expected to be complete by October 21st and the expansion integration complete by December 30, 2016. Training and startup are scheduled for February 1, 2017.

Staff recommends adoption of Resolution No. 2016-26, awarding the professional services agreement for the Woods Valley Ranch WRF SCADA Migration and Expansion Integration Project to Vertech Industrial Systems, Inc. for \$141,040.

Upon motion by Aleshire, seconded by Haskell and unanimously carried, the following resolution, entitled:

RESOLUTION NO. 2016-26

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VALLEY CENTER MUNICIPAL WATER DISTRICT
AWARDING THE WOODS VALLEY RANCH WRF - SCADA
MIGRATION AND EXPANSION INTEGRATION PROJECT
[PROJECT NO. 17-5648.78 AND 16-5656.62]**

was adopted by the following vote, to wit:

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AYES: Directors Polito, Aleshire, Haskell and Ferro

NOES: None

ABSENT: Broomell

ADJOURNMENT

6. Upon motion by Aleshire, seconded by Haskell and unanimously carried, the regular meeting of the Board of Directors was adjourned at 3:02 p.m.

ATTEST:

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President

Secretary

Approved at a regular meeting of the Board of Directors on September 6, 2016