

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting
Monday, August 3, 2020
Time: 2:00 P.M.
Place: Board Room
29300 Valley Center Road
Valley Center, CA 92082

Due to the COVID-19 State of Emergency and pursuant to waivers of certain Brown Act provisions under the Governor's Executive Orders, the Board Meeting was conducted via Web Conference and Live Stream.

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Polito at 2:00 P.M.

President Polito established for the record that all Directors were able to hear the proceedings, that all members of the Board were able to hear the Directors participating by teleconference clearly, and that all votes would be taken by a roll call vote pursuant to the provisions of the Brown Act. President Polito further established for the record the process by which public comments would be received by the Board; this process was also described in the Agenda for the meeting. It was announced that no public comments had been received for this meeting.

ROLL CALL

Board members present were President Polito and Director Ferro, with Directors Haskell, Smith and General Counsel de Sousa teleconferencing. Staff members present were: General Manager Arant, District Engineer Grabbe, Director of IT Pilve, Director of Finance Pugh, Director of Operations Hoyle, Sr. Engineer Lyuber, Project Manager Sandoval, Manager of Accounting Velasquez, Safety and Regulatory Compliance Supervisor Olson and Executive Assistant Johnson.

CONSENT CALENDAR

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

- Minutes of the Board meeting held July 20, 2020
- Audit demand check numbers 157906 through 158014 for July 10, 2020 through July 23, 2020

ACTION AGENDA

- 2. Lake Wohlford Resort Request for Annexation; Review of Initial Water Supply Impact Analysis and Resolution Requesting Formal Terms and Conditions from SDCWA and MWD:**

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The request to annex the Lake Wohlford Resort property into VCMWD was previously discussed at the July 6, 2020 board meeting. Since that time, staff has conducted an "Initial Water Supply Impact Analysis" to determine if the District can serve the water needs of the property intended for annexation. General Manager Arant reported that, subject to the applicant meeting the terms and conditions set forth in the analysis, the property can be readily served by VCMWD and would have no net impact on the San Diego County Water Authority.

After review and discussion, staff recommended adoption of Resolution 2020-29, requesting formal terms and conditions from the Water Authority and Metropolitan Water District for the concurrent annexation of the Lake Wohlford Resort property.

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

**RESOLUTION NO. 2020-29
RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CENTER
MUNICIPAL WATER DISTRICT REQUESTING FORMAL TERMS AND CONDITIONS FROM
THE SAN DIEGO COUNTY WATER AUTHORITY AND
METROPOLITAN WATER DISTRICT FOR THE CONCURRENT
ANNEXATION OF THE LAKE WOHLFORD RESORT TO SAID AGENCIES**

was adopted by the following vote, to wit:

**AYES: Directors Polito, Haskell, Ferro and Smith
NOES: None
ABSENT: Holtz**

3. Resolution Approving the Drinking Water State Revolving Fund Program Financial Assistance Application for the 2020 Pipeline Replacement Program:

The updated 2019 Water Master Plan included a strategy to fund certain projects utilizing the Drinking Water SRF Loans available through the SWRCB. The proposed 2020 application includes the Lilac Road Upsize, Gordon Hill Road Replacement, and the Oat Hill Discharge Pipeline, reported Sr. Engineer Lyuber. The total loan amount for these projects totals \$8.5M and would be repaid from net revenues over a 20 year period.

A resolution authorizing and directing the General Manager, or his designee, to sign and submit the application materials, along with a resolution declaring the District's intention to be reimbursed for expenditures paid for the 2020 Pipeline Replacement Projects from the proceeds of the SRF loan are required as part of the application package. Staff recommended adoption of those resolutions in order to proceed with the application process.

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

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**RESOLUTION NO. 2020-30
RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT AUTHORIZING
SUBMITTAL OF A DRINKING WATER STATE REVOLVING FUND
FINANCIAL ASSISTANCE APPLICATION FOR THE 2020
PIPELINE REPLACEMENT PROGRAM**

was adopted by the following vote, to wit:

**AYES: Directors Polito, Haskell, Ferro and Smith
NOES: None
ABSENT: Holtz**

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

**RESOLUTION NO. 2020-31
RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT DECLARING INTENT
TO BE REIMBURSED EXPENDITURES FOR THE 2020 PIPELINE
REPLACEMENT PROGRAM FROM PROCEEDS OF THE STATE
WATER RESOURCES CONTROL BOARD DEBT OBLIGATIONS**

was adopted by the following vote, to wit:

**AYES: Directors Polito, Haskell, Ferro and Smith
NOES: None
ABSENT: Holtz**

4. Ratification of Change Order No. 3 to the Construction Contract for the West Bear Ridge and Paradise Mountain No. 1 Reservoir Painting and Recoating Project:

The West Bear Ridge Reservoir had not been painted or recoated since its construction in 1985 reported Project Manager Sandoval. After sandblasting and inspecting the roof rafters, it became apparent that approximately two-thirds of the rafters required replacement along with other structural items showing excessive corrosion. This change order was anticipated at the award of contract and \$195,500 was included in the budget authorization for potential structural repairs. The final amount for Change Order No. 3 was negotiated at \$155,975 and includes the following items:

- Replacement of 112 roof rafters
- Replacement of 35 mounting brackets
- Replacement of 7 girder mounting plates
- Repair of 8 corner girders
- Repair of overflow box

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Staff recommended adoption of Resolution 2020-32 ratifying the action taken by staff to approve Change Order No. 3, in order to not delay the project, for the West Bear Ridge and Paradise Mountain No. 1 Reservoir Painting and Recoating Project.

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

**RESOLUTION NO. 2020-32
RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT APPROVING
CHANGE ORDER NO. 3 TO THE CONTRACT WITH ADVANCED
INDUSTRIAL SERVICES FOR THE WEST BEAR RIDGE AND
PARADISE MOUNTAIN PAINT AND RECOAT PROJECTS
[PROJECT NO. 01-06-78-51305]**

was adopted by the following vote, to wit:

**AYES: Directors Polito, Haskell, Ferro and Smith
NOES: None
ABSENT: Holtz**

5. Approval of Power Purchase Agreements (PPAs) for the Lower Moosa Canyon and Corporate Facility Solar Array Projects:

At the regular meeting on June 15, 2020, the Board adopted Resolution 2020-21, Lower Moosa Canyon Solar Array Project and Resolution 2020-22, Corporate Facility Solar Array Project. The resolutions also authorized the General Manager to execute both contracts with High Mountain Investment LLC, subject to final review by General Counsel.

Since the Board's approval, High Mountain informed staff that they could not include a no cost transfer of ownership at the end of the 25 year term without jeopardizing their federal tax credit. As an alternative, they will provide several options for final disposition of the solar array systems including the District purchasing the systems at years 10, 15, 20, or at the end of the full term. The PPAs also allow for an extension, if mutually agreed, or the District may require High Mountain to remove the systems and restore the grounds to "as-was" condition. These amendments to the PPA will not impact the estimated financial benefits of each project to the District. As such, staff recommended moving forward and requested the Board confirm their authorization to execute the amended PPAs.

Upon motion by Ferro, seconded by Smith and unanimously carried, authorization to execute the amended Power Purchase Agreements for Moosa and the Corporate Facility was granted.

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INFORMATIONAL ITEMS

6. Update on the Implementation of the Cityworks Computerized Maintenance Management System (CMMS):

The District entered a three-year enterprise licensing agreement with Cityworks in April 2019 for the CMMS. Miller Spatial was then contracted for Phase 1 of the Cityworks implementation and has also been working with staff on GIS system improvements reported Safety and Regulatory Compliance Supervisor Olson.

Cityworks uses the District's existing GIS system as the mapping and data platform. However, a significant number of GIS database changes and improvements were needed to align with the Cityworks integration requirements, including a high performance wireless connection from the Corporate site to the Moosa facility.

The CMMS allows staff to improve and modernize field tracking, scheduling of maintenance, inspections and repairs of all field activities, provides access to data and as-builts, and provides the ability to create, assign and complete work orders while out in the field. DigAlerts have also been fully implemented in Cityworks utilizing the iPad application; this allows inspectors to respond directly from the field with all the information right at their fingertips.

Construction Maintenance was the first Operations & Facilities Department Division for implementation of CMMS and they have already seen workflow improvements and increased efficiency. The consultant and staff are currently working on the GraniteNet implementation of the wastewater collection system. Phase II of the Cityworks implementation is set to begin in the December–January timeframe for two more Divisions of the Operations & Facilities Department.

Staff will keep the Board apprised as the implementation project progresses.

7. San Diego County Water Authority's Board of Directors Meeting:

General Manager Arant reported that the SDCWA Board of Directors' meeting held on July 23rd (via teleconference) consisted of only general business items.

Miscellaneous:

8. The following miscellaneous items were reported by General Manager Arant:

- A 6-inch emergency intertie connection with Yuima MWD was completed last week. This is to provide Yuima with water during two shutdowns on the 1st Aqueduct scheduled for September and November.
- The District's new temperature kiosk is working well.
- Presentations on the Water Authority's Regional Water Conveyance Study will be given at the August 17th regular meeting.

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BOARD OF DIRECTORS AGENDA

9. Upper San Luis Rey Groundwater Sub-Basin Groundwater Sustainability Agency Participation as Ex-Officio Member of Executive Team:

As indicated in a letter from Yuima MWD, there is an effort to move forward on developing the Groundwater Sustainability Plan under a revised MOU. Signatories to the updated MOU, and voting members of the Executive Committee, include Pauma Valley Community Services District, the Upper San Luis Rey Resource Conservation District and Yuima MWD.

VCMWD has been invited to participate in Executive Team Meetings in a non-voting, advisory capacity as an Ex Officio Member, along with the San Luis Rey Indian Water Authority, Pauma and Rainbow MWDs. After determining that the VCMWD's liability exposure is not any greater than with non-participation, staff recommended participation in the GSA.

Upon motion by Smith, seconded by Ferro and unanimously carried, Gary Arant was appointed as VCMWD's representative on the San Luis Rey Groundwater Sub-Basin GSA Executive Team as an Ex Officio Member.

10. Board of Directors' Report on Attendance at Meetings:

Director Smith reported that he had participated in the on-line ACWA Conference and relayed some of his topics of interest.

ADJOURNMENT

11. Upon motion by Ferro, seconded by Smith and unanimously carried, the regular meeting of the Board of Directors was adjourned at 3:34 p.m.

ATTEST:

President

ATTEST:

Secretary

Approved at a regular meeting of the Board of Directors on August 17, 2020