

MINUTES
BOARD OF WATER COMMISSIONERS
OF THE CITY OF SAN BERNARDINO

REGULAR MEETING
August 2, 2016
Water Reclamation Plant Conference Room
399 Chandler Place
San Bernardino, California
9:30 a.m.

The Regular Meeting of the Board of Water Commissioners of the City of San Bernardino was called to order by President Callicott at 9:30 a.m. on August 2, 2016 in the Water Reclamation Conference Room, 399 Chandler Place, San Bernardino, California.

ROLL CALL: Roll call was taken by the Secretary with the following being present: President Callicott; Commissioners Valles, Fernández, and Hendrix; staff Aldstadt, Ohama, Claus, Shepardson, Guerrero, and Willoughby; Steven Graham, City Attorney's Office; Patrick Sanchez, Sr. Business Systems Analyst; Amy Smith, Executive Secretary.

Absent: Commissioner Mlynarski

Members of the Public: James Morales, East Valley Water District
Patrick Milroy, East Valley Water District

1. CLOSED SESSION: President Callicott adjourned the Regular Meeting of the Board of Water Commissioners to a Closed Session. At 9:50 a.m., the Regular Meeting of the Board of Water Commissioners was recessed and a Closed Session was called to order in accordance with the following Government Code Sections:

- A. Conference with legal counsel – existing litigation – pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9: *In Re City of San Bernardino, California*, United States Bankruptcy Court, Central District of California (Riverside), Case No. 6: 12-bk-28006-MJ. *City of San Bernardino v. San Bernardino Valley Municipal Water District, et al.*, San Bernardino County Superior Court Case No. CIVDS1605532.

No action was taken at this time.

ROLL CALL: Roll call was taken with the following present: President Callicott; Commissioners Valles, Fernández, and Hendrix; staff Aldstadt, Ohama, Claus, Shepardson, Guerrero, and Willoughby; Steven Graham, City Attorney's Office; Amy Smith, Executive Secretary.

Absent: Commissioner Mlynarski

ADJOURN CLOSED SESSION: At 9:59 a.m., the Closed Session of the Board of Water Commissioners adjourned to the Regular Meeting of the Board of Water Commissioners in the Water Department Board Room.

ROLL CALL: Roll call was taken with the following present: President Callicott; Commissioners Valles, Fernández, and Hendrix; staff Aldstadt, Ohama, Claus, Shepardson, Guerrero, and Willoughby; Steven Graham, City Attorney's Office; Amy Smith, Executive Secretary.

Absent: Commissioner Mlynarski

2. ANNOUNCEMENTS BY MEMBERS OF THE BOARD OF WATER COMMISSIONERS: None

3. CONSENT CALENDAR: Upon motion by Commissioner Hendrix, duly seconded by Commissioner Valles, it was voted to approve the following Consent Calendar, Agenda Items 3A through 3E4, with a correction to Item 3D - Minutes:

A. WAIVE FULL READING OF RESOLUTIONS: Waive full reading of the resolutions on the regular or supplemental agendas of the Board of Water Commissioners.

B. PAYROLL

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Claims: 272138-272429			
Accounts Payable	\$607,707.13	\$1,255,600.15	\$1,863,307.28
Gross Payroll 06/27/16-07/10/16	<u>246,060.82</u>	<u>186,612.63</u>	<u>432,673.45</u>
TOTALS	<u>\$853,767.95</u>	<u>\$1,442,212.78</u>	<u>\$2,295,980.73</u>

Payroll for the pay period June 27, 2016 through July 10, 2016, July 11, 2016 through July 24, 2016, and July 25, 2016 through August 7, 2016.

C. CONTRACTS AND BILLS: Contracts and bills presented at this meeting.

D. MINUTES: July 19, 2016.

E. PERSONNEL ACTIONS

1. PROMOTION: Carla Luna, Customer Service Representative III, Range 141, to the position of Customer Service Supervisor, Range 258, effective August 1, 2016. This position was in the budget and based on the needs and staffing for this section, the position was justifiable under the budget.
2. PROMOTION: Jennifer Aguirre, Water Reclamation Operator, Range 143, to the position of Water Reclamation Senior Operator, Range 157, effective August 8, 2016. This position was the budget and based on the needs and staffing for this section, the position was justifiable under the budget.
3. PROMOTION: April Emslie, Senior Office Assistant, Range 136, to the position of Technical Assistant, Range 140, effective August 8, 2016. This position was in the budget and based on the needs and staffing for this section, the position was justifiable under the budget.

4. REVISED JOB DESCRIPTION FOR WATER RECLAMATION

MAINTENANCE PLANNER: The Board of Water Commissioners originally approved the job description for Water Reclamation Maintenance Planner on September 20, 1994 and it was last updated on April 4, 1995. The position had been vacant since March 21, 2014 due to retirement. The job description had been reviewed and updated to include support for the Electrical, Instrumentation, and SCADA section, reflect the current duties expected to be performed in the position, and to update terminology, and format. The testing standards were updated to Civil Service Application Review and Civil Service Supplemental Application Review. The salary range remains the same at Range 154.

Staff requested Board approval of the revised job description and to authorize staff to submit the testing standards to the Civil Service Board for approval.

END OF CONSENT CALENDAR

4. ADDITIONS TO THE AGENDA: None.

5. AWARD OF CONTRACT – BELLEVIEW STREET AND VINE STREET ALLEY MAINS REPLACEMENT PROJECT – SPECIFICATION NO. 1578: In accordance with the advertised Notice to Bidders and Specification No. 1578, ten (10) bids were received and opened on June 30, 2016, “furnish all labor, equipment, and materials for the Belleview Street and Vine Street Alley Mains Replacement Project, located in San Bernardino, CA.”

The following bids were received:

<u>BIDDER</u>	<u>LUMP SUM BID</u>
TBU, Inc.	\$1,103,231.00
CP Construction Co., Inc.	\$1,185,000.00
Kirtley Construction, Inc.	\$1,186,000.00
Downing Construction, Inc.	\$1,255,874.00
Hemet Mfg., Co., Inc. DBA Genesis Construction	\$1,272,948.00
El-Co Contractors, Inc.	\$1,289,000.00
R-JS General Construction	\$1,348,850.00
Weka, Inc.	\$1,409,212.00
DDH Apple Valley Construction, Inc.	\$1,548,450.14
Christensen Brothers General	\$2,413,574.00

Upon motion by Commissioner Hendrix, duly seconded by Commissioner Fernández, it was unanimously voted to accept the bid of TBU, Inc., as the lowest responsive, responsible bidder, and award a contract to “furnish all labor, equipment, and materials for the Belleview Street and Vine Street Alley Mains Replacement Project, located in San Bernardino, CA.”, in accordance with the following prices, terms and/or conditions as set forth within the bid of TBU, Inc.:

LUMP SUM: \$1,103,231.00
 ONE MILLION ONE HUNDRED THREE THOUSAND TWO
 HUNDRED THIRTY-ONE AND 00/100 DOLLARS

The President and Secretary were authorized to execute the contract. The bid securities will be retained in accordance with the specification.

6. AWARD OF CONTRACT – KENWOOD WELL FIELD 20” TRANSMISSION MAIN EXTENSION PROJECT SPECIFICATION NO. 1632: In accordance with the advertised Notice to Bidders and Specification No. 1632, seven (7) bids were received and opened on July 1, 2016, “furnish all labor, equipment, and materials for the Kenwood Well Field 20” Transmission Main Extension Project, located in San Bernardino, CA.”

The following bids were received:

<u>BIDDER</u>	<u>LUMP SUM BID</u>
El-Co Contractors, Inc.	\$179,000.00
Kirtley Construction, Inc.	\$195,300.00
DDH Apple Valley Construction, Inc.	\$196,547.48
Weka, Inc.	\$203,644.00
Hemet Mfg., Co., Inc. DBA Genesis Construction	\$226,788.00
C.P. Construction Co., Inc.	\$230,500.00
Gwinco Incorporated	\$997,000.00

Upon motion by Commissioner Fernández, duly seconded by Commissioner Valles, it was unanimously voted to accept the bid of El-Co Contractors, Inc., as the lowest responsive, responsible bidder, and award a contract to “furnish all labor, equipment, and materials for the Kenwood Well Field 20” Transmission Main Extension Project, located in San Bernardino, CA.”, in accordance with the following prices, terms and/or conditions as set forth within the bid of El-Co Contractors, Inc.:

LUMP SUM: \$179,000.00
 ONE HUNDRED SEVENTY NINE THOUSAND AND 00/100
 DOLLARS

The President and Secretary were authorized to execute the contract. The bid securities will be retained in accordance with the specification.

7. APPROVAL OF EPA 108S WELL REHABILITATION BY WEBER WATER RESOURCES: Extraction well EPA 108S was operated as part of the Muscoy Operable Unit (OU) Remedial Action under the terms negotiated with the United States Environmental Protection Agency (USEPA). The purpose of EPA 108X was to inhibit further migration of PCE and TCE in the aquifer. Proper and consistent operation of EPA 108S was critical in maintaining plume capture and therefore downtime should be minimized.

In May 2016, EPA 108S failed and the equipment was subsequently removed in June 2016. A specification for a new fixed speed well pump was developed by Department staff and Stantec Principal Hydrogeologist, Mark Eisen. The rehabilitation specification called for new pump, motor, column pipe, and miscellaneous ancillary material/equipment. Staff requested proposals from pre-qualified contractors to rehabilitate EPA 108S. Weber Water Resources was responsive and provided the lowest quotation in the amount of \$72,528.01.

Staff recommended that this expenditure be approved from existing funds in the Fiscal Year 2016/17 Capital Budget under Annual R/R – EPA Extraction Well (Muscoy) with available funding of approximately \$165,000.00. Rehabilitation of EPA 108S was one hundred percent (100%) reimbursable through the AIG commutation account.

Upon motion by Commissioner Valles, duly seconded by Commissioner Fernández, it was unanimously voted to approve the rehabilitation of EPA 108S by Weber Water Resources in the amount of \$72,528.01.

8. APPROVAL OF EPA 001 WELL REHABILITATION BY WEBER WATER RESOURCES: Extraction well EPA 001 was operated as part of the Newmark Operable Unit (OU) Remedial Action under the terms negotiated with the United States Environmental Protection Agency (USEPA). The purpose of EPA 001 was to inhibit further migration of PCE and TCE in the aquifer. Proper and consistent operation of EPA 001 was critical in maintaining plume capture and therefore downtime should be minimized.

In January 2016, EPA 001 failed and was temporarily repaired with the understanding that the temporary fix would not last more than six months. In June 2016, EPA 001 completely failed, and rather than pull the equipment for assessment and rehabilitation, a complete new design was pursued. A specification for a new fixed speed well pump was developed by Department staff and Stantec Principal Hydrogeologist, Mark Eisen. The rehabilitation specification called for new pump, motor, column pipe, and miscellaneous ancillary material/equipment. Staff requested proposals from pre-qualified contractors to rehabilitate EPA 001. Weber Water Resources was responsive and provided the lowest quotation in the amount of \$127,509.67.

Staff recommended that this expenditure be approved from existing funds in the Fiscal Year 2016/17 Capital Budget under *Annual R/R – EPA Extraction Well (Newmark)* with available funding of approximately \$240,000.00. Rehabilitation of EPA 001 was one hundred percent (100%) reimbursable through the AIG commutation account.

Upon motion by Commissioner Valles, duly seconded by Commissioner Fernández, it was unanimously voted to approve the rehabilitation of EPA 001 by Weber Water Resources in the amount of \$127,509.67.

9. PUBLIC HEARING AND APPROVAL BY THE BOARD OF WATER COMMISSIONERS FOR THE 2016 PUBLIC HEALTH GOALS IN COMPLIANCE WITH SECTION 116470 OF THE HEALTH AND SAFETY CODE: On July 5, 2016, the Board of Water Commissioners scheduled a Public Hearing date for August 2, 2016 at 9:30 a.m. in the Water Department Board Room located at 399 Chandler Place, San Bernardino, California. The Public Hearing involved the 2016 Water Quality Public Health Goals (PHG) concerning our city water system, in accordance with the California Health and Safety Code, Section 116470 (2)(b).

The purpose of the public hearing was to accept and respond to public comments from water consumers about the PHG report.

President Callicott opened the Public Hearing at 9:39 a.m. for public comments. There being none, the public hearing was closed at 9:41 a.m.

Upon motion by Commissioner Hendrix, duly seconded by Commissioner Valles, it was unanimously voted to approve the Public Health Goals concerning our city water system staff report with no action.

10. RESOLUTION OF THE BOARD OF WATER COMMISSIONERS DECLARING THE CITY'S INTENTION TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT BOND FINANCING, AS REQUIRED BY UNITED STATES DEPARTMENT OF TREASURY REGULATIONS SECTIONS 1150.-2 (WATER FUND): The San Bernardino Municipal Water Department (Department) expects to issue tax-exempt revenue bonds or other obligations (Bonds) to finance costs associated with the following Water Fund projects: Reservoir seismic upgrades, the Intermediate Zone 24" transmission main, relocation of the customer service staff, and administration building consolidation and improvements. The proposed resolution would allow the Department to be reimbursed for these expenditures from the bond proceeds.

Upon motion by Commissioner Valles, duly seconded by Commissioner Hendrix, it was unanimously voted to Adopt Resolution No. 894 declaring the City's intention to reimburse certain expenditures from the proceeds of tax-exempt bond financing, as required by United States Department of Treasury Regulations Sections 1150.-2 (Water Fund).

11. RESOLUTION OF THE CITY OF SAN BERNARDINO DECLARING THE CITY'S INTENTION TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT BOND FINANCING, AS REQUIRED BY UNITED STATES DEPARTMENT OF TREASURY REGULATIONS SECTIONS 1150.-2 (SEWER FUND): The San Bernardino Municipal Water Department (Department) expects to issue tax-exempt revenue bonds or other obligations (Bonds) to finance costs associated with the following Sewer Fund projects: Primary influent flow equalization improvements, phase 1 of the Clean Water Factory recycled water project, acquisition and installation of a partially oxidized gas turbine, relocation of the customer service facility and administration building improvements. The proposed resolution would allow the Department to be reimbursed for these expenditures from the bond proceeds.

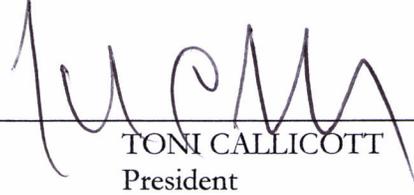
The Mayor and Common Council was the governing body responsible for approving the issuing of debt associated with the sewer treatment and collection systems.

Upon motion by Commissioner Valles, duly seconded by Commissioner Fernández, it was unanimously voted to approve the submission of a resolution to the Mayor and Common Council for adoption.

12. REPORT ON WATER DEPARTMENT INVESTMENTS – QUARTER ENDING JUNE 30, 2016: Staff recommended that the Board of Water Commissioners receive and file the Investment Report for the quarter ending June 30, 2016. (INFORMATION ITEM ONLY)
13. REPORTS:
- A. Report of the President: None
 - B. Report of the Commissioners: None
 - C. Report of the Directors: None
 - D. Report of the General Manager: General Manager Aldstadt reported that she attended a Groundwater Sustainability Council (GSC) meeting initiated by San Bernardino Valley Municipal Water District. Another meeting with the GSC will be held on August 8, 2016.

14. PUBLIC COMMENTS: This is the time specified for public comments concerning specific items not on the agenda or matters of general interest. Betsy Starbuck, campaign consultant, spoke to the Board asking for support for the City Charter.
15. ADJOURN MEETING: The meeting adjourned at 10:00 a.m. to the next Regular Meeting to be held on Tuesday, August 16, 2016, at 9:30 a.m. in Margaret H. Chandler Water Reclamation Plant Conference Room, 399 Chandler Place, San Bernardino, California, 92408.

BY:


TONI CALLICOTT
President

BY:



ROBIN L. OHAMA
Deputy City Clerk & Ex-Officio Secretary