

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting
Monday, October 3, 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 2:00 P.M.

ROLL CALL

Board members present were: Directors Broomell, Polito, Haskell and Ferro. Staff members present were: General Manager Arant, General Counsel de Sousa Mills, District Engineer Grabbe, Director of Operations Hoyle, Finance Director Pugh, IT Director Pilve, Manager of Accounting Velasquez, Project Managers Carrillo and Williams, Construction Inspector Nikrasch and Executive Assistant Johnson. Spectators present were: Jacqueline Howells – HGR, and Mr. & Mrs. Lenson.

CONSENT CALENDAR

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

- Minutes of the Board meeting held September 6, 2016.
- Audit demand check numbers 146539 through 146840 for August 25, 2016 through September 22, 2016
- Treasurer's Reports for months ending July 31 and August 31, 2016

ACTION AGENDA

2. Cool Valley Reservoir Liner/Cover Replacement Project – Amendment to Agreement for Inspection Services:

Amendment No. 1 to the existing Professional Services Agreement for Inspection Services with Infrastructure Engineering Corporation (IEC) on the Cool Valley Reservoir Liner/Cover Replacement Project was presented by Project Manager Williams.

The District applied for, and was successful in obtaining, State of California Drinking Water State Revolving Funds (SRF) of \$4.25M for the Cool Valley Reservoir Project, pending approval of the initial financing agreement by the SWRCB. As part of the SRF agreement, Prevailing Wage Compliance Monitoring and Reporting is required during construction of the project. Because this monitoring and reporting is

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interrelated to inspection services, District staff requested a proposal from IEC to perform this additional work.

IEC submitted a proposal in the amount of \$29,100 to provide the following services for Prevailing Wage Compliance:

- Attend preconstruction meeting
- Review bid documents for compliance with SRF requirements
- Coordinate with SRF representatives
- Report preparation and submittals
- Perform initial site review
- Initial prevailing wage and certified payroll review
- Monitor monthly certified payroll
- Conduct labor compliance interviews
- Prepare final project documentation.

Staff recommended approval of Amendment No. 1 to the IEC Professional Services Agreement bringing the total authorized amount for inspection services to \$197,100.

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

RESOLUTION NO. 2016-30

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VALLEY CENTER MUNICIPAL WATER DISTRICT
APPROVING AMENDMENT NO. 1 TO THE
PROFESSIONAL SERVICES AGREEMENT WITH
INFRASTRUCTURE ENGINEERING CORPORATION FOR THE
COOL VALLEY RESERVOIR COVER LINER PROJECT
[PROJECT NO. 01-5652.78/01-06-78-51520]**

as adopted by the following vote, to wit:

AYES: Directors Broomell, Polito, Haskell and Ferro

NOES: None

ABSENT: Aleshire

3. Award of Construction Contract for the Wilkes Road Pipeline Project:

The Wilkes Road Pipeline Project consists of the installation of approximately 1,750 feet of 8-inch PVC pipe, four fire hydrants, two air vacs, five meter relocations and road improvements. This pipeline will create a looped system, reported Project Manager Williams, and will provide redundancy in the Mystery Mountain area.

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Eight bids were received on September 22, 2016 in accordance with formal bidding procedures, as follows:

Underground Pipeline Solutions (UPS)	\$417,153
PAL General Engineering	\$427,304
Southland Paving	\$473,295
Blue Pacific Engineering & Construction	\$526,000
Burtech Pipeline, Inc.	\$649,023
Shaw Equipment Rentals	\$673,150
CCL Contracting, Inc.	\$966,380
Peltzer Plumbing, Inc.	\$1,686,841

UPS, the apparent low bidder, has not performed work in the District, however, they have completed pipeline projects within San Diego County for other local agencies. Staff has confirmed that UPS understands the project and proposed schedule. UPS has assured the District that they can perform the work for their bid amount. This project is expected to last 150 days and has an estimated completion date of March 30, 2017.

Staff recommends awarding the construction contract for the Wilkes Road Pipeline Project to Underground Pipeline Solutions for their low bid of \$417,153.

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

RESOLUTION NO. 2016-31

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VALLEY CENTER MUNICIPAL WATER DISTRICT
AWARDING THE CONSTRUCTION CONTRACT FOR THE
WILKES ROAD PIPELINE PROJECT
[PROJECT NO. 01-06-78-51010]**

as adopted by the following vote, to wit:

AYES: Directors Broomell, Polito, Haskell and Ferro

NOES: None

ABSENT: Aleshire

GENERAL MANAGER'S AGENDA

4. Long-Term Water Use Efficiency Process - Status Report:

A status on the Long-Term Water Use Efficiency Process, or "Making Conservation and California Way of Life," (per the Governor's Executive Order) and staff's participation in the process was provided by General Manager Arant.

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The state's effort is divided into two main groups, Urban and Agricultural Water Use Efficiency.

The Urban effort is focused on Water Shortage Contingency Planning and Water Use Efficiency Targets. The Urban Advisory Group is made up of stakeholders from the water, private industry and environmental communities appointed by the Dept. of Water Resources (DWR) and the State Water Resources Control Board (SWRCB).

The Agricultural Advisory Group is made up of stakeholders appointed by the DWR and the California Department of Food and Agriculture (CDFA). Their effort is to strengthen the Agricultural Water Management Plans for retail water agencies with 10,000 or more acres in commercial agriculture. Recommendations for both groups are due to the Governor by January 10, 2017.

In a parallel effort, ACWA has formed two Policy Leadership Groups (Urban and Ag) to closely follow, develop input and respond to proposed policy output from the SWRCB, DWR and CDFA. VCMWD staff is participating in both groups.

As a member of the Urban Advisory Group, the SDCWA has conducted discussions and conference calls with agency general managers on both urban and ag issues throughout the process to develop consistent and unified positions on the state's proposals.

Currently, on the urban side, the state is focused on setting indoor water use standards at 55 gallons per day, per person, with outdoor use based on irrigable acreage. An agency budget will be established based on population and an aerial survey of the service area. Commercial and Industrial standards have not yet been developed. The Ag group seeks to establish efficiency standards based on crop, irrigation methods and soil. ACWA, on the other hand, is focused on an approach with fewer specifics. The state appears willing to find a middle ground.

Staff has been trying to cover each meeting and making input on all of the proposed processes. A group is drafting a letter to the DWR and SWRCB to advise them of the areas that can be done and those that cannot be accepted, and need more work.

A draft framework report will be available on November 4th, followed by a 10 day comment period. The final report will be released to the Governor on January 10, 2017 along with agency recommendations. It is expected that the Governor will present it at the next legislative session to be signed into law effective 2018.

5. Miscellaneous:

The following miscellaneous items were reported by General Manager Arant and the Department Heads:

- Staff is currently working on updating the Corporate Needs Assessment and creating a succession plan for the District's aging workforce.

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- Pauma Valley Groundwater Sustainability Agency process is ongoing – GSA to be in place by July 1, 2017.
- Completed Regional Conservation Cooperative Plan application seeking a grant for \$1.2M from NRCS.
- Springbrook conversion is progressing.
- Cool Valley Reservoir project mobilizing on site.
- Update on the Woods Valley Expansion provided by Project Manager Carrillo.
- SDCWA Board Meeting summary of September 22nd related only to general business items.

GENERAL COUNSEL AGENDA

6. General Counsel de Sousa Mills provided a briefing on current legislative activity.

- SB 814 requires urban water suppliers to define what is “excessive water use” by January 1, 2017.
- AB 2853 allows public agencies who receive requests for public records to refer requestors to the agency’s website when the information is available there.
- A bill is currently being reviewed that will make changes to construction contract documents regarding how claims are processed.

In an abundance of caution, President Broomell stated that he would be abstaining from participating in the following agenda item due to a potential conflict of interest. He turned the meeting over to Vice President Polito and excused himself from the room.

ACTION AGENDA (Continued)

7. Amendment No. 5 to Kennedy/Jenks Professional Services Agreement for Design of the North and South Village Collection System Projects:

The District entered into a Professional Services Agreement with Kenney/Jenks in December 2013 for the design of the South Village Collection System, reported Project Manager Carrillo. Since that time, four amendments have been approved including the addition of the North Village Collection System.

Amendment No. 5 is being requested to provide additional funding for the design of the North Village Lift Station, survey and design work for facilities required for the additional participants along Lizard Rocks Road, revisions to the Orchard Run Lift Station, and construction support services.

Funding for this amendment would be included as part of the State Revolving Fund loan. If approved, Amendment No. 5 would increase the contract amount by \$105,670 bringing the total for design of both North and South Villages to \$583,841.

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Final plans for the North Village Collection System are expected by December 9, 2016 with an Advertisement for Bids going out approximately ten days later.

Staff recommended adoption of Resolution No. 2016-29, approving Amendment No. 5 to the professional services agreement with Kennedy/Jenks Consultants for the North and South Village Collection System Projects.

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

RESOLUTION NO. 2016-29

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VALLEY CENTER MUNICIPAL WATER DISTRICT
APPROVING AMENDMENT NO. 5 TO THE CONTRACT WITH
KENNEDY/JENKS CONSULTANTS FOR THE DESIGN OF
THE NORTH VILLAGE COLLECTION SYSTEM FOR THE
SOUTH VILLAGE WASTEWATER EXPANSION PROJECT
[PROJECT NO. 01-5656.64]**

was adopted by the following vote, to wit:

AYES: Directors Polito, Haskell and Ferro

NOES: None

ABSENT: Broomell and Aleshire

ADJOURNMENT

8. Upon motion by Haskell, seconded by Ferro and unanimously carried, the regular meeting of the Board of Directors was adjourned at 3:14 p.m.

ATTEST:

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President

Secretary

Approved at a Regular Meeting of the Board of Directors on October 17, 2016