

VALLEY OF THE MOON WATER DISTRICT
BOARD OF DIRECTORS
Regular MEETING MINUTES
September 06, 2016

A regular meeting of the Board of Directors of the Valley of the Moon Water District was held on Tuesday, September 6, 2016, in the Board Chambers of the District Office at 19039 Bay Street, El Verano, California.

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE - ROLL CALL

President Foreman called the meeting to order at 6:30 P.M. and led the Pledge of Allegiance.

Roll Call by **Deputy Secretary Petlock** noted the following present:

Directors:	Bruce Adams Mark Heneveld Ed Kenny Ron Prushko Jon Foreman
General Manager:	Daniel Muelrath
District Personnel:	Matthew Fullner, Operations & Maintenance Supervisor Chris Petlock, Administration & Finance Manager
Public:	None in attendance.

12. PUBLIC COMMENTS

- None

13. CONSENT CALENDAR

Item 3.A Minutes of the August 2, 2016 Board of Directors Meeting.

- Motion by **Director Kenny**, seconded by **Director Heneveld**, and carried unanimously by a voice vote to approve all items on the Consent Calendar.

14. PUBLIC HEARING

- None

15. OPERATIONAL REPORTS

Item 5.A Monthly Financial Reports & Disbursements.

- Motion by **Director Kenny**, seconded by **Director Heneveld**, to approve the monthly Financial Reports & Disbursements for the month of July 2016 in the amount of \$574,622.85.

A roll call vote was taken:

Director Prushko	Aye
Director Heneveld	Aye
Director Foreman	Aye
Director Adams	Aye
Director Kenny	Aye

Ayes 2 Noes Q AbsentQ Abstain Q

Item 5.B Water Source Report.

Operation and Maintenance Supervisor Mr. Fullner reported:

- Water source report: 20% of our production water was pumped from District wells in July with 4 of our 5 wells running. Mountain well was producing water with some entrained air and a possible cause maybe the chlorine system so we are waiting until we can try a different chlorine injection system later this week or early next week before we hire a well contractor.

Item 5.C Operational Updates.

Operation and Maintenance Supervisor Mr. Fullner reported:

- Field safety officer Casey and he attended an OSHA seminar in Santa Rosa last month. Focusing on staying safe and what our legal requirements are if all does not go to plan. This kind of training provides invaluable information for organizations like ours and I am glad we had the opportunity to go.
- The AMI project is going well. The contractor is about half way through the fourth route with another five routes to go in this phase. After this round of installations, about 1800 of the District's 7000 meters will be AMI.
- We are gearing up for the Railroad mainline replacement. The parts for the job are here and we plan to break ground next week.
- The District hired two new employees (one to replace an employee that left and another to fill the CIP position as we perform more projects in-house). Trevor Oller started on August 2nd and Rene Bajas started today. We are very excited to have a fully staffed field crew. I have high hopes for this crew and what we will be able to accomplish together.
- The SCADA project continues to move forward and is estimated to be complete in early November.

6. PRESIDENT'S AND DIRECTORS' REPORTS OR COMMENTS

- **Director Heneveld** and **Director Adams** reported on the GSA Elected to Elected meeting, that was held on August 31st _There was general consensus on: using a JPA to form the new GSA, one vote per Member Agency and keeping the GSA local and as minimal in size and cost as possible.

7. GENERAL MANAGER'S AND DISTRICT COUNSEL'S REPORTS

General Manager Muelrath reported:

Item 7.A Water Supply Update.

- Lake Sonoma is 89% of water supply pool; Lake Mendocino is 90.9% of Target Water Curve
- SWRCB Reporting- July's water use was 33% lower in 2016 compare to 2013
- Attended a webinar today that is outlining the framework for conservation beyond our 20% by 2020 current mandate.

18. OLD/NEW BUSINESS

Item 8.A Leak Detection Survey Results.

In an effort to minimize non-revenue water, the District performs a leak detection survey of the entire distribution system ever two years.

This year the District contracted with WaterNet Survey to perform the leak detection survey, which was completed in August 2016.

The results of the survey are as follows:

- 9 leaks identified
- Total GPM of leaks = 43gpm
- Estimated annual savings = \$65,000/year
- Cost of Survey = \$22,540
- Payback = 4 months

Staff has already repaired the two largest leaks and will have the remaining minor leaks repaired within a couple weeks.

Item 8.B Well No. SA Below Grade Contract Negotiation with Layne.

In March 2015, the District solicited bids for the construction of Well No. SA and the destruction of failed Well No. 5. The low bid for the below grade improvements and destruction of Well No. 5 was Layne at \$674,805, however there were still final design aspects that needed to be worked out for all bidders: disposal of development water, temporarily filling the non-level adjacent parcel for a drill pad, change in design to allow for future aquifer storage and recover, sound mitigation, etc .

Layne provided a revised bid in August 2016 including all of the above changes at a price of \$1,089,040. The substantial price increase was due to two main factors: leveling of drill pad and sound mitigation; these two items totaled \$266,000. Staff recommends removing both items from the scope of the contract and having in-house staff build the drill pad and omitting the sound mitigation by arranging offsite housing for the impacted homeowners during the 2-3 week 24/7 drilling operation timeframe. This option would cost less than \$75,000 in total.

Based on removing the above two items the current bid amount with Layne is: \$823,040 and the bulk of this price difference between the 2015 and 2016 bid is an increased cost of material and the additional materials specified to allow for future aquifer storage and recovery. Staff believes that a thorough line by line negotiation with Layne will result in the final contract price of less than \$799,000.

In order to make an October 2016 drill schedule and have water production occurring by late winter, staff will need to expedite negotiations.

Note: total project costs including engineering work, project management, inspections, below grade (this contract) and above grade re-piping and reactivation of existing systems will be approximately \$1.3 million and will be paid for by the \$1.5 million recovered from the failed well at this location.

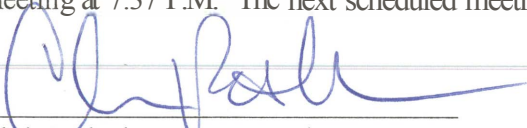
- A Roll Call Vote Was Taken to authorize the General Manager to perform final scope and price negotiations with Layne and execute final contract:
 - Director Prushko Aye
 - Director Heneveld Aye
 - Director Foreman Aye
 - Director Adams Aye
 - Director Kenny Aye
 - Ayes 2_ Noes: ' Absent = Abstain:


I9. CLOSED SESSION

- None

10. ADJOURNMENT

Motion by **Director Kenny**, seconded by **Director Heneveld**, and carried unanimously to adjourn the meeting at 7:37 P.M. The next scheduled meeting is a regular meeting on October 4, 2016 at 6:30 P.M.


Chris Petlock, Deputy Board Secretary


Jon Foreman, Board President