

BELLA VISTA WATER DISTRICT

BOARD OF DIRECTORS

April 23, 2018

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:

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| President | - | Bob Nash |
| Vice-President | - | Ted Bambino |
| Director | - | Frank Schabarum |
| Director | - | Jim Smith |
| Director | - | Leimone Waite |

Board Members Absent:

Officers and Staff Present:

| | | |
|-------------------------------------|---|----------------|
| General Manager/Secretary-Treasurer | - | David Coxey |
| District Engineer | - | Wayne Ohlin |
| Office Manager | - | Connie M. Wade |

1. Pledge of Allegiance
2. Public Comment

Mr. Brad Sieser spoke about Tierra Robles and the build out and the other projects that will need water at some point and concerns about water supply, a finite resource. Director Schabarum had a question on what the next step on Tierra Robles is, i.e., Planning Commission.

3. Consent Calendar:
 - 3-1 Approval of Minutes of March 26, 2018, Regular Meeting
 - Approval of Minutes of March 28, 2018 Special Meeting
 - Approval of Minutes of April 20, 2018 Special Meeting
 - 3-2 Financial Reports for Month March 2018

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

M/S: [Waite/Schabarum] The Board approved and accepted the consent calendar items as presented.

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

We are an equal opportunity employer and provider.

General Manager, David Coxey requested an item be added as 4.1 consider revoking the suspension of new Agricultural Applications as a result of a full 100% supply announcement from the Bureau of Reclamation.

M/S: [Bambino/Waite] The Board approved adding item 4.1 Revocation of the previous Suspension of Agricultural as a result of the recent allocation increase.

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

Old Business:

4. Central Valley Project Supply Allocation Update

General Manager, David Coxey informed the Board that Reclamation did update the allocation for the District to 100% for north of Delta Contractors. South of Delta was also updated with an increase in allocation to 75% M & I and 40% Irrigation. We will see a true up on the O&M costs as a result of the South of Delta restrictions. Directors Smith and Schabarum had questions regarding the allocation.

Discussion Only.

4.1 Revoke Suspension of New Agricultural Applications

David explained that on April 20, 2018 the Bureau of Reclamation increased the District's allocation and therefore we can reinstate new agricultural applications.

M/S: [Schabarum/Waite] The Board authorized acceptance of new agricultural water service applications as a result of the recent allocation increase to 100%.

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

5. Will Serve Request – Seven Bridges Subdivision (MD Development)

District Engineer, Wayne Ohlin stated that this item was presented last month and explained the impact of new development on current customers pursuant the U.S. Bureau of Reclamation's M&I Shortage Policy. Options were reviewed with the Developer that could alleviate any impact. Wayne reviewed the item and the request with the Board and explained the plan is to reach an agreement with the Developer to bring a water supply or create a mitigation bank strategy for the purchase of water supply for the 34 homes at least until three unconstrained years have been met. Following three unconstrained years of water use, the usage becomes part of the District's "Historic Use" as defined by the M&I Shortage Policy and utilized by Reclamation for shortage year allocations. Legal Counsel, John Kenny explained further that it would have to be a reliable source of water and weigh the strength of that commitment. The developer wishes to go ahead with a "Will Serve Letter" that is conditioned upon a water supply augmentation agreement being provided, acceptable to the Board, prior to water service being provided to any home within Phase 1 of the development, which will allow him to proceed with construction of

Phase 1 while exploring supply augmentation options with the City and others. Mike Dorner, Engineer with Sharrah Dunlap Sawyer addressed the Board on behalf of the developer and explained the developers desire to move forward with Phase 1 and in cooperation with the District to address the water supply issue.

M/S: [Schabarum/Smith] The Board authorized approval of will serve for Phase One (34 lots) of Seven Bridges subdivision conditioned upon an acceptable water supply agreement, approved by the Board, and to be provided prior to meter installation for any lots in the subdivision.

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

New Business:

6. Authorize Contract for Photovoltaic Solar Installation at the Regulating Station

David introduced the item and explained that a representative from Calcom Solar is participating via speaker phone. Wayne explained the project and the proposal process and how the District's selection committee compared the proposals, as defined in the Request for Proposals, and reviewed the results with the Board's Engineering and Planning Committee. Wayne explained that the Borrego Solar proposal indicated pricing was for panels in 2019 and could not meet the District's schedule. Wayne reviewed and summarized the proposals received including a table comparison of proposals received, size, price per kW and explained the staff selection committee process and recommendation to the Engineering & Planning Committee to select CalCom Solar. District staff has completed the "discovery" phase, including a field review. Pricing in the agenda item includes the results of this process. The next phase, upon receiving Board approval, is to negotiate a final contract with the selected contractor.

Dan Herman, from Halcyon stated his position that his company had been consulted during the preliminary stages of this project and that he did not believe the price being provided by CalCom Solar could include all project components and requirements. He recommended postponing the decision on this item. Andrew Hoffman from CalCom Solar spoke by telephone and explained their position and that they stand behind their proposed pricing including all items required in the Request for Proposal and his company's extensive experience. Wayne reiterated the process to advertise and review and which CalCom Solar meets all requirements as set forth in the Request for Proposal.

M/S: [Waite/Smith] (1) Authorize award of the contract to Calcom Solar; (2) Authorize the General Manager to execute a contract in the amount of \$1,398,751 with Calcom Solar once they have furnished the required bonds and insurance; and (3) Authorize the General Manager to approve change orders up to 7% of construction cost (\$98,000)

AYE: Nash, Bambino, Schabarum, Smith and Waite; **NAY:** None; **ABSTAIN:** Bambino; **ABSENT:** None

7. Consider Water Meter Purchasing Proposals

David explained the meter proposals and pricing received and that metering technology is changing. He also explained the District standardization on ITRON's advanced meter reading technology and our minimum requirement for each meter to have an ITRON endpoint. The proposal from National Meter includes the ITRON endpoint, but the other proposal requires the endpoint to be purchased separately at an additional cost.

M/S: [Waite/Bambino] The Board approved the water meter proposal from National Meter (Badger) and authorize the General Manager to execute an agreement accepting their pricing proposal, if required.

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

8. Authorize Letter of Interest to Explore Conversion of Water Service Contract into a Repayment Contract Pursuant to §4011 of the WIIN Act

David explained the WINN ACT provision that allows CVP contractors to convert their existing Water Service Contract into a Repayment Contract. Our current 25-year Water Service Contract will require renegotiation in 2030. Additionally, the District's remaining "construction" costs must be repaid by that date. The last contract negotiations took approximately 12 years to complete. David presented the Bureau of Reclamation's brief PowerPoint presentation on the contract conversion process. David noted there is no direct cost to the District for participating and exploring this contract conversion option.

M/S: [Waite/Smith] Authorize the General Manager to submit a letter of interest to participate in the process to consider a Repayment Contract.

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

9. Revise Board Meeting Date for May

The Board approved moving the May 2018 meeting from Monday, May 28, 2018 to Monday, May 21, 2018 as a result of the Memorial Day holiday.

M/S: [Bambino/Waite] The Board approved moving the meeting to Monday, May 21, 2018.

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

Reports and Communications

10. Engineer's Report

a. Water Production and Deliveries Update

Wayne explained March was the first month of the new water year, for which we used 259 AF that being 165 AF less than in 2013. Reviewed the projections to be at approximately 9,500 AF based on 5 year average for this water year.

b. Project Updates

Wayne updated the Board on the meter sales through March. Wayne updated the Board on the next Solar project we are about to kick off and the status of the current solar array at the Water Treatment, all arrays are up and expect to be tied in to the system with the assumption that we will go live next week. Once we are generating power, we will come on-line with an internet monitoring system. Director Schabarum had a question regarding the Swede Creek Bridge. David explained that a settlement agreement between the District, Pace Engineering and McWane Ductile is close.

11. Manager's Report

David reported that operationally we were able to divert and utilize non-storable "Section 215" water through the prior week. He reported that compliance and implementation of the Sustainable Groundwater Management Act was proceeding and that DWR was having regional meetings across the state this week with one in Chico today, regarding Groundwater Sustainability Planning requirements. A recorded webinar will be held on Friday. David reported on the statewide water issues that included MWD's vote and decision to finance the Delta Conveyance "Twin Tunnels" and the Water Commission's Summary of Public Benefit Ratio Pre and Post-Appeal - Staff Assessment.

12. Board Members' Comments and Reports

Director Smith had a comment about the misunderstanding of the prior letter sent on Seven Bridges which was mistaken for a Will Serve letter and suggested new language. Wayne explained he will be making it very clear on the process for Will Serve requests and confirmations in the future.

Meeting adjourned 7:12 PM

