

**BELLA VISTA WATER DISTRICT**

**BOARD OF DIRECTORS**

**March 27, 2023**

The regular meeting of the Board of Directors of Bella Vista Water District convened at the District Office Boardroom on Monday, March 27, 2023, at 5:30 p.m.

Any member of the public may speak during Public Comment or may email public comments to [csar-tori@bvwd.org](mailto:csar-tori@bvwd.org) and comments will be read from each member of the public. The District will use best efforts to swiftly resolve requests for reasonable modifications or accommodations with individuals with disabilities, consistent with the Americans with Disabilities Act, and resolving any doubt whatsoever in favor of accessibility.

Board Members Present:

|                |   |                 |
|----------------|---|-----------------|
| President      | - | Jim Smith       |
| Vice-President | - | Guy Walters     |
| Director       | - | Bob Nash        |
| Director       | - | Frank Schabarum |
| Director       | - | Ted Bambino     |

Board Members Absent:

|          |   |      |
|----------|---|------|
| Director | - | None |
|----------|---|------|

Officers and Staff Present:

|                                     |   |                 |
|-------------------------------------|---|-----------------|
| General Manager/Secretary-Treasurer | - | David Coxey     |
| Finance and Administration Manager  | - | Christy Sartori |
| Water Treatment Superintendent      | - | Tom Zaharris    |

**CALL TO ORDER AND ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**1. Public Comment**

None

**2. Consent Calendar:**

2-1 Approval of Minutes of February 27, 2023, Regular Meeting

2-2 Financial Reports for Month Ending February 2023

**M/S:** [Walters/Schabarum] The Board approved and accepted the consent calendar as amended.

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

**Old Business**

We are an equal opportunity employer and provider.

None

### **New Business**

#### **3. Drought Conditions and Water Supply Update**

General Manager, David Coxe provided the Board with the latest information available on current drought conditions, snowpack, Reclamation's obligation for a Temperature Management Plan and the current levels in Shasta Lake and other Central Valley Project reservoirs. He noted that we are experiencing truly remarkable lake level increases at Shasta.

Discussion only. No Board action was taken.

Director Bob Nash joined the meeting at 5:43 p.m.

#### **4. Consider Revisions to Water Shortage Contingency Plan Adopted Stage 3 (20% Conservation) Measures and Prohibitions**

David updated the Board with the latest water supply information for consideration regarding the revisions to the drought stage, shortage measures, and prohibitions under the adopted Water Shortage Contingency Plan. David stated that unfortunately and despite greatly improved conditions, the U.S. Bureau of Reclamation (Bureau) has yet to release a March update for CVP allocations and stated he didn't believe the 2023 water year would be considered unconstrained due to the constraints imposed for March and April.

**M/S:** [Bambino/Nash] The Board Tabled this item until an updated CVP Water Allocation is officially made.

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

#### **5. Central Valley Project (CVP) Water Rates for 2023**

David presented the Bureau's published 2023 CVP rates for Irrigation (Ag.) and Municipal & Industrial (M&I) water effective March 1, 2023. He provided an overview of the Rate setting Process, Water Schedules, and the District's historical component rates.

He reviewed the Bureau of Reclamation's Forward document, pointing out that in the future, there will be an Extraordinary Maintenance (XM) rate component imposed by the Bureau that will then be incorporated into the wholesale CVP rate that will need to be passed-through to customers through the annual adjustment process.

David presented the CVP rate schedules, reviewing various component rates, including cumulative relief due to previous Ability-to-Pay studies, M&I and Agriculture Cost of Service and project use energy rates.

Discussion only. No Board action was taken.

## **6. Adopt Annual Adjustments for 2023 Water Rates, Charges and Fees for Service**

David reviewed the methodology for the water rate adjustments and proposed adjustments to the charges for services under Appendix A, Schedule of Rates and Charges. He noted that the Rate Study and rates adopted last month take into account the current costs and inflation through February 2023, so no adjustments for inflation are necessary at this time. The only needed adjustments are to pass-through the increases in wholesale water costs from 2022 to 2023.

The recommended pass-through rate adjustments result in the following rates:

M&I Water Use Charge = \$0.73 per HCF (100 cubic feet)

AG Water Use Charge = \$117.38 per Acre-Foot or \$0.27 per HCF

**M/S:** [Schabarum/Walters] The Board adopted the revised 2023 water rates, and charges and fees for service as amended to become effective May 1, 2023, and directed staff to provide customer notification pursuant to Government Code Section 53755 et seq.

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

## **7. Establish Applicable Delivery Charges for Supplemental Water**

David provided the Board with an update on the Supplemental Water Program. He stated the water purchase cost does not include distribution system real and apparent losses or energy costs. On average, distribution system losses have been 8% of metered deliveries and that percentage has been utilized for the adopted rate study.

David stated that supplemental water program participants would be billed for the balance of their initial purchase cost with a payment due date of May 15, 2023. He recommended a \$55.69 delivery charge to be billed following the metered delivery. This cost is comprised of the sum of losses (\$21.74) plus operating expenses (\$33.95) and is consistent with the adopted rate study.

**M/S:** [Bambino/Nash] The Board approved a delivery charge of \$55.69 per acre-foot of 2023 Supplemental Water, to be billed following delivery.

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

## **8. Authorize Moody Creek Dr. Water Main Replacement Project Award**

David reviewed the status of the project and stated that the design, bidding and a portion of construction and construction management to replace this portion of an existing water main in Moody Creek Drive was budgeted in the District's EOMR – Pipelines for this current fiscal year in the amount of \$312,800.

**M/S:** [Bambino/Nash] The Board (1) Authorized award of the contract to Allen Gill Construction; and (2) Authorize the General Manager to execute a contract in the amount of \$338,385 with Allen Gill Construction. once they have furnished the required bonds and insurance; and (3) Authorize the General Manager to approve change orders up to 10% of the construction contract (\$33,800).

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

**9. Authorize a Contract Amendment for the Design of a New 6 MGD Pump Station at the Proposed 3MG Water Tank Site.**

David explained that without the proposed Pump Station, the stored water could only be utilized in the Deschutes, Cow Creek 1, Cow Creek 2, and Palo Cedro Zones and without the Pump Station at this location, we limit our effective storage. He stated that the Engineering and Planning Committee recommended that a proposal for the engineering design of the pump station be pursued in coordination with the tank design. The decision for proceeding to construction could be determined at a later date and once additional grant funding and/or other revenue sources are researched and pursued.

David outlined the proposed amendment for the design of a new 6 MGD Pump Station at the 3MG Water Tank Site, stating the amendment totals \$96,000.

**M/S:** [Schabarum/Bambino] The Board (1) Authorized the General Manager to execute a contract amendment with Provost & Pritchard for Design of a new 6 MGD Pump Station at the 3MG Water Tank site in the amount of \$96,000. (2) Authorized the General Manager to approve change orders for up to 10%.

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

**10. Budget Adjustments for Fiscal Year 2022-2023**

David reviewed the proposed Supplemental Budget adjustments for the 2022-2023 FY. He stated that due to severe and continued drought conditions, there were previously no indications that CVP Project Water would be available this fiscal year and instead the budget reflects additional groundwater pumping.

David stated that although storage tank dive inspection costs were anticipated and reflected in the budget, coating repairs were not and he asked the Board to ratify the service contract with the vendor and approve the proposed adjustment and referenced the above item for details on the Supplemental request for the proposed 3MGD Pump Station, was also an unknown expense at the time of Budget planning.

David summarized the statement to the Board on the Memorandum, noting that several Budget categories are trending high due to very high inflation and unanticipated price increases due to shortage, supply chain issues, etc. The District continues to operate within the overall Fiscal Budget for Supervision & Labor. However, Payroll Taxes & Benefits is trending high primarily due to a 17.74 % PERS Health Insurance increase that is impacting both the District and employees. Staff is investigating options and alternatives. The 2022-2023 EMOR item approved Budget in the amount of \$312,800 was mistakenly coded to 71.61.52800, EOMR Projects Water Treatment, and has been recoded to 75.61.52800 EOMR Projects Transmission & Distribution.

**M/S:** [Nash/Schabarum] The Board approved the proposed 2022-2023 FY Budget adjustments as presented.

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

## **11. Annual Landowner Voting Review**

David provided the Board with a review and description of the analysis methodology, referenced the sources of information used, and the summary of the District's findings.

Discussion only. No Board action was taken.

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

## **Reports and Communications**

### **12. Engineering and Developments Reports**

David provided a summary of engineering and development projects:

#### 1. District Projects/Facilities

##### a. USBR Water Smart Grant- 3MG Tank

- Value Engineering Completed – Submitted to Reclamation
- Survey, topo, geotechnical – completed
- Tank design reviewed by Engineering & Planning Committee – Awaiting engineering proposal for Pump Station

##### b. CA DDW Sanitary Survey – Completed, awaiting draft report

##### c. USBR 5-Year RO&M Inspection – Rescheduled to April 5th

##### d. Tank/Standpipe dive inspection, cleaning and repairs – completed

##### e. Moody Creek Drive Pipeline Replacement Project

- Design Complete (PACE Engineering),
- Award pending board authorization

#### 2. Developments Under Design/Construction

##### a. Seven Bridges Phase II (Monroe) – houses being built and meters set

##### b. Reserve at Gold Hills – review completed, plans signed

##### c. Bethel Campus and Offsite Improvements

- Campus – grading and make-ready improvements completed - receiving temporary construction water service

- Bethel Offsite Improvements - pump station and pipelines under design

#### 3. PG&E Infrastructure “Hardening”

- Approximately 80 miles within the District - upgrading poles and underground utility for fire resilience – Continuing
- Damaged 30-inch remaining useful life analysis – proposal pending

4. Public Works in Planning

- City of Redding Old Oregon Trail Widening – Paso Robles to Bear Mountain Road – 60% design reviewed

5. SGMA Compliance – EAGSA Update

- Grant application submitted results pending
- Annual report submitted – If the grant unsuccessful, costs for the annual report will need to be apportioned 1/6th of \$50,000 or \$8,333 each.

Discussion only. No Board action was taken.

**13. Manager's Report**

David reported the District is utilizing groundwater wells beginning in early March through the end of the month and possibly into next week. More rain and cold is in the forecast and water supply is shaping up nicely. Reclamation staff recently performed maintenance on the Wintu Substation and PG&E performed some pole replacements during the same coordinated outage. Reclamation staff has scheduled a 5-Year Facility Inspection that is now rescheduled until April 5<sup>th</sup>. David recently presented to the Exchange Club as a guest speaker for David Shoffner. April is a very busy month for regulatory compliance. Staff is currently working on:

- Lead/Copper Service Line Inventory
- 2022 annual Consumer Confidence Report (CCR)
- 2022 Electronic Annual Report (eAR)
- CA SAFER Portal Quarterly Report

The legislative session is in full swing with several water rights bills pending and David continues to forward a lot of information to the Policy & Legislative Committee.

**M/S:** Discussion only. No Board action was taken.

**14. Board Members' Comments and Reports**

None

**12. Adjourn**

Meeting adjourned at 7:54 p.m.

