

VALLEY CENTER MUNICIPAL WATER DISTRICT

AGENDA

Regular Meeting of the Board of Directors

***TUESDAY**, September 5, 2023 — 2:00 P.M.

The VCMWD Board of Directors welcomes the public to its Board Room while accommodating virtual observation options as a convenience to the public. Additionally, Board Meetings continue to be livestreamed for those who wish to observe remotely. *Please note that in the event of technical issues that disrupt the meeting livestream or receipt of public comments by phone or email, the meeting will continue.*

Instructions for members of the public who wish to address the Board of Directors:

Members of the public who wish to address the Board of Directors under “Audience Comments/Questions” or on specific agenda items, may do so as instructed below. All comments will be subject to a limit of three (3) minutes.

- Making Public Comment for Those Attending In-Person: Members of the public who wish to observe or to address the Board may join the Board Members at the noticed, physical location. A Request to Speak slip is required to be submitted to the Board Secretary prior to start of the meeting *(if possible)*.
- Phone Comments During the Meeting: Before the meeting, or before public comment period for the item closes during the meeting, submit a telephone number by email to the Board Secretary at publiccomments@vcmwd.org, together with the agenda item number, and the Board Secretary will call when the board is ready to hear public comments; *or*
- Emailed Comments: Before the meeting, or before public comment period for that item closes at the meeting, email your comments to the Board Secretary at publiccomments@vcmwd.org and the Board Secretary and it will be read aloud at the public comment period; *or*
- Written Comments: Written comments can be also be physically dropped off in advance of the meeting at the District’s Administrative Office or mailed in advance of the meeting to 29300 Valley Center Rd., Valley Center, CA 92082, for receipt no later than 1:00 pm on meeting day.

These public comment procedures supersede the District’s standard public comment policies and procedures to the contrary. If modifications or accommodations from individuals with disabilities are required, such persons should provide a request at least 24 hours in advance of the meeting by email to the Board Secretary at boardsecretary@vcmwd.org.

Meeting Broadcast: Members of the public may watch the meeting electronically by visiting the District’s website at vcmwd.org/Board/Board-Documents and then clicking the link listed below “live stream” on the page.

Meeting Documents: Board Meeting Packets *(except for closed session materials)* will be made available to the public once distributed to the Board. Please visit the District’s website at vcmwd.org/Board/Board-Documents for Agenda and related Board Meeting Documents.

ROLL CALL

APPROVAL OF AGENDA

At its option, the Board may approve the agenda, delete an item, reorder items and add an item to the agenda per the provisions of Government Code Section 54954.2.

PUBLIC COMMENT(S)

Comments and inquiries from the audience will be received on any matter not on the agenda, but within the jurisdiction of the Board. Comments and inquiries pertaining to an item on the agenda will be received during the deliberation of the agenda item (Government Code §54954.3).

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CONSENT CALENDAR ITEM(S)

Consent calendar items will be voted on together by a single motion unless separate action is requested by a Board member, staff, or member of the audience.

1. **Minutes of the Regular Board Meeting Held Monday, August 21, 2023;**
2. **Bid Results & Request to Approve PO #114914 for Purchase of 1 New 2023 Vehicle; and**
3. **Bid Results & Request to Approve PO #114915 for Purchase of 1 New 2023 Vehicle.**

INFORMATIONAL/POSSIBLE ACTION ITEM(S)

4. **Review Request from Wayne Hilbig Regarding the Assessment Lien on the Butterfield Trails Property and the Proposed Options to Fulfill the Request:**

Request from Wayne Hilbig Regarding the Assessment Lien on the Butterfield Trails property and the proposed options to fulfill the request will be reviewed.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. Information item only, no action required

5. **Five-Year Strategic Plan – Summary of Accomplishments and Next Steps:**

A summary report on what has been accomplished under the District's current Five-Year Strategic Plan, Fiscal Years (FY) 2018-19 through 2022-23, will be presented.

- a. Report by General Manager
- b. Discussion
- c. Audience comments/questions
- d. Information item only, no action required

GENERAL MANAGER'S ITEM(S)

6. **General Information:**

General Informational items will be reviewed.

- a. Report by General Manager
- b. Discussion
- c. Audience comments/questions
- d. Information item only, no action required

DISTRICT GENERAL COUNSEL'S ITEM(S)

BOARD OF DIRECTORS' ITEM(S) and AB1234 REPORTING

Valley Center Municipal Water District
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CLOSED SESSION ITEM(S)

At any time during the regular session, the Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within the attorney-client privilege. Discussion of litigation is within the attorney-client privilege and may be held in closed session. *Authority: Government Code §54956.9.*

ADJOURNMENT

NOTICE TO THE PUBLIC:

This agenda was posted at least 72 hours before the meeting in a location freely accessible to the public. No action may be taken on any item not appearing on the posted agenda, except as provided by Government Code Section 54954.2. Any written materials provided to a majority of the Board of Directors within 72 hours prior to the meeting regarding any item on this agenda will be available for public inspection on the District's website. The agenda is available for public review on the District's website, <http://www.vcmwd.org>.

For questions or request for information related to this agenda contact Kirsten Peraino, *Board Secretary*, at (760) 735-4517 or publiccomments@vcmwd.org. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at least 48 hours before the meeting, if possible.

— **End of Agenda** —

VALLEY CENTER MUNICIPAL WATER DISTRICT

MINUTES

Regular Meeting of the Board of Directors

Monday, August 21, 2023 – 2:00 P.M.

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Polito at 2:00 PM. In the Board Room at 29300 Valley Center Rd.; Valley Center, CA 92082. Additionally, the Board Meeting was livestreamed for those who wish to observe remotely.

ROLL CALL

Board Members Present: *President Polito, Vice President Ferro, Directors Holtz, Smith, and Ness.*

Staff Members Present: *General Manager Arant, District Engineer Grabbe, Director of IT Pilve, Director of Finance & Administration Pugh, Director of Operations and Facilities Lovelady, Project Manager Carrillo, Project Manager Powers, Senior Engineer Lyuber, Executive Assistant/Board Secretary Peraino, General Counsel de Sousa, and Federal Consultant Howells (HGR) present in-person.*

PUBLIC COMMENT(S)

President Polito established for the record the process by which public comments are received by the Board; this process was also described in the Agenda for the meeting.

CONSENT CALENDAR ITEM(S)

1. **Minutes of the Regular Board Meeting Held Monday, July 17, 2023;**
2. **Audit Demands for Check Nos. 166614 – 166922 from July 7 thru August 10, 2023 and Wire Disbursements for Month Ending July 31, 2023;**
3. **Treasurer's Report for Month Ending June 30, 2023;** and
4. **Board of Director's Request for Reimbursement for Per Diem & Expenses and Report of Expense Reimbursements per Government Code §53065.5.**

Action: Upon motion by Ness, seconded by Holtz; and unanimously carried, the previously listed consent calendar items were approved.

ACTION ITEM(S)

5. **Adoption of Resolution No. 2023-30 Recognizing and Congratulating the Vista Irrigation District on its 100-Year Anniversary:**

On September 11, 2023, the Vista Irrigation District ("VID") will celebrate 100 years of successful water delivery to the constituents and communities within its service area. Adoption of VCMWD Resolution No. 2023-30 recognizes and honors the VID for this outstanding accomplishment

Action: Upon motion by Smith, seconded by Ferro; motion to approve the following Resolution passed unanimously:

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RESOLUTION NO. 2023-30

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT RECOGNIZING
AND CONGRATULATING THE VISTA IRRIGATION DISTRICT
ON ITS 100-YEAR ANNIVERSARY**

Was adopted by the following vote, to wit:

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

6. Adoption of Resolution No. 2023-31 Approving Amendment No. 1 to the Professional Services Agreement with Ardurra Group, Inc. to Extend the Construction Management and Inspection Services through FY 2023-24:

Senior Engineer Lyuber presented background on the professional services agreement with Ardurra Group, Inc. ("Ardurra"). The District entered into the Agreement with Ardurra on August 16, 2022, to augment District inspection and construction management resources in support of construction projects in FY 2022-23. The agreement was for a one-year term with an option to renew. Staff stated the continued need for these services and propose to extend the agreement through the end of FY 2023-24, budgeted at a full-time commitment of approximately 2,080 hours. The cost will be expensed against the budgets and funding that exists within the respective project budgets, allocated towards Inspection and CM tasks.

The construction management and inspection services began in response to the elevated capital project schedule that ensued as a result of the three pipeline projects that are funded by SRF, explained Mr. Lyuber. Due to the nature of the loan, all three had to be in construction simultaneously, and the District's inspection staff was not designed to oversee that many activities at once with regular day-to-day duties like development, mark-outs, and various other tasks that required inspection resources.

Staff recommended that the Board of Directors adopt Resolution No. 2023-31 approving Amendment No. 1 for \$300,000 to the professional services agreement with Ardurra Group, Inc. resulting in a revised total contract amount of \$682,800.

Action: Upon motion by Holtz, seconded by Ness; motion to approve the following Resolution passed unanimously:

RESOLUTION NO. 2023-31

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT APPROVING
AMENDMENT No. 1 TO THE PROFESSIONAL SERVICES AGREEMENT
WITH ARDURRA GROUP, INC. FOR CONSTRUCTION MANAGEMENT
AND INSPECTION SERVICES FOR FY 2023-24**

Was adopted by the following vote, to wit:

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

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7. **Adoption of Resolution No. 2023-32 Authorizing Staff to Carry Out the Gordon Hill Upper Pipeline Relocation Project and Finding that the Project is Exempt from the California Environmental Quality Act Pursuant to Public Resources Code § 21080.21:**

Project Manager Powers gave an overview of the Gordon Hill Upper Pipeline Relocation Project ("Project"). The Project was identified through the review of the Gordon Hill PRS Relief Project and first funded through a FY 2021-22 mid-year budget adjustment. The project plans to re-align an 8-inch cement mortar-lined and tar-wrapped steel pipeline (originally installed in 1965) which is currently located near an existing residential structure. The Project is expected to be constructed by District staff with a total project cost budgeted at \$400,000, which includes sufficient funding for bid and build construction.

District staff determined that the project is exempt from environmental review under the California Environmental Quality Act ("CEQA"), pursuant to the Public Resources Code Section 21080.21. The Project is for the relocation of an existing pipeline within a public right-of-way and is less than one mile in length.

Staff recommended the Board Adopt Resolution No. 2023-32 authorizing staff to carry out the Gordon Hill Upper Pipeline Relocation Project and finding that the Project is exempt under the CEQA pursuant to Public Resources Code §21080.21 and directing staff to file a Notice of Exemption with the County Clerk.

Action: Upon motion by Smith, seconded by Ferro; motion to approve the following Resolution passed unanimously:

RESOLUTION NO. 2023-32

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT AUTHORIZING STAFF TO CARRY OUT THE
GORDON HILL UPPER PIPELINE RELOCATION PROJECT AND FINDING THAT THE
PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
PURSUANT TO PUBLIC RESOURCES CODE SECTION 21080.21**

Was adopted by the following vote, to wit:

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

INFORMATIONAL/POSSIBLE ACTION ITEM(S):

8. **Status Update on the EPA Grant Approval and Technical Correction to Change the Project from the Lilac Road Project to the Rodriguez Road Project:**

Senior Engineer Lyuber provided the status of the Environmental Protection Agency ("EPA") grant, describing its relationship with the Lilac Road Project and explained the need and process for Technical Correction ("TC") to redirect grant funds toward the Rodriguez Road Project.

By the time the District received notification of the EPA official recipient naming Lilac as one of the projects selected to receive appropriations, the project was already 50% complete. Soon after District staff began coordinating with EPA staff on details of the grant and it became apparent the timing of the Lilac Road Project being under construction created conflict with certain EPA requirements, at which time EPA staff suggested the District redirect the funds toward another similar project through a TC process. This process is a mechanism encouraged

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by the EPA that shifts money to a different project, through a simple request process. Staff identified the Rodriguez Road project as the candidate to shift funds to through the TC, submitted the request to the EPA.

While the District waits for the EPA's official response, a dedicated project account was established with \$50K to facilitate completion of the EPA application and selection of environmental and design consultants. The grant money has only been appropriated, funds are not guaranteed until the award is granted once all requirements have been satisfied through an EPA application process. Mr. Lyuber noted that the proposed Rodriguez Road Project will require environment evaluation and minor updates to the 2009 design. Staff anticipates construction to begin in the FY 2024-25.

Action: Informational item only, no action required.

9. Meadows No. 1 and Reid Hill Reservoir Paint and Recoat Project Closeout Report:

Closeout Report for the Meadows No. 1 and Reid Hill Reservoirs Painting and Recoating Project ("Project") was provided by Project Manager Powers. The project background, details, and pictures were presented for Board review. The Meadows No. 1 Reservoir is a 93-foot diameter by 40-foot tall 2 million gallon above-ground welded steel potable water reservoir, constructed in 1996 and last recoated/painted in 2006. The Reid Hill Reservoir is a 70-foot diameter by 35-foot tall 1 million gallon above-ground welded steel potable water reservoir, constructed in 1978 and last recoated/repainted in 2007, explained Mr. Powers.

The notice of award was issued on September 19, 2022, with the notice to proceed issued on October 26, 2022. The apparent low bidder was Capital Industrial Coatings, LLC. with a total bid of \$1,987,546 (approximately 1% less than the second bid but 47% higher than the engineer's estimate) and required additional funding at the time of award. District staff issued six change orders throughout the project, totaling a net credit of (\$186,762) and adding an additional 91 calendar days ("CD"). The original contract had a duration of 120 CD, but was completed in 211 CD, with Notice of Completion taking effect on May 25, 2023. Funding in the amount of \$1,590,000 was originally authorized for the Project in the FY 2022-23 Annual Budget and was increased to \$2,315,000 with the award of the project.

By completion of the project, the total contract amount was reduced to \$1,800,784 (33% higher than the engineer's estimate). The project was completed under budget, for a total cost of \$1,926,340, allowing \$388,660 to be released back to the Capital Improvements Reserve.

Action: Informational item only, no action required.

10. Gordon Hill Pipeline Replacement Project Closeout Report:

Closeout Report for the Gordon Hill Pipeline Replacement Project ("Project") was provided by Senior Engineer Lyuber. The project background, details, and pictures were presented for Board review. The project replaced and upsized 8 and 10-inch steel waterline and realigned portions of the waterline out of hard to access easements.

The notice of award was issued on August 16, 2022, with the notice to proceed issued on September 20, 2022. The apparent low bidder was CCL Contracting, Inc. with a total bid of \$2,384,649 (approximately 10% less than the second bid and 9% less than the engineer's estimate). The Project had an original contract duration of 365 calendar days ("CD").

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District staff issued 5 change orders for a total net increase of \$263,013 and 5 additional CD for a total of 370 CD. The project was completed at \$273K under budget. Funding for the project was included as part of the 2020 Pipeline Replacement Program, through the Drinking Water State Revolving Fund ("DWSRF") Loan and the District will be reimbursed from the DWSRF loan all actual project expenses, ultimately resulting in \$3.46M being released back to the Capital Improvements Reserve. The loan will be repaid over a 30-year term at a 1.2% interest rate, with an annual debt service for this project's share of the DWSRF loan is estimated at \$127,200.

The project was completed early in only 223 calendar days with the notice of completion on May 1, 2023. Mr. Lyuber noted that even with the change orders, final cost was only 1.8% over the engineer's estimate. District staff attributed this to the caliber of contractor the District was fortunate to have as the low bidder.

Action: Informational item only, no action required.

11. **Moosa Water Reclamation Facility Aeration Line Replacement Project Closeout Report:**

Closeout Report for the Lower Moosa Canyon Water Reclamation Facility Aeration Line Replacement Project ("Project") was provided by Project Manager Carrillo. The project background, details, and pictures were presented. Lower Moosa Canyon Water Reclamation Facility (Moosa) has been in operation since the mid-1970s. Moosa was operated using both aeration air pipelines since 2012. Staff noticed air escaping through the pavement over the original aeration air pipeline alignment during a rain event. This led to staff recommending the replacement of the original portion of aeration air pipeline.

The District's Engineering staff laid out the new alignment and ordered all the materials required for installation and the District's Construction Maintenance (CM) Division was assigned the task of excavating the trench and installation of the approximately 120 linear feet of new 8-inch coated and wrapped steel pipe. The installation required only one shutdown of the system to tie into the existing aeration pipe and did not cause any significant interruptions to the operation of the plant. The original aeration air pipeline was abandoned in place and concrete capped on both ends.

Funding allocation for design and installation was \$150,000 and established in the FY 2022-23 Annual Budget. Of the \$150,000 project budget amount, \$100,000 was allocated assuming a normal bid/build construction project. However, staff chose to have the CM Division perform the work saving both time and cost. The total cost for CM staff and materials was \$67,105, 32.9% below the construction estimate; significantly less than the construction cost performance standard of $\pm 10\%$. Total project cost was under budget at \$87,487 and the remaining \$62,513 will be released back to the Moosa Replacement Reserve.

Action: Informational item only, no action required.

12. **Presentation of the District's Annual Comprehensive Financial Report (ACFR) Certificate of Achievement for Year Ending June 30, 2022:**

Director of Finance and Administration Pugh reported that the District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the District's Annual Comprehensive Financial Report for the year ended June 30, 2022. This is the thirtieth consecutive year the District has received the award recognizing conformance with the highest standards for preparation of state and local government financial reports. Mr. Pugh commended the Finance Department as well as the District's auditing firm, for their contributions in the preparation of the report.

Action: Informational item only, no action required.

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13. Overview of Strategic Plan Performance Measures – Results for Calendar Year 2022:

The Strategic Plan sets forth twelve measurable performance goals, which are reported to the Board after each calendar year. The following summary of results for calendar year 2022, was provided by General Manager Arant:

1. **Customer Satisfaction:** *Performance Goal* “Met” or “Exceeded” Customer Expectations – 100%.
2. **Unknown Water Loss:** *Performance Goal* “Met” – Measured in terms of percent of water sold, acre feet and value of water loss over last ten years.
3. **Discretionary Reserves:** *Performance Goal* “Met”.
4. **Return on Investments:** *Performance Goal* “Not Met” – *For the last 12 months, the District’s weighted average yield was 1.344%, 1.443 basis points, or 52% below the benchmark.*
5. **Local Share of Commodity Cost:** *Performance Goal* “Met” – at no time will the local rate be more than 15% of total commodity cost for Full Price (M&I) and 18% of the certified PSAWR supplies.
6. **Pump Efficiency:** *Performance Goal* “Exceeded” with 106% of design efficiency.
7. **Solar Energy Production:** *Performance Goal* “Exceeded”. The District’s six owned and operated solar facilities with a total capacity of 331.5 kWdc, produced a total of 557,871kWhrs of electricity. All of the District’s Solar Facilities exceeded 90% of the scheduled kilowatt hour solar energy production for the current age of the PV panels.
8. **Final CIP Project Cost:**
 - **Overall Total** – *Performance Goal* **MET**
 - **Individual Projects** – *Performance Goal* **NOT MET**
 - **Overall Project Net Performance 2.3% Under Engineer’s Estimate** – *Goal* **MET**
9. **Project Timelines:** *Performance Goal* “Met”.
10. **Water Service Reliability:** *Performance Goal* “Exceeded” – There were 1,797 hours of unplanned outage (compared to 1,398.3 hours of outage in 2021) in 100,836,360 service hours (93,872,160 in 2021) for an average of 11,511 active accounts (10,716 in 2021) providing a service reliability factor exceeding **99.999%** (exceeded 99.999% in 2021).
11. **Lost Time Accidents:** *Performance Goal* “Met” – The District had 2 recordable accidents with zero lost time accidents. The District had a total of 127,089 regular and overtime work hours logged in 2022.
12. **Compliance with State & Federal Regulations:** *Performance Goal* “Met” with 100% compliance.

Of the twelve Strategic Plan Performance Goals for the calendar year 2022, 4 goals were “exceeded”, 6 goals were “met”, 1 goal was “partially met”, and 1 goal was “not met”.

Action: Informational item only, no action required.

GENERAL MANAGER’S ITEM(S)

14. ACWA Region 10 Election and Committee Appointments for the 2024–25 Term:

ACWA members will soon have the opportunity to elect a new Chair and Vice Chair for the next term in each of the ten respective ACWA regions. Following the election of the new ACWA President, the membership and leadership of all committees will be appointed. Existing committee members and leadership will need to reapply for appointment in 2024-25.

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ACWA Region 10 Elections: ACWA Member Agencies within San Diego and Orange County belong to ACWA Region 10, with the chairmanship alternating between the two counties each two-year term. For the upcoming term, San Diego is set to have the chair and two board members, while Orange County will have the vice chair and three board members.

ACWA Committee Appointments: Currently, VCMWD has two active committee members – Director Oliver Smith (member of the ACWA Energy Committee) and General Manager Gary Arant (Chair of ACWA Energy committee). The Board was asked if any of its members would like to be nominated for any of the standing committees and requested approval for Mr. Smith and Mr. Arant to continue their involvement. Nominations will be accepted until Sept. 15, 2023.

Action: Upon motion by Ferro, seconded by Smith; motion to concur with the Region 10 Nominating Committee's recommended slate passed unanimously.

and

Upon motion by Holtz, seconded by Ness; motion to nominate Director Smith as a Member of the ACWA Energy Committee for the 2024-25 term, along with his alternate committee choices passed unanimously.

and

Upon motion by Ferro, seconded by Smith; motion to nominate General Manager Arant as Chair of the ACWA Energy Committee for the 2024-25 term, along with his alternate committee choices passed unanimously.

15. San Diego County Water Authority (SDCWA) Board Meeting Summary:

San Diego County Water Authority Board Meeting Summary for the Regular Meeting of June 22, 2023 and the Special Meeting of August 10, 2023 was provided.

Action: Informational item only, no action required.

16. General Information:

A review of General Informational items reported on by General Manager Arant.

Action: Informational item only, no action required.

DISTRICT GENERAL COUNSEL'S ITEM(S)

None

BOARD OF DIRECTORS' AB1234 REPORTS ON MEETINGS ATTENDED

None

CLOSED SESSION ITEM(S)

None

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ADJOURNMENT

Action: Upon motion by Smith, seconded by Ness; motion passes unanimously, the regular meeting of the Board of Directors was adjourned at 4:31 PM.

ATTEST:

ATTEST:

Robert A. Polito, *President*

Kirsten N. Peraino, *Secretary*

September 05, 2023

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

**SUBJECT: BID RESULTS AND REQUEST TO APPROVE PURCHASE ORDER #114914
FOR THE PURCHASE OF ONE (1) NEW 2023 VEHICLE**

PURPOSE:

Provide bid results and request approval of purchase order #114914 for the purchase of one (1) new 2023 vehicle, as approved in the Fiscal Year 2022 – 2023 budget, to replace one (1) older existing vehicle.

SUMMARY:

In October the District solicited bids to purchase one (1) new 2023 1-ton cab and chassis truck. Bid requests were sent out to a total of forty (40) truck dealerships.

On October 31, 2022 the District received bids to purchase one (1) new 2023 1-ton cab and chassis truck to replace one older cab and chassis truck outfitted with a service body, truck #33. A new service body will be separately purchased and installed on the new cab and chassis.

The District received the following bid quotes:

Paradise Chevrolet Cadillac	\$64,016.30 - (Does not meet spec.)
Courtesy Chevrolet Center	\$64,856.20 - (Does not meet spec.)
Ken Grody Ford	\$71,271.24 - (unable to guarantee delivery)

Due to the unprecedented number of economic challenges during the past two years and the ongoing supply chain issues, 1-ton trucks are not readily available for purchase or order. Ken Grody Ford was unable to guarantee delivery of the truck at the time, but offered to order the truck on behalf of the District with no commitment to purchase the truck if Ford accepted the order. In January of 2023, Ken Grody Ford submitted the order for the truck through Ford's Government Fleet Purchase Program on behalf of the District. With the uncertainty of Ford accepting the order, staff performed an extensive nationwide search for a truck similar to the District's specifications and was unable to locate a truck or a dealership able to guarantee delivery of a truck.

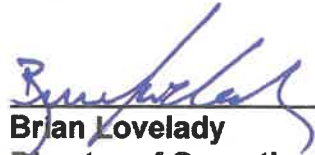
Staff was contacted by Ken Grody Ford on July 11th that Ford had accepted the order and the truck would be shipped in approximately 8 weeks. With the acceptance of the order through Ford's Government Fleet Purchase Program, Ken Grody Ford was able to apply the local government sales program pricing to the purchase, decreasing their previous bid by \$1,809.52 to \$69,461.72.

Funds are available within the approved Fiscal Year 2022-2023 budget, for the approval of Purchase Order #114914 to Ken Grody Ford for their bid of \$69,461.72 including tax and fees.

RECOMMENDATION:

Staff requests approval of Purchase Order #114914 to Ken Grody Ford for the purchase of one (1) new 2023 1-ton cab and chassis truck, for their bid of \$69,461.72.

PREPARED BY:



Brian Lovelady
Director of Operations/Facilities

APPROVED BY:



Gary T. Arant
General Manager

Purchaser: 410452 VALLEYCENTERMUNICI...
Cust ID: 1160319 29300 Valley Center Rd
Valley Center ,CA 92082

Lender:

Stock #:

Year: 0

Make:

Model:

Body:

Sales Date:

Sales Price: 64,355.00

Trade Allow: 0.00 -

TradePayoff: 0.00

Admin Fee: 80.00

Title/Misc. Fees: 0.00

License Fee: 33.00

Warranty : 0.00

Misc Fees: 0.00

Loan Fees: 0.00

GAP or DCA: 0.00

CLAH: 0.00

Sales Tax: 4,671.54

Other Sales Tax: 322.18

Gross Sale: 69,461.72

Cash Down: 0.00 -

Rebate: 0.00 -

Amount Due: 69,461.72

Interest Rate: 0.00

Payment Frequency: Cash Deal

Number of Payments: 0

Days to 1st Pmnt: 0

First Payment Date: 08/14/2023

Payment: 0 69,461.72



Valley Center Municipal Water District

A Public Agency

Purchase Order No:

114914

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

Vendor Name: Vince Dixon Ford

Ken Grody Ford

Address: PO Box 1576

Carlsbad, CA 92018

Telephone: _____

Fax: _____

Contact Name: _____

E-mail: _____

Ship To: Valley Center Municipal Water District

Address: 29300 Valley Center Road

Valley Center, CA 92082

Attn: Roy Rutherford

Delivery _____

Instructions: _____

Quote No: _____

Job No: _____

Account No: 13067853372

Purchased For: Replacement for #33

Ordered By: Roy Rutherford

Date Ordered: 1/3/2023

Required: 1/10/2023

Line	Item Number	Description	Qty	U/M	Unit Price	Ext Price	Tax
1		2023 Ford F350	1	EA	\$64,355.00	\$64,355.00	<input type="checkbox"/>
2		Fees and Taxes	1	EA	\$5,106.72	\$5,106.72	<input type="checkbox"/>

Subtotal: \$69,461.72

Shipping: \$0.00

7.75% Tax: \$0.00

Order Total: \$69,461.72

Approved By: _____

Date: 8/29/23

Received By: _____

Date: _____

September 05, 2023

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

**SUBJECT: BID RESULTS AND REQUEST TO APPROVE PURCHASE ORDER #114915
FOR THE PURCHASE OF ONE (1) NEW 2023 VEHICLE**

PURPOSE:

Provide bid results and request approval of purchase order #114915 for the purchase of one (1) new 2023 vehicle, as approved in the Fiscal Year 2022 – 2023 budget, to replace one (1) older existing vehicle.

SUMMARY:

In October the District solicited bids to purchase one (1) new 2023 1 ¼ ton cab and chassis truck. Bid requests were sent out to a total of forty (40) truck dealerships.

On October 31, 2022 the District received bids to purchase one (1) new 2023 1 ¼ ton cab and chassis truck to replace one older cab and chassis truck outfitted with a service body, truck #13. A new service body will be separately purchased and installed on the new cab and chassis.

The District received the following bid quotes:

Courtesy Chevrolet Center	\$61,867.90 - (Does not meet spec.)
Paradise Chevrolet Cadillac	\$68,027.98 - (Does not meet spec.)
Ken Grody Ford	\$74,751.56 - (unable to guarantee delivery)

Due to the unprecedented number of economic challenges during the past two years and the ongoing supply chain issues, 1 ¼ ton trucks are not readily available for purchase or order. Ken Grody Ford was unable to guarantee delivery of the truck at the time, but offered to order the truck on behalf of the District with no commitment to purchase the truck if Ford accepted the order. In January of 2023, Ken Grody Ford submitted the order for the truck through Ford's Government Fleet Purchase Program on behalf of the District. With the uncertainty of Ford accepting the order, staff performed an extensive nationwide search for a truck similar to the District's specifications and was unable to locate a truck or a dealership able to guarantee delivery of a truck.

Staff was contacted by Ken Grody Ford on July 11th that Ford had accepted the order and the truck would be shipped in approximately 8 weeks. With the acceptance of the order through Ford's Government Fleet Purchase Program, Ken Grody Ford was able to apply the local government sales program pricing to the purchase, decreasing their previous bid by \$5,273.68 to \$69,477.88.

Funds are available within the approved Fiscal Year 2022-2023 budget, for the approval of Purchase Order #114915 to Ken Grody Ford for their bid of \$69,477.88 including tax and fees.

RECOMMENDATION:

Staff requests approval of Purchase Order #114915 to Ken Grody Ford for the purchase of one (1) new 2023 1 ¼ ton cab and chassis truck, for their bid of \$69,477.88.

PREPARED BY:



Brian Lovelady
Director of Operations/Facilities

APPROVED BY:



Gary T. Arant
General Manager

Purchaser: 410451 VALLEYCENTERMUNICL...
Cust ID: 1160319 29300 Valley Center Rd
Valley Center ,CA 92082

Lender:

Stock #: C232109

Year: 2023

Make: Ford

Model: F450

Body: 4x4 Chassis Cab

Sales Date:

Sales Price: 64,370.00
Trade Allow: 0.00 -
TradePayoff: 0.00
Admin Fee: 80.00
Title/Misc. Fees: 0.00
License Fee: 33.00
Warranty : 0.00
Misc Fees: 0.00
Loan Fees: 0.00
GAP or DCA: 0.00
CLAH: 0.00
Sales Tax: 4,672.63
Other Sales Tax: 322.25
Gross Sale: 69,477.88
Cash Down: 0.00 -
Rebate: 0.00 -
Amount Due: 69,477.88

Interest Rate: 0.00
Payment Frequency: Cash Deal
Number of Payments: 0
Days to 1st Pmnt: 0
First Payment Date: 08/14/2023
Payment: 0 69,477.88



Valley Center Municipal Water District

A Public Agency

Purchase Order No:

114915

1. PURCHASE ORDER CANNOT BE USED TO PAY FOR OTHER GOODS OR SERVICES

Vendor Name: <u>Vince Dixon Ford</u> <u>Ken Grody Ford</u>	Ship To: <u>Valley Center Municipal Water District</u>
Address: <u>PO Box 1576</u> <u>Carlsbad, CA 92018</u>	Address: <u>29300 Valley Center Road</u> <u>Valley Center, CA 92082</u>
Telephone: _____ Fax: _____	Attn: <u>Roy Rutherford</u>
Contact Name: _____	Delivery _____
E-mail: _____	Instructions: _____

Quote No: _____

Purchased For: Replacement for #13

Job No: _____

Ordered By: Roy Rutherford

Account No: 01067851374

Date Ordered: 1/3/2023 **Required:** 1/10/2023

Line	Item Number	Description	Qty	U/M	Unit Price	Ext Price	Tax
1		2023 Ford F450	1	EA	\$64,370.00	\$64,370.00	<input type="checkbox"/>
2		Fees and Taxes	1	EA	\$5,107.88	\$5,107.88	<input type="checkbox"/>

Subtotal: \$69,477.88

Shipping: \$0.00

7.75% Tax: \$0.00

Order Total: \$69,477.88

Approved By: _____

Date: 8/29/23

Received By: _____

Date: _____

September 5, 2023

TO: Honorable President & Board of Directors

FROM: Gary T. Arant, General Manager

SUBJECT: BUTTERFIELD TRAILS SUBDIVISION – RELEASE OF ASSESSMENT LIEN

PURPOSE:

Present proposed options for transferring or releasing the Butterfield Trails Subdivision AD 2012-1 assessment lien for up to 71 EDUs of capacity in the Woods Valley Ranch Water Reclamation Facility to accommodate the sale of the property to the County of San Diego for use as a public community park.

SUMMARY:

Wayne Hilbig, owner of the Butterfield Trails Subdivision, and the County of San Diego are in negotiations to transfer ownership of the property to the County for use as a park. The County Board of Supervisors has had previously approved setting aside \$3M to acquire the property in June 2023, a transaction which has been strongly supported by the community, according to the Valley Roadrunner. Mr. Hilbig has indicated to staff that it is unlikely the County will want to retain the wastewater capacity that is currently allocated to the property as part of the Woods Valley Ranch Wastewater Expansion Project and recently asked staff how the assessment lien could be removed.

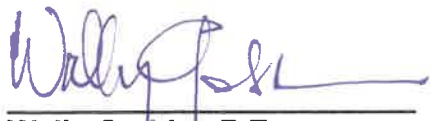
Staff will present the three options that were proposed to Mr. Hilbig, one of which, No.3, resulted in a consensus between Mr. Hilbig and VCMWD staff. Board input and direction on the desired option will be requested by staff. Those options are detailed in the attached PowerPoint, which will also be presented at the September 5, 2023 Board Meeting.

Pursuant to the State Revolving Fund loan agreement, we are required to notify the State Water Resource Control Board ("SWRCB") of this change in financial security. The release of the assessment lien would be delayed until any comments or requirements received from the SWRCB could be addressed.

RECOMMENDATION:

Information Item Only, No Board Action Required at this time. Staff will notify the SWRCB of the desired option and incorporate the SWRCB comments and requirements and bring back draft specific terms and conditions for the desired option for Board consideration later in September or the first board meeting in October.

SUBMITTED BY:



**Wally Grabbe, P.E.
District Engineer**

APPROVED BY:



**Gary T. Arant
General Manager**

September 5, 2023

TO: Honorable President and Board of Directors

FROM: Gary Arant, General Manager

SUBJECT: VALLEY CENTER MUNICIPAL WATER DISTRICT FIVE-YEAR STRATEGIC PLAN – SUMMARY OF ACCOMPLISHMENTS AND NEXT STEPS

PURPOSE:

To provide the Board with a summary report on what has been accomplished under the District's current Five-Year Strategic Plan, Fiscal Years (FY) 2018-19 through 2022-23.

SUMMARY:

As part of the Five-Year Strategic Plan adopted on June 4, 2018, the District Board of Directors set goals and objectives in six focus areas: Water Supply, Infrastructure, Finance, Technology, Energy and Compensation. In each of the six focus areas, goals and objectives were defined and specific programs/projects were pursued and implemented through the annual budgeting and funding programs available to the District. The following is a summary report of what the District has accomplished over the last five fiscal years in pursuit of the adopted ***Strategic Plan Goals and Objectives***:

STRATEGIC PLAN GOALS – Five-Year Summary Report, 2018-19 through 2022-23

I. Water Supply

Support water development policies at the federal, state, regional, and local levels which sustain and enhance VCMWD's overall water supply availability and reliability.

Specific Implementation Goals:

1. **Water Stewardship** – Support regional efforts and implement local programs which advocate, educate, and assist customers in the responsible use of water resources. Status: Ongoing Effort.
2. **Imported Water Sources** – Support and assist in statewide efforts to secure and protect our regions' Imported Water Supplies by securing:
 - An enhanced State Water Project conveyance system to move water through the Sacramento–San Joaquin Delta. Status: Ongoing Effort.
 - Approval of Proposition 1 funded major in-state surface storage facilities. Status: Ongoing Effort.
 - California's water rights on the Colorado River to ensure ample and reliable supplies for all uses, including agricultural. Status: Ongoing Effort.
3. **Water Recycling** – Pursue and maximize the opportunities for continued development of wastewater recycling to offset VCMWD's imported water demand. Status: Ongoing Effort.

II. Infrastructure

Pursue the master planning for publicly and privately financed water and wastewater infrastructure to reliably meet long-term community development needs based on the County approved General Plan. Pursue federal and state funding sources to support the ongoing and orderly replacement of existing water and wastewater infrastructure.

Specific Implementation Goals:

- 1. Water System Master Plan Update. Status: Completed and adopted by the Board in January 2019.**
- 2. Integrated Resource Master Plan –** This effort was modified to develop Master Plans for both the Wood Valley Ranch WRF Service Area, Phase 3 Expansion, and the Lower Moosa Canyon WRF Service Area. **Status: Completed and Adopted Master Plans for:**
 - **Woods Valley Ranch Service Area completed in 2018, and**
 - **Lower Moosa Canyon WRF completed in September 2022.**
- 3. Infrastructure Completed and/or Underway (Grand Total, All Infrastructure Projects: \$34,278,200):**

Pipeline Replacement Projects (5-Year Subtotal – \$1,430,100):

- ♦ **2018**
 - Wilkes Road Pipeline – \$447,400 (plus Paving Repair – \$83,000)
 - W. Lilac Rd. waterline relocations for County Stormwater crossings – \$52,400
- ♦ **2019**
 - Old Castle Waterline Replacement – \$583,800
- ♦ **2020**
 - 42-inch BWCCP Pre-Inspection Manway Installation – \$130,700
 - BWCCP – Bar Wrapped Concrete Cylinder Pipe
- ♦ **2021**
 - Calle Oro Verde Pipeline Replacement (Internal Project) – \$85,000
 - Round Tree Road Intertie (Internal Project) – \$47,800
- ♦ **2022**
 - No pipeline projects completed in 2022. Several projects were designed, bid, and under construction by the close of 2022.
- ♦ **Under Construction/to be Completed in 2023 (Budgeted Subtotal – \$21,345,000):**
 - Gordon Hill Road Pipeline Replacement – \$3,380,000
 - Oat Hill Discharge Pipeline Replacement – \$1,225,000
 - Lilac Road Pipeline Replacement – \$3,600,000
 - North County ESP – \$13,170,000 (\$12.345M Funded by the SDCWA)

Reservoir Paint and Recoat Projects (5-Year Subtotal – \$7,295,900):

- ♦ **2018**
 - Rincon Reservoir – \$203,000
 - Betsworth Forebay No. 1 and Red Mountain Reservoir – \$388,900
 - Cool Valley Reservoir Paving – \$501,500
- ♦ **2019**
 - Via Cantamar & Reidy Canyon Reservoirs – \$596,300
 - Reidy Canyon Outlet Rehab – \$80,500

- ◆ **2020**
 - Jesmond Dene Reservoir Demo – \$120,800
 - West Bear Ridge & Paradise Mountain No. 1 Reservoirs – \$1,850,800
- ◆ **2021**
 - Couser & Circle R Reservoirs – \$815,400
 - Oak Glen Reservoir Demolition – \$49,000
- ◆ **2022**
 - Weaver Reservoir – \$1,519,000
 - Burnt Mountain & Reidy Canyon No. 1 Reservoirs – \$1,170,700
- ◆ **2023 Under Construction (Budgeted Subtotal – \$4,355,000)**
 - Meadows No. 1 and Reid Hill Reservoirs – \$2,315,000
 - San Gabriel No. 1 Reservoir – \$2,040,000

Wastewater Projects (5–Year Subtotal – \$4,202,300):

- ◆ **2019**
 - North Village Collection System – \$2,653,000
 - Rimrock Lo- Pressure Sewer Upgrades – \$897,600
 - VCMWD Grinder Pump Installation (Internal Project) – \$45,000
- ◆ **2021**
 - Moosa RAS/WAS Pump Replacement (Internal Project) – \$65,000
- ◆ **2022**
 - Moosa MCC Replacement Project – \$541,700
- ◆ **2023 Under Construction (Budgeted Subtotal– \$4,929,000)**
 - Moosa Clarifier Upgrades Project – \$565,000
 - Orchard Run Lift Station – \$4,364,000

III. Finance

Support financial policies at the federal, state, regional, sub-regional, and local levels which result in the affordability of water and wastewater services to help sustain the rural and agricultural character of VCMWD's service area.

Specific Implementation Goals:

- 1. Operational Cost Control** – Pursue policies, programs, alternative service sourcing, and technology implementation, which reduce and control local operational costs wherever possible without negatively impacting the operational effectiveness, safety, and service levels to our customers. Status: **Ongoing Effort.**
- 2. MWD and SDCWA Wholesale Pricing** – Advocate for cost and rate control at the wholesale level and seek to maintain appropriate pricing and support programs for agriculture within the MWD and SDCWA service areas by securing:
 - *Pricing considerations from MWD to mitigate the rate impacts of WaterFix on commercial agricultural customers. Status: Ongoing Effort.*
 - *Extension of the SDCWA Transitional Special Agricultural Water Rate (TSAWR) which expires at the end of CY 2020. Status: SDCWA made TSAWR Permanent in 2020.*
- 3. Local Property Tax and Reserves** – Protect local property taxes and VCMWD reserves from appropriation by the State or County Government. Status: **Ongoing Effort.**

5. **Long-Range Financial Plan** – Incorporating the results of the Integrated Resource Plan and the Cost of Service analysis, complete a Long-Range Financial Plan by the end of FY 2019-20. Status: **Completed/adopted by the Board in November 2019.**

IV. Technology and Innovation

Evaluate and incorporate new technologies which increase organizational efficiency, reduce costs, and wherever possible enhance customer satisfaction.

Specific Implementation Goals:

1. **GIS** – Continue expansion, enhancement, and utility. Status: **Ongoing effort.**
2. **SCADA** – Continue toward full implementation in the water & wastewater systems, including:
 - ♦ *Upgrade the Woods Valley Ranch and Moosa Wastewater Reclamation Facilities SCADA to the Ignition Software by the end of FY 2018-19. Status: **Upgrade completed.***
 - ♦ *Extension of SCADA to other water facilities, such as selected reservoir altitude valves, pump station by-pass valves, and natural gas motors by the end of FY 2020-21. Status: **Extension in process.***
 - ♦ *Water System – Phase 1 Wonderware to Ignition HMI migration. Status: **In process.***
3. **Automatic Meter Reading and Information Technology** – Pursue implementation of advanced automated meter reading, information technologies and integration of automated meter reading & monitoring capabilities through the SCADA radio network, by:
 - ♦ *Segmented installation of selected AMI technology beginning by the end of CY 2018 in the North & South Villages, other large developments, and other appropriate portions of the District Service Area. Status: **System fully installed & operational District-wide.***
4. **Data Management/Asset Management Software System.** Status: Complete implementation and full integration of **Cityworks Asset Management System** by the end of CY 2023. Most major phases of the project are fully operational, such as GIS integration, work orders, asset management, DigAlerts, workflow, wastewater inspections, and reports. Work is continuing in implementing backflow testing and fleet maintenance components. Electronic data deployment capabilities have been completed with enhanced data access integrated between the asset management system and various databases.
5. **E-Business** – Expanded and enhanced online customer accounts and real-time water usage data access through the **WaterSmart Online Portal**. Online Direct Bill Pay is the primary option for new customers establishing service, with paper billing available as a secondary option. Status: **Completed.**
6. **Water Quality – Automated reservoir mixing and chloramine boosting system** – Maintain adequate water quality throughout the Distribution System, by:
 - ♦ *Installing a mixer, combined with the chloramine boosting system, to inject sodium hypochlorite and liquid ammonium sulfate automatically into the reservoir based on total chlorine and oxidation-reduction potential analyzer readings to maintain water quality. Status: **Analysis and testing completed FY 2022-23.***
 - ♦ *Identify reservoirs with low turnover rates and low chlorine residuals to install mixing systems. Status:*
 - **Kornblum Reservoir – In Process/to be complete by Nov. 2023, and**
 - **Paradise Reservoir – Identified/to be completed during FY 2023-24.**

6. Water Quality – Automated Reservoir Mixing and Chloramine Boosting System –
Maintain adequate water quality throughout the Distribution System, by:

- Installing a mixer, combined with the chloramine boosting system, to inject sodium hypochlorite and liquid ammonium sulfate automatically into the reservoir based on total chlorine and oxidation-reduction potential analyzer readings to maintain water quality. Status: **Analysis and testing completed FY 2022–23.**
- Identify reservoirs with low turnover rates and low chlorine residuals to install mixing systems. Status:
 - **Kornblum Reservoir – In Process/to be complete by Nov. 2023, and**
 - **Paradise Reservoir – Identified/to be completed during FY 2023-24.**

Energy

Enhance efficient use of energy and pursue (as appropriate) the development of renewable and alternative energy resources.

Specific Implementation Goals:

- 1. Efficiency** – Maximize the operating efficiency of pumps, pump motors, motorized equipment, and VCMWD’s service fleet practices and procedures, as well as implement more energy-efficient methods and technologies of wastewater and biosolids processing and disposal. Status: **Ongoing Effort.**
- 2. Renewable and Alternative Energy Resource** – When economically feasible expand renewable energy resources, such as solar power, within VCMWD’s operations and facilities, based on completion of the:
 - **Alternative Energy Resource Analysis.** Status: **Completed April 2019;**
 - **Lower Moosa Canyon WRF Solar.** Status: **Completed in May, 2023; and**
 - **Corporate Facility Solar Array.** Status: **Near Completion/Online by End of 2023.**
- 3. Utility Rates and Charges** – Monitor and when appropriate participate in regional energy utility rate-making activity and advocate for rate tariffs that are fair and equitable to VCMWD. Status: **Ongoing Effort.**

VI. Compensation and Benefits

Provide competitive but responsible and sustainable employee compensation and benefits programs to attract and retain committed and outstanding personnel. Status: **Ongoing Effort.**

NEXT STEPS

With the end of the five-year term, it would be customary to initiate a planning process for the next 5-year Strategic Plan. However, with an impending change in organizational leadership in the next 2–3 years, staff suggests that the current plan be extended through FY 2025–26 and provide the Board with new staff leadership the opportunity to develop with the Board the new 5-Year Strategic Plan.

RECOMMENDATION:

After review and discussion, accept the Five-Year Strategic Plan Report and provide staff direction on the development of the next Strategic Plan.

SUBMITTED BY:



Gary Arant
General Manager