



**City of San Bernardino
Municipal Water Department**

399 Chandler Place
San Bernardino, CA 92408
<http://www.sbcitywater.org>

*President Cecilia "Toni"
Callicott*

Commissioners

*Wayne Hendrix
David Mlynarski
Rikke Johnson
Thomas Brickley*

MINUTES

FOR THE
WATER BOARD OF THE CITY OF SAN BERNARDINO

JUNE 14, 2022

CALL TO ORDER

The Regular Meeting of the Water Board of the City of San Bernardino was called to order by President Toni Callicott at 9:30 AM, Tuesday, June 14, 2022, in-person, via web-conference, and livestream via YouTube.

ROLL CALL

Attendee Name	Title	Status	Arrived
Cecilia "Toni" Callicott	President	Present	9:30 AM
Wayne Hendrix	Vice President	Present	9:30 AM
David Mlynarski	Board Member	Present	9:30 AM
Rikke Johnson	Board Member	Present	9:30 AM
Thomas Brickley	Board Member	Present	9:30 AM
Miguel Guerrero	General Manager	Present	9:30 AM

- ANNOUNCEMENTS BY THE BOARD:** Commissioner Johnson congratulated Councilmember Sanchez, Councilmember Ybarra, and Councilmember Shorett for winning their City Council elections.

Commissioner Johnson welcomed the City's new Chief of Police, Darren Goodman and stated that Chief Goodman would be sworn in at the June 15, 2022 Mayor & City Council meeting.

- PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:** None.
- PUBLIC COMMENTS ON ITEMS LISTED ON THE AGENDA:** None.

4. CONSENT CALENDAR – ITEMS 4A THROUGH 4E:

A. PAYROLL:

	<u>Water Fund</u>	<u>Sewer Treatment</u>	<u>Sewer Collections</u>	<u>Total</u>
Claims:301552-301685				
Accounts Payable	\$1,446,034.49	\$617,199.80	\$71,768.57	\$2,135,002.86
Gross Payroll				
04/25/22-	<u>\$309,750.30</u>	<u>\$217,481.02</u>	<u>\$73,854.38</u>	<u>\$601,085.69</u>
05/08/22				
TOTALS	<u>\$1,755,784.79</u>	<u>\$834,680.82</u>	<u>\$145,622.95</u>	<u>\$2,736,088.55</u>

Payroll for the pay periods beginning May 23, 2022 through June 5, 2022 and June 6, 2022 through June 19, 2022.

B. CONTRACTS AND BILLS: Contracts and bills presented at this meeting.

C. MINUTES: May 24, 2022.

RESULT: APPROVED 5-0 BY ROLL CALL VOTE
MOVER: T. Brickley
SECONDER: W. Hendrix
ABSTAINED: N/A
ABSENT: N/A

END OF CONSENT CALENDAR

5. PROFESSIONAL SERVICES AGREEMENT – AECOM TECHNICAL SERVICES, INC – CHANGE ORDER REQUEST NO. 5 – DESIGN OF 5 MGD TERTIARY TREATMENT SYSTEM (SPECIFICATION 1686; CO 00138): On July 24, 2018, the Water Board approved Contract No. 1686 with AECOM Technical Services, Inc. (“AECOM”) for the design of the 5 MGD Tertiary Treatment System that comprises Phase 2 of the formerly known Clean Water Factory (CWF) project. Finalizing of the design and bidding the project had been on hold since August 2020 due to eligibility requirements for potential State Revolving Fund (SRF) and other funding sources.

As part of finalizing the design and preparing the bid package, the Consultant noted additional effort was needed to address changed Department standards and Department comments recently received. Additional services to be provided included additional design scope of work to finalize the bid documents and additional bid phase assistance to address new project elements not accounted for in the original scope of work. Construction activity was expected to begin in Summer 2022 with an anticipated completion date of early 2024, a three percent escalation was requested to account for the delay of the construction.

On May 25, 2022, after negotiations, AECOM submitted a proposed cost of \$53,727.00 to accomplish the revised scope of work. Staff recommended that AECOM be awarded a Change Order to the Professional Services Agreement in the amount of \$53,727.00. The funding source for this Change Order was CO 00138 (Budget ID No. 12-206), which currently had an unencumbered balance of \$2,359,008.56.

MOTION: Approve Change Order No. 5 with AECOM Technical Services, Inc. for an amount not to exceed FIFTY-THREE THOUSAND SEVEN HUNDRED TWENTY-SEVEN DOLLARS AND 00/100 (\$53,727.00). The General Manager was authorized to execute the change order.

RESULT: APPROVED 5-0 BY ROLL CALL VOTE
MOVER: D. Mlynarski
SECONDER: W. Hendrix
ABSTAINED: N/A
ABSENT: N/A

6. **CONTRACT 1728R – BLACK AND VEATCH CORPORATION – CHANGE ORDER NO. 3 – ENGINEERING DESIGN AND CONSTRUCTION SUPPORT SERVICES FOR DIGESTER “B” REPLACEMENT PROJECT (CO 00254):** On November 24, 2020, the Water Board entered into Contract No. 1728R with Black and Veatch Corporation (BV) for Design and Construction Support Services for the Digester “B” Replacement Project.

With the layout of the future Digester B offset north-east from its existing location, utility relocations would be necessary during construction. BV would perform up to fifty (50) subsurface utility investigations, or potholes, around Digester A and B, RS-1 buried fuel tank, and the Hoffman building. In addition, up to twelve (12) additional drawings, showing utilities’ plan and profile, would be included in the scope of work.

The total cost of additional services was \$156,693.00. The funding source for this Change Order was C.O. 00254, *Digester B Replacement Project with Biosolids Strategic Plan*, which had sufficient funds available for this change order.

MOTION: Approve Change Order No. 3 for Contract No. 1728R with Black and Veatch Corporation, in the amount of ONE HUNDRED FIFTY-SIX THOUSAND SIX HUNDRED NINETY-THREE AND 00/100 DOLLARS (\$156,693.00). The General Manager was authorized to execute the change order.

RESULT: APPROVED 5-0 BY ROLL CALL VOTE
MOVER: T. Brickley
SECONDER: R. Johnson
ABSTAINED: N/A
ABSENT: N/A

7. **APPROVAL OF EPA WELL NO. 111 WELL REHABILITATION BY GENERAL PUMP COMPANY:** Extraction well EPA No. 111 was operated as part of the Muscoy Operable Unit (OU) Remedial Action under the terms negotiated with the United States Environmental Protection Agency (USEPA). In November 2021, the well experienced a slight vibration which resulted in mechanical failure.

In July 2021, staff issued a Request for Qualifications (RFQ) under Specification No. 1751 - Well Rehabilitation Assessment and Repair. Staff requested rehabilitation proposals for EPA Well No. 111 from six (6) prequalified well rehabilitation contractors to execute a new well design and installation to re-equip and replace ageing and inefficient equipment. Best Pump and Drill and General Pump Company were responsive and provided bids less than \$5,000 of each other when adjusted to equalize the scope, and it was recommended that the Department uses General Pump Company for EPA Well No. 111 Well Rehabilitation.

Staff recommended approval of this expenditure of \$249,225.00 from existing funds in the 2021/22 Fiscal Year Capital Budget under *Annual R/R - EPA Extraction Wells (CO 11029)*, with available funding of approximately \$118,366.59 Rehabilitation of EPA Well No. 111.

Additionally, staff recommended that the sum of \$150,000 be transferred from the 2021/22 Fiscal Year Capital Budget under *Annual R/R - Wells (CO 11000)*. This expenditure was 100 percent reimbursable through the AIG commutation account.

The motion was revised to reflect the change from CO 11028 to CO 11029.

MOTION: Approve the rehabilitation of EPA Well No. 111 by General Pump Company in the amount of \$249,225; and

Approve an amount of \$150,000 to be transferred from the *Annual R/R - Wells (CO 11000)* and added to the *Annual R/R – EPA Extraction Wells (CO 11029)* budget to address the additional funding needed.

RESULT:	APPROVED 5-0 BY ROLL CALL VOTE
MOVER:	W. Hendrix
SECONDER:	D. Mlynarski
ABSTAINED:	N/A
ABSENT:	N/A

8. **RATIFICATION OF EXPENDITURE FOR 4TH STREET AND NORTH G STREET PAVEMENT REPAIRS:** On May 25, 2022, the Water Utility Distribution Section received reports of a water mainline leak near the intersection of 4th Street and North G Street. A rupture was discovered on the existing 12-inch Cast Iron pipeline. The mainline was isolated and a 12-foot section of Cast Iron Pipe was replaced with Ductile Iron Pipe. The eastbound lane on 4th Street was closed due to the condition of the roadway.

On May 26, 2022, the General Manager authorized work per Purchasing Policy 51.030 Part V, Section F – *Emergency Purchases*. Bids were received and Mike Roquet Construction Inc. was the lowest bidder at \$59,380.32. A purchase order was issued and work is scheduled to begin on June 13, 2022.

Staff requested the Water Board ratify the award of this project to Mike Roquet Construction Inc. for the removal and replacement of the damaged roadway.

The funding source for this emergency expenditure was the Fiscal Year 2021/22 Water Fund Capital Improvement project

MOTION: Ratify the emergency expenditure as outlined in Purchasing Policy 51.030 in the amount of \$59,380.32 for pavement repairs on 4th Street and North G Street.

RESULT:	APPROVED 5-0 BY ROLL CALL VOTE
MOVER:	R. Johnson
SECONDER:	T. Brickley
ABSTAINED:	N/A
ABSENT:	N/A

9. **OPERATING AND CAPITAL IMPROVEMENT BUDGET WORKSHOP AND BUDGET ADOPTION: FISCAL YEAR 2022/23:** The second presentation on the proposed budget for Fiscal Year 2022/23 was presented to the Water Board which included Environmental and Regulatory Compliance, Sewer Treatment, Sewer Collection, and an Operating & Capital Improvement summary. In addition, adoption of the proposed final budget was recommended.

General Manager Guerrero gave an overview of the Department's 2022/23 goals and stated that retention was a concern with certain positions which was common in the industry.

General Manager Guerrero stated that younger generations want to move upward and tend to look for different positions elsewhere in order to gain that experience and upward movement at a faster pace, while mid-management positions tend to have more stability in retention.

Commissioner Mlynarski asked about unfunded liability.

Director Mouser stated that the Department's unfunded liabilities was under personnel costs and since the Department was under the City's PERs contract, it funded approximately \$5 million towards that unfunded liability.

Director Mouser stated that the total amount of unfunded liability was approximately \$13 million.

Commissioner Mlynarski stated that there was some activity with Sempra as an energy provider, changes with natural gas, and also Southern California Edison (SCE) rates, and asked if the Department was looking into those changes related to some of the operating costs

Director Mouser stated that Director Stewart and Director Miller kept a close eye on the electrical rates and have a good working relationship with SCE.

General Manager Guerrero stated that the Electrical, Instrumentation & SCADA section was working on a master plan to move towards electrical vehicles in the future, and the City was looking into energy efficiencies regionally, which the Department would be involved with as well.

General Manager Guerrero stated that the overall Department budget was approximately \$170 million for Fiscal Year 2022/2023.

President Callicott commended staff for a job well done on the budget and stated that she continued to be very impressed with management and the Department.

MOTION: Adopt the City of San Bernardino Municipal Water Department Operating and Capital Improvement Budget for Fiscal Year 2022/23.

RESULT:	APPROVED 5-0 BY ROLL CALL VOTE
MOVER:	D. Mlynarski
SECONDER:	W. Hendrix
ABSTAINED:	N/A
ABSENT:	N/A

10. REPORTS:

A. Report of the President – None.

B. Report of the Commissioners – Commissioner Mlynarski stated that East Valley Water District was having a ribbon cutting ceremony for the Sterling Natural Resources Center (SNRC) on July 23, 2022 from 5pm-8pm, and a retirement reception for its General Manager, John Mura, on July 28, 2022 at 3pm at SNRC.

C. Report of the Directors –

1. Director Mouser thanked the Water Board for adopting the FY 2022/23 budget and also thanked General Manager Guerrero, directors, and Finance staff for all of their help and hard work with the budget.
2. Deputy General Manager Ohama stated the Information Systems Audit and Control Association (ISACA) was on-site conducting an audit of the Department's cybersecurity walls and defenses.

Deputy General Manager Ohama stated that the ISACA auditors would give recommendations for improving cybersecurity to the I.T. section.

Deputy General Manager Ohama stated that the next online landscape workshop “Pet Friendly Plants” would be held on July 18, 2022 from 9am-11am. The link to the workshop was on the Department website and social media platforms.

D. Report of the General Manager –

1. General Manager Guerrero thanked Director Mouser and her staff for putting the budget together, as well as directors, supervisors, and sections for their hard work in gathering budget information.
2. General Manager Guerrero provided a COVID-19 update to the Water Board. San Bernardino County current case rate was 25 per 100,000, and the current positivity rate was approximately 11%, which were higher than the last update.

General Manager Guerrero stated that there were six (6) positive cases in the Department last month, and currently there were five (5) positive cases in this month.

Deputy General Manager Ohama and Frank Salazar, Safety Manager, have been doing a great job with tracking and working closely with directors and supervisors to avoid an impact on services provided to the public.

3. General Manager Guerrero provided the Board with a Drought Update Newsletter (newsletter) that would be mailed out to all residents in the next billing cycle.

11. PUBLIC COMMENT ON CLOSED SESSION ITEMS: None.


12. CLOSED SESSION:

- A. Conference with legal counsel – anticipated litigation – significant exposure to litigation pursuant to Government Code Section 54956.9 (d) (2): One case – Claim No. 22-054, Eric Stuart Matthews, – May 3, 2022.

By motion of Commissioner Johnson, and seconded by Commissioner Hendrix, the Board unanimously denied this claim and directed staff to work with the City Attorney’s office for further defense and settlement.

13. ADJOURNMENT:

The next regular meeting of the Water Board was scheduled for 9:30 a.m., June 14, 2022, at the Margaret H. Chandler Water Reclamation Plant, located at 399 Chandler Place, San Bernardino, CA, 92408 or via web-conference.

By: 
Miguel J. Guerrero, P.E.
General Manager