

**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
LA PUENTE VALLEY COUNTY WATER DISTRICT**

A regular meeting of the Board of Directors of the La Puente Valley County Water District was held at 5:30 p.m., Monday, November 22, 2010, at the District office, 112 N. First St., La Puente, California.

Meeting called to order:

President Escalera called the meeting to order at 5:30 pm.

Pledge of Allegiance

Mr. Gosney led the meeting in the Pledge of Allegiance.

Directors present:

- John Escalera – President
- William Rojas – Vice President
- Charles Aguirre – Director
- David Hastings - Director
- Henry Hernandez

Staff present:

Greg Galindo, General Manager; Rosa Ruehlman, Board Secretary; Todd Hull, Superintendent and Tim Gosney, District Counsel.

Adoption of Agenda:

- President Escalera asked for the approval of the agenda.

Motion by Director Aguirre, seconded by Director Hastings, that the agenda be adopted as presented. Ayes: President Escalera, Vice President Rojas, Director Aguirre, Director Hastings and Director Hernandez Nays: None.

Action/Discussion Items:

A. Approval of Minutes:

- President Escalera asked for approval of November 8, 2010 minutes of the regular meeting of the Board of Directors.

Motion by Vice President Rojas, seconded by Director Hernandez, that the minutes of November 8,, 2010, be approved as presented. Ayes: President Escalera, Vice President Rojas, Director Aguirre, Director Hastings and Director Hernandez Nays: None.

B. Approved a designee a voting delegate from our District for the ACWA Fall Conference at Indian Wells:

- Mr. Galindo shared that ACWA is asking the Board to designate a delegate to vote on behalf of our District at the upcoming ACWA Fall Conference in Indian Wells. The purpose of this meeting is to vote on the proposed amendments to the bylaws recommended by the ACWA Board of Directors. He shared that Staff and District Counsel have reviewed the proposed amendments to the bylaws and have no issues with them.
- President Escalera asked the Board for recommendations.
- Vice President Rojas recommended Mr. Galindo to represent our District.
- President Escalera asked Mr. Gosney if there will be a change regarding qualifications for Board members. Mr. Gosney responded that there water district boards.
- Mr. Galindo added clarification, that it would be a timing issue as to when a Board member is eligible to join the ACWA Board.

By consensus of the Board, they appointed Mr. Galindo as designee to vote on behalf of the District at the ACWA Fall Conference in Indian Wells.

C. To Award Bid for the Zone 4 Booster Station Upgrade Project:

- Mr. Galindo reported that a notice of inviting bids for this project was sent out to four construction firms. He also shared a brief history of this project that Civiltec has been working with staff to look into options of improving not only Zone 4, but also Zone 3. Also, the Ad-hoc committee reviewed the recommendations from Civiltec, and then presented them to the Board. The Board agreed with the Ad hocs committee recommendations. The plans were finalized and went out to bid. The bids were received on November 17, 2010 and all four construction firms submitted bids. Staff reviewed the four bids and has provided a summary for the Board's review. The summary shows the total bid price range from \$284,750 to 291,500 within 2 ½ % differences, a very tight bid. The lowest bidder was R C Foster Corporation which includes 10% contingency is \$313,225. Mr. Galindo reported that the original budget amount for this project including Engineering was \$275,000. The revised estimate for the total cost of the zone 4 booster station upgrade project is \$368,000.
- Mr. Galindo stated that staff has reviewed all the bids, which were competitive and recommends that the Board award the contract to the lowest bidder, R C Foster Corporation not to exceed \$313,225. The Budget will be amended for the capital improvement budget appropriation for this project from 275,000 to 368,000 (Foster's bid \$313,225 plus engineering costs of \$40,665) and this project will carry over into next year.
- Mr. Galindo added that on one of the addendums the contract period was changed from 120 days to 140 days due some concerns of getting the equipment in on time and it is projected to be completed by the first week of June 2011.
- Mr. Galindo shared that staff will bringing the proposed 2011 budget to include this project.
- President Escalera asked if part of this project will be paid this year and the remainder next year. Mr. Galindo responded that most of the engineering has been paid for this year.
- President Escalera asked about some of the bid numbers on the item pressure relief valve and piping why is there such a difference between the four bidders. Mr. Galindo responded that there is not that much difference, except for one bidder that looked at the item at a different perspective. Some contractors inflated it their prices on some items.
- Vice President Rojas shared that he likes the bid number provided by R C Foster for providing Excavation and Safety Measures which safety is very important.
- Director Aguirre stated that the he hopes that the low price provided by Foster is not too low for discharge piping.
- Vice President Rojas inquired what is discharge piping. Mr. Galindo responded that the discharge piping is what has to be installed from Zone 2 fire pumps. The existing piping will have to be replaced and will have to put in new pump control valves and discharge piping to connect from Zone 4 to Zone 2. Mr. Rojas asked if the existing piping needs to be replaced. Mr. Galindo stated that yes and there is a lot of material involved.
- President Escalera stated the difference in savings will help for the easement property just purchased.

Motion by President Escalera, seconded by Director Aguirre, to award the contract to R C Foster not to exceed \$313,225 for the Zone 4 Booster Station Upgrade Project. Ayes: President Escalera, Vice President Rojas, Director Aguirre, Director Hastings and Director Hernandez Nays: None.

D. Review Calendar of Events:

- Ms. Ruehlman shared that she put together a calendar of events for the coming year 2011, indicating all the regular board meetings, District holidays and conferences. She added that the second meeting in December of 2011 will have to be rescheduled next year due to the Christmas holiday.

E. Report on Well No. 5 Motor Repair:

- Mr. Galindo informed the board that General Pump Company did receive a preliminary report on the cause of the motor failure for Well No. 5 and a repair estimate. General Pump has some questions that they are requesting from the manufacturer. Mr. Galindo shared that staff will be meeting with General Pump to review the report and the estimated cost for repairs and will provide

it for the Board to review at the next meeting. The preliminary report showed there was a winding failure and the manufacturer states it is from an electrical surge. We have this motor on a VFD and nothing was done differently in the last two year for this failure to occur. Mr. Galindo did state that he will review the existing the VFD panel and since there is no motor in the ground right now.

- Vice President Rojas was wondering if possibly Edison has some record of a power surge in that area. Mr. Galindo responded that Edison does have some small spikes, but generally electrical equipment protects the motor control panels.
- Vice President Rojas asked about the type of pump that the manufacturer makes. Mr. Galindo responded that it is a Cadillac pump that should last at least 10 years and it only lasted two years and is very expensive to repair.
- Director Hernandez asked if the pump is under warrantee. Mr. Galindo responded that no it is outside of warrantee.
- Director Aguirre asked if we are negotiating with them regarding warrantee. Mr. Galindo stated that he is talking with them and further making sure all the findings and all questions are answered. He further added that General Pump is a reputable company and is very familiar with the manufacturer for the pumps they use.
- Mr. Galindo will provide a report to the Board as soon as it becomes available.

F. Schedule of Special Meeting for the 2011 Budget Workshop:

- Mr. Galindo recommended holding the 2011 Budget Workshop on December 7, 2010 and asked for the Board's preference.

By Board consensus to hold the Special Meeting on December 7, 2010 for the 2011 Budget Workshop.

Administrative Report:

Ms. Ruehlman presented her report:

- She informed the Board on the upcoming ACWA Fall Conference on November 30 to December 3, 2010 in Indian Wells
- She reminded the Board of the Upcoming District Christmas Party on December 10, 2010 at 1:00 pm.

General Manager's Report:

Mr. Galindo presented his report:

- He reported that the Assistant to the City Manager for the City of La Puente will be drafting a purchase agreement for District Counsel to review and then will provided it for the Board to consider. He also informed the Board that the 60 day period from when the City of La Puente provided us with the intend to purchase the property, will end on December 5, 2011, but we are in negotiations.
- He was asked to serve on a Watermaster strategic planning sub-committee, to discuss various issues with Watermaster and how they like to either improve in some areas within the confines of the judgment.
- Working on a draft proposal from Civiltec on the Zone 3 improvements project for the engineering work.

President Escalera stated that it appears the City of La Puente is interested in purchasing the District's property. Mr. Galindo stated that it seems that they are since they are in the process of drafting a purchase agreement.

Vice President Rojas asked if there were any discussions regarding an easement. Mr. Galindo responded there were no discussions regarding any easements at this time.

Attorney comments:

- Mr. Gosney was asked by ACWA to service on a Proposition 26 committee. Proposition 26 was recently passed that requires any new taxes be approved by 2/3 of the legislative body. This proposition could have some significant impact on water Districts. The effect is any admonition that cannot charge more than the cost providing the service. And we have several small charges which might be considered taxes. We will have to be able to prove, should it be contested, that we

are not charging more than the cost of providing the service. Mr. Gosney further added that ACWA will be staying on top of it and will provide developments to the Board as they occur

- Mr. Rojas wished Mr. Gosney on the luck handling these over lapping proposals.
- Mr. Aguirre asked about Yorba Linda fire this will take years to resolve. Mr. Gosney responded that potentially it will take a long time to settle.

Board member comments:

- Vice President Rojas thanked staff for refurbishing the table and cleaning of the chairs. It looks very nice.
- Director Hastings wished everyone a Happy Holiday.
- Director Hernandez wished everyone a Happy Holiday.
- Director Aguirre wished everyone a Happy Thanksgiving.
- President Escalera concurred with the Directors sentiments.

Future agenda items:

None.

Adjournment:

There being no further business or comment, the meeting was adjourned at 6:12 pm.

John P. Escalera, President

Rosa B. Ruehlman, Secretary