

BELLA VISTA WATER DISTRICT

BOARD OF DIRECTORS

September 26, 2016

A regular meeting of the Board of Directors of Bella Vista Water District was called to order by the President of the Board at 5:30 p.m., at the District office.

Board Members Present:

President	-	Leimone Waite
Vice President	-	Jim Smith
Director	-	Ted Bambino
Director	-	Bob Nash
Director	-	Jeff Steppat

Board Members Absent:

None

Officers and Staff Present:

General Manager/Secretary-Treasurer	-	David Coxey
District Engineer	-	Don Groundwater
Office Manager	-	Connie Wade

1. Pledge of Allegiance
2. Public Comment Period:

None

3. Consent Calendar:

- 3-1 Approval of Minutes of July 25, 2016, Regular Meeting
- 3-2 Financial Reports for Month Ending July 2016
- 3-3 Financial Reports for Month Ending August 2016

RECOMMENDATION: Approval and Adoption of all items on the Consent Calendar.

M/S: [Nash/Smith] The Board authorized adoption of the Consent Calendar.

AYE: Bambino, Nash, Smith, Steppat and Waite; **NAY:** None;

Old Business:

4. WY 2016-2017 Water Delivery Update

District Engineer, Don Groundwater updated the Board on water deliveries and projections. We have used only 24% of our water supplies available for this water-year and our cumulative reduction in water consumption since June of 2015 is at 48% (versus the 33% required by the State Water Resources Control Board).

Discussion only.

5. Permitting and Stream Restoration Work for Lateral 4.1N Crossing of East Fork of Still Water Creek.

David explained and summarized the issues that we have encountered to date and that we still do not have the necessary permits. The process is incredibly arduous. Don explained the Army Corps of Engineer's process, which is finally completed and now forwarded to Fish and Wildlife. Consultants said Fish and Wildlife are now working on other California water issues and therefore we should not expect a response anytime soon.

No action taken

6. Authorization for Expenditures Related to Wintu Pump (Unit 4) Failure

David summarized the item as it was discussed at the July meeting and provided an update that a teardown inspection indicates the shaft broke as a result of misalignment. We were informed by Floway Pump that alignment must be within 1/1000 of an inch! This is the third failure on the two 600 hp units since their installation in 2005; two prior failures on Unit 5 and now this one on Unit 4. The revised quote excludes sandblasting and painting but includes "field services" to verify the alignment process and procedures. David explained that additional expenses include shipping and crane services that are not reflected in the proposal and also corrected the statement and clarified that staff will not utilize EOMR funds as this was an unplanned event. Contingency funds will be utilized for the repair expenses.

M/S: [Bambino/Smith] The Board authorized the General Manager to proceed with contracting with Floway not to exceed \$30,000 plus a 10 percent contingency (without painting and sandblasting) and reasonable expenses to provide installation training and inspection to ensure proper alignment, subject to clarification of warranty language before proceeding.

AYE: Bambino, Nash, Smith, Steppat and Waite; **NAY:** None

New Business:

7. Presentation of 2015-2016 Annual Audited Financial Statement by D.H. Scott & Co.

Keith Hunting presented the financial statements to the Board and explained this is a standard communication that goes to the Board of Directors and is the standard format. He further explained that it is an unqualified opinion.

M/S: [Nash/Bambino] The Board authorized the acceptance of the 2015-16 audited financial statements as presented.

AYE: Bambino, Nash, Smith, Steppat and Waite; **NAY:** None

8. U.S. Bureau of Reclamation Fiscal Year 2015 Annual Accounting Analysis

David summarized the process for CVP rate setting and how the deficit is calculated. David explained the District's M&I rates include a deficit component that is utilized to fund incurred deficits. The Agricultural rate does not include a deficit component and therefore will be amortized through the CVP rate setting process based on projected deliveries and will incur interest charges.

Discussion only.

9. Bernard Way Pipeline Failure and Repair

David explained that total emergency repair expenses ended up exceeding \$10,000. The repair was deep and required an excavator and operator as well as traffic control and spoils hauling. Eddie Axner Construction Inc. was contracted on a prevailing wage, time and materials basis and District staff made the pipeline repairs. Total costs were \$13,542.51. Discussion only.

10. Swede Creek Bridge Pipeline Failure and Repair Authorization

David explained we are speculating on what has happened at this point; however, the pipe did back out of a pipe joint. An investigation is underway and will be reported when additional information is received.

M/S: [Smith/Nash] The Board authorized the General Manager to contract for services to repair and/or replace the failed joint(s) and restore the bridge approach.

AYE: Bambino, Nash, Smith, Steppat and Waite; **NAY:** None

11. Authorize Surveying Contract with PACE Engineering for the Akrich Street and Moody Creek Drive Water Main Replacement Project

Don explained this is an EOMR project. Director Bambino asked about bidding. Don explained that staff does bid larger engineering projects, but bidding adds considerable time and historically PACE Engineering's has been lower than other consultants.

M/S: [Nash/Bambino] The Board authorized the General Manager to execute a contract with PACE Engineering for Surveying Services for the Akrich Street and Moody Creek Drive Water Main Replacement Projects in the amount of \$21,000.

AYE: Bambino, Nash, Smith, Steppat and Waite; **ABSTAIN:** Jim Smith; **NAY:** None

12. Sustainable Groundwater Management Act Compliance Update

David updated the Board on the progress of the GSA formation process that is being facilitated by a consultant that is grant funded. David explained that he has been operating under the general assumption the District will want a seat on the governance board and we would like to keep costs to a minimum. Some smaller entities that could participate have deferred to County representation. It is quality approaching the time to commit to participation and associated costs. There is general consensus that cost allocation will be proportional to governance representation. A Board action is tentatively being scheduled for October.

No action taken

13. Travel Request – ACWA/JPAIA 2016 Fall Conference

David explained that he has been elected to Vice-Chair on the ACWA Region 2 Board. The region Chair and Vice-Chair also serve on the ACWA Board of Directors. He is also serving on the Federal Affairs and Water Quality Committees and would like to continue to serve on these committees and attend the fall conference.

M/S: [Bambino/Smith] The Board authorized the General Manager and any interested Board members to attend the fall conference.

AYE: Bambino, Nash, Smith, Steppat and Waite; **NAY:** None

Reports and Communications

14. Engineer's Report

Don updated the Board on the Urban Water Management Plan. In regard to the grant for meter replacement we are still waiting on the environmental and archeological compliance work. The public notice for the Initial Study and proposed Mitigated Negative Declaration for the solar project at the Regulating Station has been published, with the public hearing scheduled for October 24th. Staff is working on pipeline assessment request for proposal. The plans for the new warehouse building are being finalized and will be bid sometime in October.

15. Manager's Report

David provided a brief update on the District's lead and copper sampling results, noting that all but one sample was "non-detect" and the one detect sample was below the action limit. He also reported the Environmental Working Group had recently released a report titled "Chromium - 6 in U.S. Tap Water" suggesting that 200 million across the country are exposed to unsafe levels of Cr-6. The report utilized water quality data from the 2013-2015 UCMR3 monitoring initiative. 75% of samples exceeded PHG of 0.02 ppb. Presently, there is no federal standard for Cr-6 only for total Chromium at 100 ppb. Only California has an MCL for Cr-6 of 10 ppb. David provided an update regarding the Wintu Substation Spare Transformer, options to overhaul or replace the unit and to transfer title from WAPA to Reclamation. David thanked directors Bob Nash and Jim Smith for attending the ACWA meet the

president event hosted by BVWD on August 30th and announced an upcoming event to mark the District's 50-year anniversary and retirement of the distribution system debt obligation.

Board Members' Comments and Report

None

The meeting was adjourned at 7:35 pm

David J. Coxey, General Manager and
Secretary to the Board of Directors

REMINDER: Next Regular Board meeting October 24, 2016

Parties with a disability as provided by the American Disabilities Act who require special accommodations or aides in order to participate in the public meeting should make the request to the District office at least 48 hours prior to the meeting

OUR MISSION IS TO PROVIDE

*Safe and dependable water for a variety of present and future uses

*Quality customer service

*A safe, harmonious working environment

STATE OF CALIFORNIA)
) SS
COUNTY OF SHASTA)

I, DAVID J. COXEY, Secretary to the Board of Directors of the Bella Vista Water District, presented to the Board of Directors the minutes of the Regular Meeting of September 26, 2016 for approval by the Board of Directors.

David J. Coxey, Secretary of the Board of Directors

STATE OF CALIFORNIA)
) SS
COUNTY OF SHASTA)

I, DAVID J. COXEY, Secretary of the Board of Directors of Bella Vista Water District, DO HEREBY CERTIFY that the aforementioned minutes attached hereto were approved by the Board of Directors of said District at their meeting of October 24, 2016.

Ayes: Bambino, Nash, Smith, Steppat, and Waite
Noes: 0
Absent: 0
Abstain: 0

David J. Coxey, Secretary to the Board of Directors

Date: October 25, 2016