



**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

**JULY 27, 2021**

**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, July 27, 2021, in person, via web-conference and livestream via YouTube.

**ROLL CALL**

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
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	Absent	N/A
Miguel Guerrero	General Manager	Present	9:30 AM

- 1. ANNOUNCEMENTS BY THE BOARD:** None.
- 2. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:** None.
- 3. PUBLIC COMMENTS ON ITEMS LISTED ON THE AGENDA:** None.

**4. CONSENT CALENDAR – ITEMS 4A THROUGH 4C:****A. PAYROLL:**

	<u>Water Fund</u>	<u>Sewer Treatment</u>	<u>Sewer Collections</u>	<u>Total</u>
Claims:297696-297845				
Accounts Payable	\$1,010,968.65	\$315,406.44	\$126,699.68	\$1,453,074.77
Gross Payroll				
06/21/21 – 07/04/21	<u>306,407.13</u>	<u>223,578.73</u>	<u>76,261.45</u>	<u>606,247.31</u>
TOTALS	<u>\$1,317,375.78</u>	<u>\$538,985.17</u>	<u>\$202,961.13</u>	<u>\$2,059,322.08</u>

Payroll for the pay periods beginning July 19, 2021 through August 1, 2021.

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

**C. MINUTES:** July 13, 2021.

<b>RESULT:</b>	<b>APPROVED 4-0 BY ROLL CALL VOTE WITH 1 ABSENT</b>
<b>MOVER:</b>	D. Mlynarski
<b>SECONDER:</b>	W. Hendrix
<b>ABSTAINED:</b>	N/A
<b>ABSENT:</b>	T. Brickley

**END OF CONSENT CALENDAR****5. ADOPTION OF NEW AND UPDATED RULES AND REGULATIONS RESULTING FROM SEWER COLLECTION TRANSFER FROM CITY PUBLIC WORKS TO SBMWD:**

The Water Board was “responsible to oversee and manage the City’s water supply, recycled water, wastewater collection and treatment (“Water and Wastewater Systems”) functions in accordance with State law.” The Water Board was also responsible to “establish and periodically review and revise such rules and regulation as may be appropriate for managing the City’s Water and Wastewater Systems.”

The City’s wastewater collection function was previously managed by the City Public Works Department (City PW). On May 1, 2017, the responsibility for operation and maintenance of the City Sewer Collection System was transferred from the City PW to the San Bernardino Municipal Water Department (SBMWD). SBWMD achieved significant milestones since the transfer occurred. Such milestones included providing appropriate staffing and equipment, adoption of an updated Sewer System Management Plan, adoption of a Sewer Collection Master Plan, and development of a capital improvement program.

The next major milestone was the adoption of new and updated SBMWD Rules and Regulations that ensured consistency with the City Charter, SBMWD operations, and the latest regulatory requirements.

There was no fiscal impact as a result of adopting these new and updated Rules and Regulations.

Commissioner Hendrix asked if there were any issues with unfunded items.

General Manager Guerrero stated that there were no issues. This item allowed consistency with the City Charter and Department Rules and Regulations.

Commissioner Johnson asked if this item was the final steps in relation to the transfer of Sewer Collections from the City.

General Manager Guerrero stated that these changes were the last major item with regard to the transfer.

Director Stewart stated that it would take many years to completely clean up the system, but it was the final item in terms of major projects.

President Callicott thanked General Manager Guerrero and staff for all of their hard work on this project.

**MOTION:** Adopt Resolution No. 2021-008 to establish new Rule and Regulation Nos. 25 and 26 with Enforcement Response Plan, and amend Rule and Regulation Nos. 1, 6, 7, 9, 10, 20, 21, and 23.

<b>RESULT:</b>	<b>APPROVED 4-0 BY ROLL CALL VOTE WITH 1 ABSENT</b>
<b>MOVER:</b>	R. Johnson
<b>SECONDER:</b>	W. Hendrix
<b>ABSTAINED:</b>	N/A
<b>ABSENT:</b>	T. Brickley

6. **PROCUREMENT OF RIX BASIN SAND:** The Operations and Maintenance staff at the RIX facility performed annual basin rehabilitation each year that entailed removing several inches of top layers of the basin soil and processing it through an onsite Sand Wash Plant. Through the RIX Facility's history, the rehabilitation process had depleted approximately 180,000 cubic yards (cy) of sand.

The RIX JPA would like to purchase 40,000 cy of sand this fiscal year. Based on an assumed average weight of 2,700 pounds per cubic yard, staff estimated this to be approximately 54,000 tons. Delivered quantities would be in lots of 5,000 cubic yards (approximately 6,750 tons).

Unit cost proposals were solicited from 65 potential suppliers through the Department's online bidding system. Three (3) proposals were received and opened on June 25, 2021.

The funds for this project were allocated under the RIX Facility Capital Improvement Fund. The approved FY 2021/2022 budget currently had a total of \$1,000,000 in unencumbered funds. The Department was responsible for eighty percent (80%) of the project costs.

Commissioner Hendrix asked for clarification regarding delivered cost.

Director Stewart stated that the cost that was before the Board was the delivered cost per 5000 cubic yard lot.

Commissioner Mlynarski stated that Vulcan Materials Co. (Vulcan) seemed to be a likely source and the most efficient due to its location within San Bernardino (City).

Commissioner Mlynarski commended Director Stewart on a great job.

Director Stewart thanked Commissioner Mlynarski and stated that although Vulcan was within the City, the product was coming from the city of Irwindale.

**MOTION:** Accept the unit cost proposal from Vulcan Materials Co. of \$131,962.50 per 5,000 CY lots plus applicable sales tax and authorize the issuance of a Purchase Order for procurement not to exceed the budgeted amount of One Million Dollars (\$1,000,000) to be proposed for ratification at the next RIX JPA Quarterly Meeting.

<b>RESULT:</b>	<b>APPROVED 4-0 BY ROLL CALL VOTE WITH 1 ABSENT</b>
<b>MOVER:</b>	W. Hendrix
<b>SECONDER:</b>	R. Johnson
<b>ABSTAINED:</b>	N/A
<b>ABSENT:</b>	T. Brickley

7. **PROPERTY INSURANCE RENEWAL – FISCAL YEAR (FY) 2021/2022:** On July 31, 2021, the Department would need to renew its property insurance coverage for fiscal year 2021/22 covering approximately \$429,156,979 in water, wastewater treatment, and sewer collection system real and personal property assets.

The renewal carried an annual premium of \$888,290, which was an increase in total costs of approximately nine percent (9%) over fiscal year 2020/21. Staff anticipated an increase in premiums over fiscal year 2020/21 due to claim exposure, overall property coverage market conditions, and an increase in insurable assets in the amount of \$544,038.

Staff budgeted approximately thirteen percent (13%) over fiscal year 2020/21 in the amount of \$920,603 for fiscal year 2021/22. These budgeted funds were adequate to cover the quote for fiscal year 2021/22 property coverage and earthquake coverage, with the exception of the allocation assigned to the RIX account.

Funds were budgeted in fiscal year 2021/22 to cover \$400,000,000 in property, and \$30,000,000 in earthquake coverage for fiscal year 2021/22. As noted in the funding breakdown, the RIX fund (300-5025-540-5620) was deficient by approximately \$16,622 to cover its allocation of the premium.

Water Department staff continued to work with Marsh Risk & Insurance Services (Marsh) to find the most appropriate insurance coverage for Department property. Marsh requested coverage quotes from insurers based on the Department's overall asset values and claim history.

Commissioner Mlynarski commended Director Shepardson for a great job with the analysis and presentation to the Water Board.

Director Shepardson thanked Commissioner Mlynarski and stated that his comment was appreciated.

President Callicott asked the length of time the Department had used Marsh Risk & Insurance Services (Marsh).

Director Shepardson stated that the Department had been working with Marsh for over twenty (20) years and the Department would be going out to bid for other insurance brokers during the next fiscal year.

**MOTION:** Authorized a budget increase for the RIX fund (300-5025-540-5620) in the amount of \$16,622 to cover its allocation of the property and earthquake coverage premiums; and

Authorized the annual property insurance including earthquake coverage renewal premium in the amount of \$888,290 for fiscal year 2021/22; and


The General Manager was authorized to bind the renewal policies effective August 1, 2021.

<b>RESULT:</b>	<b>APPROVED 4-0 BY ROLL CALL VOTE WITH 1 ABSENT</b>
<b>MOVER:</b>	R. Johnson
<b>SECONDER:</b>	D. Mlynarski
<b>ABSTAINED:</b>	N/A
<b>ABSENT:</b>	T. Brickley

8. **CLAIMS SETTLEMENT – QUARTERLY REPORT:** In accordance with Policy 20.090 – Claims Handling, the Environmental and Regulatory Compliance Division prepared the Quarterly Claims Settlements Report detailing all claims processed for the period of April 2021 through June 2021. (INFORMATION ITEM ONLY)
9. **REPORTS:**
- A. **Report of the President –** President Callicott complimented Department employees who work out on the field in the heat and their excellent work and effort have not gone unnoticed.
- B. **Report of the Commissioners –** None.
- C. **Report of the Directors –** None.
- D. **Report of the General Manager –**
1. General Manager Guerrero stated that he participated in the City’s Strategic Plan Workshop on July 23, 2021, and the next step would be to develop an Action Plan.  
  
General Manager Guerrero stated that the Department would participate in the development of an Action Plan and possibly provide some water related actions to the City’s overall Strategic Plan.
  2. General Manager Guerrero provided a COVID-19 update to the Water Board. The Department had been informed of three (3) positive cases in last two weeks after no positives since March 2021.  
  
General Manager Guerrero stated that San Bernardino County reported the current case rate was 10.6 percent (10.6%) and that the positivity rate was 6.3 percent (6.3%).
  3. General Manager Guerrero stated that reported vaccinations within the Department was almost at fifty percent (50%).  
  
General Manager Guerrero stated that San Bernardino County vaccination percentage was at forty percent (40%) and the State of California was at sixty-two percent (62%).
  4. General Manager Guerrero stated that the Department was following Cal OSHA workplace guidelines which allowed fully vaccinated employees who showed proof of vaccination to go about without a mask indoors, but if the uptick in cases continued, that directive could change.

10. ADJOURNMENT

The next regular meeting of the Water Board was scheduled for 9:30 a.m., August 10, 2021, at 399 Chandler Place, San Bernardino, CA 92408 and via web-conference.

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