

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
July 18, 2018 3:00 P.M.
22901 Banducci Road, Tehachapi, CA 93561

- Item 1. Call to Order and Roll Call**
Directors Present: Hall, Pack, Prel, and Worden
Directors Absent: Zanutto
Staff in Attendance: Catherine Adams, Lori Bunn, Troy DePriest, LaMinda Madenwald and Tom Neisler
- Item 2. Flag Salute**
The Pledge of Allegiance was led by Vice President Worden.
- Item 3. Approval of Agenda**
The agenda was approved as presented on a motion made by Director Hall, seconded by Director Pack and carried on by the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.
- Item 4. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body**
- Director Pack commended the Board on quickly filling any vacancies on the Board and for their good attendance. He stated he doesn't recall that there have been any missed meetings due to lack of a quorum in the last four years.
- Director Pack asked Mr. Neisler if he knew how much the District would be paying for the Oroville Dam repair. Mr. Neisler answered that there have been no estimates made on the District's contribution at this time. He stated the repair is not complete, and staff has estimated the maximum possible cost that they can anticipate receiving a bill for in the January 2019 statement of charges and it will be discussed more thoroughly under Item 11. That estimate is \$600,000 and the project is approaching a billion dollars in total cost.
- Director Hall mentioned he has been on the Board 12 years and has never seen a failure to meet quorum. Ms. Bunn added that it has never happened in the 30 years she has been at the District.
- Item 5. Consent Calendar - Consent items are considered routine and are intended to be acted upon as a single item, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the President will give the Board the opportunity to remove any item from the Consent Calendar to be discussed and voted on individually. The President will also give staff and the public the opportunity to request any item be discussed individually, in which case the President will determine whether the item will be removed from the Consent Calendar. The remaining calendar will be acted upon. Any removed items will then be heard and acted upon individually.**
- a. Approve Minutes of the Special Meeting of June 18, 2018
 - b. Approve Minutes of the Regular Meeting of June 20, 2018
 - c. Approve Financial Report and Payment of Bills
- Vice President Worden asked if there were any items the Board members, public or staff would like to remove for discussion.

Vice President Worden stated that if there were no objections, Item 5a Minutes of the Special Meeting of June 18, 2018; Item 5b Minutes of the Regular Meeting of June 20, 2018, and Item 5c Financial Report and Payment of Bills will be adopted. There being no objections, Items 5a, 5b and 5c were adopted on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 6. General Manager's Report

Before going into his regular report, Mr. Neisler discussed the Boil Water Notice he distributed to the Board members. He discussed the monthly testing that takes place by a third party consultant, Skookum H2O Testing, in order to maintain objectivity. On Wednesday, July 11, 2018 there was a sample taken from the Brite Lake Campground east restroom that came back positive for Total Coliform (TC). For about 6 weeks prior to that sample being taken, the Brite Lake restrooms were taken out of service for replacement of all of the fixtures by a contractor which may or may not have conducted their disinfections procedures adequately. During the next round of testing, a sample was taken from the west restroom facility which had previously been under construction as well, and it was positive for TC. In addition there was a positive Fecal Coliform sample taken at the well. At that point on Saturday, TCCWD issued a Boil Water Notice for Brite Lake Campground and the TCCWD office complex, disconnected the well from the system, and chlorinated the entire system. TCCWD purchased 50 cases of water and distributed them throughout the campground, posted the notices at multiple conspicuous locations, and District staff attempted to make individual contact with every person who was present in the campground. TCCWD has complied fully with the SWRCB requirements, two complete rounds of full extensive testing have been performed on the system, and the impacted well has been retested and it has come back clean two times. Compliance with all State regulations at this point have been achieved to lift the Boil Water Notice except for a condition imposed on the District this morning by the Department of Drinking Water. Those required tests were taken this morning and sent to the lab. The results will be back tomorrow. If those results come back clean, the Boil Water Notice will be removed. This has no impact on the lake or the fish that come out of the lake, it's strictly the potable water supplied to the campground and the TCCWD office facility.

Director Pack asked if this is the first time there has been a Boil Water Notice issued. Mr. Neisler confirmed this was the first time.

Mr. Neisler continued on to discuss his report.

- He enjoyed the opportunity last week to meet and speak with a group of children from The Tree of Knowledge and he shared the feedback he received from the children and adults.
- He received a call from the Bakersfield Californian in regards to an article they were writing about small districts and their lack of transparency availability to the public. He had a lengthy discussion with them and the next morning there was an article in the paper. Mr. Neisler stated it actually turned out to be positive and a copy of it was provided to the Board members. He felt that it reflects well on the work the Board does, the transparency this District values and it's a positive article.
- The City requested to use a TCCWD water truck during the Fourth of July festivities and the event was a success. TCCWD will continue to cooperate when those types of opportunities come up.
- DWR has finalized this year's allocation at 35%. There have been a lot of community questions on Governor Brown's plan for 55 gallons of water per capita and Mr. Neisler urges everyone to not take that seriously.
- The State Water Resources Control Board has disclosed their new San Joaquin River Water Management Plan and they continue to go with the approach that more water equals more fish. They are calling for more unrestricted flows, less water into the system, and more water draining out to the San Francisco Bay. There are many scientific studies that contradict this approach. The District is

represented by AWCA and the State Water Contractors in this issue and Mr. Neisler will continue to monitor this and advise the Board.

- Lake Oroville's lake level is being drawn down even further; it's below 800 feet at this time. They have determined there is additional work that needs done on the gate structures at the top of the spillway. It's anticipated that work will be done this year but right now this lake is even lower than the last time he reported it was too low based on the precipitation that was received this year. This is one of the factors as to why the allocation is 35% in a year with 81% of normal rainfall.
- There are no blue-green algae concerns in Brite Lake. Other lakes such as Lake Isabella and Pyramid Lake are experiencing this algae. Mr. Neisler believes the reason Brite Lake is not experiencing this is due to water constantly moving in and out as you can see on the lake graph.
- We have welcomed our new Controls/Emissions Technician, Paul Dutcher, and Administrative Assistant, Judy Negrete, to our team.
- California WaterFix financing and construction JPAs are rounding into shape, the operating agreements are being put into place, and because of ongoing litigation there are some matters that can only be discussed in closed session.
- Mr. Neisler attended a meeting in Stallion Springs that was called by a gentleman interested in purchasing Horse Thief Golf Course. He has come to the office numerous times, staff has done everything they can to provide him with correct information about the status of their resources, and they are in an advantageous position with access to recycled water and access to our system. The meeting was well attended and there were a lot of water specific questions so Mr. Neisler was glad he was there to answer them.
- The annual safety picnic is this Friday and he hopes the Board can attend with their families as it was a fun event last year.
- The ACWA 2018 Fall Conference will be held November 27th-30th in San Diego at the Manchester Grand Hyatt. This is for informational purposes only as there cannot be an action on it at this time.

Vice President Worden asked that Mr. Neisler state the time of the safety picnic. Mr. Neisler announced the picnic starts at 1:30pm and will end around 4:00pm with food being served at 2:00pm. There will be games for the children as well. There is no charge at the gate at Brite Lake to attend the picnic.

Item 7. Operations Manager's Report

Mr. DePriest reported on the following matters:

- The system continues to run well, operating at 21 CFS.
- At the time this report was completed (Thursday) there was no algae in the screen and by Friday the screen was again covered by algae. There was a break in the algae coming off the aqueduct but we are again having employees cleaning the screens due to excessive algae. The good news is that the system was experiencing loss of suction pressure but with the arrival of this algae, the suction pressure has gone back up to 9 PSI.
- We have welcomed Paul Dutcher to the operations department and he is doing well. He's conducting emissions testing, familiarizing himself with the system, and working on a project to automate the recharge facility at the Cummings Ponds.
- The plumbing fixtures project at Brite Lake, Central Park, and Dye Natatorium is complete. The Tehachapi Valley Park & Recreation District staff are pleased with the new fixtures they received from the grant funded project.
- The Benz, Dennison, Pump Plant 5, and Nunes wells are currently pumping approximately a combined 13 acre feet per day into the system. The recharge facilities in the Tehachapi Valley are not in use. In Cummings Valley, the system is currently pumping approximately 400 GPM to the Cummings Pond recharge facilities and about 900 GPM to the 19 Acre recharge facility.

- The GIS system project continues and is up online. We are currently using it to our advantage with California CAD solutions in providing them with District maps and data so they can upload the information to the website. They have been coordinating with the Kern County Assessors Department to enter the parcel data into the system.
- The pipeline department extended the concrete pad and built a new building to protect the Dennison booster pump. A new meter and gate valves were installed on the office water system to measure the water going to the campground.
- There was a training for the pump plant department here in the Board room for mechanical seal installation and best practices. The class was excellent and was provided at no charge to the District by Flowserve from Los Angeles.
- Looking ahead, there are multiple projects going on such as installing solar power controls at the Antelope Dam recharge facility, we have started putting in the cement pads at the pump plants for the installation of ladders, and the pump plant office space is being renovated.

Mr. Neisler asked to add a comment to what Mr. DePriest mentioned of the training that was conducted in this new Board room facility. He stated that this new facility has allowed the District to do two additional training sessions that other agencies have been invited to that were hosted by JPIA for no cost. The seating capacity of this room has allowed us to invite districts from throughout the area to take advantage of these trainings, so it benefits not only our District but our neighboring districts. He went on to introduce the Safety Coordinator and explain some of the trainings that have been provided. Mr. Neisler wanted to point out that the Board room provides many benefits to the District in addition to holding Board meetings.

Item 8. Adopt Resolution 11-18 in Recognition and Appreciation, Honoring Lori Bunn Upon her Retirement

Mr. Neisler stated he is asking for adoption of a resolution that will memorialize and honor Lori Bunn's service to the District. Ms. Bunn is retiring in a few days as our long serving District Secretary and Office Manager. She began her career here at the District in June of 1988, and she served as a faithful and valuable employee for over 30 years. Her knowledge, experience and steady countenance have been instrumental to the growth of our District. Mr. Neisler stated she is one of the things he thinks about when he thinks about this District and he will miss her greatly. He thanked her for her contributions to the District and wished her all the best in her future endeavors.

Director Hall made a motion that the Board approve Resolution 11-18. Director Pack seconded the motion and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Mr. Neisler closed with saying typically there would be a public presentation of the resolution however, that is going to be delayed at this time as a more appropriate occasion has been chosen to present to Ms. Bunn. He stated there were a number of staff present and asked if anyone would like to say anything.

Ms. Madenwald asked if it would be alright to applaud Ms. Bunn and everyone in attendance gave her a round of applause. Ms. Bunn thanked everyone. Vice President Worden added that he wanted to personally thank her for all her help.

Item 9. Public Hearing Regarding Adoption of Resolution 12-18, Determining Benefit Assessment for Tehachapi Watershed Project for Fiscal Year 2018-19

Vice President's Opening Remarks:

Vice President Worden stated this is a Regular Meeting of the Board of Directors for the purpose of considering Resolution No. 12-18. This resolution asks for a Benefit Assessment in the amount of \$106,000 for the maintenance, operation and installation of the Tehachapi Watershed Project in fiscal year 2018-2019. The public hearing was declared in session at 3:40 p.m.

Staff Report:

Catherine Adams, Interim Board Secretary, stated that to obtain Federal funds for construction of the Tehachapi Watershed Project, the District had to assume full responsibility for the operation, maintenance, repair and replacement of all structural measures for the project pursuant to a maintenance agreement. Therefore, we are proposing this Benefit Assessment to raise the \$106,000 to fulfill those responsibilities for the flood control facilities. The staff has reviewed all the zoning changes, parcel splits, changes of ownership, new construction and assessed values in Zone 1 to update the land use categories and factors for each parcel. In addition, a questionnaire was sent to each utility company to determine any changes in value to each utility owned property.

Ms. Adams then introduced the exhibits as follows:

Exhibit A: Declaration of Posting Notice- This notice was posted at Tehachapi City Hall, Golden Hills Community Services District, and Tehachapi-Cummings County Water District.

Exhibit B: Proof of Publication- This notice was published in two consecutive issues of the Tehachapi News.

Exhibit C: Written Report of Proposed Benefit Assessment for Tehachapi Watershed Project Fiscal Year 2018-2019.

Vice President Worden asked if there were any comments. A member of the public asked what the \$106,000 is used for.

Ms. Madenwald stated the funds are set aside in a reserve and if there are any repairs and maintenance during the year, those items are expensed from that reserve. Part of that reserve is a restricted fund and the monies are to remain in the fund for that purpose, forever. For instance, if there were a disaster that destroyed that area, the reserve that can be built up with the \$106,000 per year would only be approximately 20% of what the cost would be to rebuild the facilities.

Mr. Neisler added that the flood control facilities were built in 1984 by grant funds. A requirement of those grants was that the District maintain an operating fund (the people who benefit from those improvements pay for an operating fund) to maintain those facilities. The District was tasked with maintaining those facilities so that assessment amount was set in 1984 and it has not changed since that time. The reason it has not changed, raised or lowered, is because at this time it would be subject to Proposition 218. Since it was grandfathered in prior to Proposition 218, the District works diligently to maintain our operation costs within that \$106,000 assessment. Mr. Neisler went on to describe how each parcel's assessment varies based on certain factors to answer a question from the public and offered the public to come visit staff at the office to discuss their particular assessment in detail if they would like.

Vice President Worden asked if there were any further questions. There being none, he declared the hearing closed at 3:50 p.m. and returned to the Regular Board meeting.

Item 10. Adopt Resolution 12-18 Determining Benefit Assessment for Tehachapi Watershed Project for Fiscal Year 2018-19

Vice President Worden pointed out that the documents and discussion that took place for Item 9 also apply to this Item 10. Ms. Adams stated that this item is for the adoption of the resolution now that the hearing is completed.

Vice President Worden moved to adopt Resolution 12-18. The motion was seconded by Director Hall and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 11. Adopt Resolution 13-18 Determining the Amount of Tax Required for Water Supply Contracts for Fiscal Year 2018-19 and Establishing the Tax Rate

Ms. Madenwald stated that adoption of this resolution will set the state payment tax rate for fiscal year 2018-2019. This is an annual requirement and another restricted reserve. Monies are calculated and determined each year to meet the cost of the State Water Project water for the coming year. As Tom already mentioned, we have a 35% allocation for the coming year. She stated the attachment to this report shows how this rate is calculated each year and includes a copy of the Controller's Assessed Valuation for the District. All the reserves are taken into account and the procedures and requirements for these reserves have already been established and adopted by the Board. An estimate was included for what we can try to anticipate the costs to be for what will be passed down from the Oroville Dam repairs. There is a consideration in here for what we know so far on what we think can happen for the California WaterFix. The District's reserve is set as a working capital amount, and working capital is a calculation of your current assets minus your current liabilities. Therefore the District's reserve amounts to what we have on hand less the liabilities we can anticipate, and then a reserve amount is set. We take that away with the costs we have established to meet our contracted costs with State Water Project water for the coming year, then we take the total assessed value of the District, we make a calculation based on the amount we need to collect and we come up with a rate for our ad-valorem tax. That rate is then set in this meeting. This year that calculation amount will remain relatively unchanged on a \$200,000 assessed value home; the difference was \$0.25. The increase of \$0.25 was left out and this amount will remain \$113 as it was in 2017.

Ms. Madenwald stated adoption of this resolution will provide the funds needed to pay this significant, annual obligation of the District. This tax levied at a rate of 0.056778% of assessed value of private property will generate revenues of approximately \$2.6 million during fiscal year 2018-19.

Ms. Madenwald asked if there were any questions. Mr. Wyman commented that in reality, the valuation of the dollar keeps going down and the amount being assessed in these taxes has not gone up, therefore the real cost to the individual who is being taxed is really less. Ms. Madenwald agreed with his statement.

Director Pack asked Ms. Madenwald to point out the Oroville Dam repair number. Ms. Madenwald directed him to the forecast reserve number and explained that is a working capital number so Oroville Dam repair is the amount of that reserve, less the liabilities against that reserve for the next year to get a net amount the \$1,321,348. She offered to Director Pack to come by her office and she can show him her

work papers for an exact amount, but as Tom mentioned, it is around \$600,000. There is another \$300,000 for the California WaterFix.

Vice President Worden made a motion to adopt Resolution 13-18. Director Hall seconded the motion and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 12. Elect new Board Secretary Effective upon Retirement of Current Secretary

Mr. Neisler stated Lori Bunn has served as the Board Secretary for a number of years and as previously mentioned, she is retiring. It is Mr. Neisler's suggestion to the Board that the Executive Assistant, Catherine Adams, assumes that position. She is taking up majority of Ms. Bunn's duties and this position is primarily administrative. Officers of the Board are typically nominated in December of even years after an election cycle. However, because there will be a vacancy and because there are duties associated with this position, to allow the efficient functioning of the Board and the District, Mr. Neisler is requesting that the District fill the vacant position with Executive Assistant, Catherine Adams. If the Board chooses not to do that, the position can remain vacant until the normal cycle in December or they can place someone else in that position. The other logical candidates would be Mr. DePriest or Mr. Neisler and Mr. Neisler believes that Ms. Adams is a much better fit for that position.

Director Pack commented that he thinks Catherine Adams would do a great job as Board Secretary. Director Hall and Director Prel agreed she would be a better fit than Mr. DePriest or Mr. Neisler as they are both very busy.

Director Pack made a motion to elect Catherine Adams as the new Board Secretary upon retirement of the current Secretary. Director Hall seconded the motion and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 13. Direct General Manager to cast District Vote for CSDA Director

Mr. Neisler stated there is an open seat on the CSDA Board of Directors, it's the Central Networks Seat A. The District is a member in good standing with the Central Network, and Mr. Neisler serves as the Districts main contact with the CSDA, primarily for notification purposes and tasks like this vote. The vote needs to be cast electronically, which is another reason to have a staff member in that position. There are three candidates running and the incumbent is Joel Bauer. The two other candidates are Lorenzo Rios and Byron Glennan. Byron Glennan is on the Rosamond CSD Board of Directors and he serves on the ACWA Region 7 Board of Directors of which the District is also a member. He is the only candidate that Mr. Neisler knows personally. Mr. Neisler stated this is entirely a Board decision and his recommendation is for Byron Glennan.

The Directors discussed the candidates and Mr. Neisler's recommendation.

Director Pack moved that the Board direct the General Manager to cast Tehachapi-Cummings County Water District vote for CSDA Director, Seat A Central Network, for Byron Glennan. Director Hall seconded the motion and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 14. Approve Director's Attendance at CSDA Annual Conference

Mr. Neisler stated that the CSDA conference will be held September 24-27 at the Indian Wells Renaissance Hotel. A conference package has been provided to each Director. California Law requires

that an elected officials actual and necessary expenses be reimbursed for such an event, and their attendance must be approved by the Board in advance at a duly convened public meeting. Typically this would cost no more than \$2,100 for one Director to attend the full conference, including registration, meals, hotel and transportation. Mr. Neisler stated he is not planning to attend however if the Board directs him to do so, he would be happy to attend.

Vice President Worden stated he has always had an interest in the CSDA for their conferences and asked that he be considered. Director Pack stated that he is not available to attend and asked if it seemed like the conference is getting more expensive. Mr. Neisler state that the cost has remained relatively the same as last year and there are limits on the reimbursements set by the GSO. Director Pack commented that he was not sure if Directors should be attending conferences so close to an election. Vice President Worden added that the November ACWA conference poses a challenge as well due to the fact that reservations will have to be made prior to the election so he suggested that perhaps in that case, the Board can approve how many attendants rather than specific names in case those change after elections. He stated there's not much that can be done and business needs to go on. Director Pack clarified that his concern was for the Directors who are up for re-election and therefore he doesn't see an issue if Director Hall wanted to attend (he is not up for re-election). Director Hall stated that he plans to attend the ACWA conference later in the year rather this CSDA conference. Mr. Neisler added a point of clarification that Director Hall is the District representative on the JPIA Board so the Board does not need to approve his travel to that particular conference (ACWA).

Vice President Worden moved that he should attend the CSDA Annual Conference. Director Prel seconded the motion and it was carried on the following vote: Ayes: Pack, Prel, and Worden; Noes: None; Abstain: Hall; Absent: Zanutto.

Item 15. Authorize General Manager to Purchase GPS Data Collectors

Mr. Neisler mentioned that he spoke about the GIS at the last Strategic Planning Workshop and the District has been able to utilize some of that data in the daily operations. A lot of the paper records have been input into the system and the next step is to field verify our record drawings to determine the exact location of our facilities. The tools Mr. Neisler is proposing to use are the Trimble GEO7X data collectors. Trimble has professional grade surveying equipment and consumer grade GIS equipment; these particular data collectors straddle that line. They are accurate to within one centimeter and can be operated by non-professionals/non-surveyors and can obtain these results due to the quality of the satellite network they operate off of and the equipment itself. These collectors are very user friendly and they are tablet based so the procedure would be that one of our staff is trained by the vendor and then we send two representatives out in the field to occupy a position such as fire hydrant, blow off valve, meter, etc. The record location of those facilities is in the machine already and the tablet shows a location (you need to go 3.2 feet in this direction) and at that point the employee is able to physically locate the object and they place the pole on it. Then they wait for the machine to get a good shot, record what it is, and take a photograph of it. All of that data is processed and the "exact" location of that facility is recorded. If vertical information is available, depending on the type of facility it is, the horizontal and vertical coordinates will be recorded. The records will be accessible digitally. As an illustration, in the middle of the night we can send an employee who has only been here for two weeks to find two valves on either side of a waterline break and shut them off. These devices allow for an employee to look at the plan view and follow the directions to locate the valve. It will show what type of valve it is and how many turns to shut it off. This is the primary tool in capturing the institutional knowledge for our workforce that will retire over the next number of years. The 2018-19 budget includes \$30,000 for this purchase. A quote for \$28,571.68 is provided and this includes tax, deliveries, and training.

Vice President Worden asked if this was the only vendor he received a quote from. Mr. Neisler responded and said he solicited three proposals and this was the least expensive. Mr. Neisler apologized for the oversight in not including those. Vice President Worden further asked if Mr. Neisler is comfortable that this is the best equipment for the District's needs regardless of the price. Mr. Neisler stated he has extensive experience in Trimble and surveying equipment in general, and with the way the industry has evolved over the last 10 years, these are the best units for the District's use at this time on the market. This product has the ability to switch back and forth between real-time processing and batch processing of the data captured. With the communication issues throughout areas of the District (mountains, loss of cell coverage, etc.) these units can simply record the data and then when it gets back to the office it can re-establish connection with the satellites. This technology did not exist 5 years ago. To further answer the question, Mr. Neisler stated there is the option to hire professionals to do this or hire a consultant, but the cost is going to increase by a factor of ten. In that case you may get 5% better data, but if we can capture data within a centimeter that's good enough for our needs. He thinks this is the sweet spot for where the technology is right now. It's going to give the District a high quality data base and it will grow with the District as time goes on. Trimble is the industry leader and will not get left behind as technology emerges.

More discussion took place, and Mr. Neisler stated that his goal is to be operating the District off of this data base we are developing. The meter reading, the way that data flows to our accounting system, inventory, physical plant data, maintenance schedules, timekeeping, and vehicle records will all be encompassed into this data base. This is the cornerstone we are constructing right now.

Director Hall made a motion that the Board authorize the purchase of two Trimble GEO7X data collectors with accessories from Allen Instruments in the amount of \$28,571.68. Director Prel seconded the motion and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 16. Authorize General Manager to Purchase PP 4 Heat Exchangers

Mr. DePriest stated that the condition of the heat exchangers at Pump Plant 4 is compromised. They have needed to be replaced for about 2-3 years. They are accessory items that are installed on each engine and used to protect the pumps from intrusion of debris and are used to cool engines. The existing heat exchangers are corroded and in a state of disrepair. A drawing of the exact size is included in the attachment to the staff report. Staff has worked closely with Support Products Services, Inc. In 2015, they designed and fabricated four heat exchangers that were installed with the new Waukesha engines at Pump Plant 1. In 2015-2016 they fabricated heat exchangers for the eight Superior engines at Pump Plants 2 and 3. The established successful relationship with this vendor makes staff feel confident they have provided competitive pricing and they are also familiar with the operational conditions to make the new exchangers fit into the existing water deliveries system.

The 2018-2019 Preliminary Capital Expenditure Budget approved by the Board included \$100,000 for this project. Support Product Services, Inc. has provided a quote of \$104,848.93 for four heat exchangers. The additional cost of \$4,848.93 over the original estimate is due to recent tariffs on steel. A short discussion took place on the tariffs and Mr. Neisler added the new tariffs were effective June 1st.

Director Pack moved that the Board accept the responsible bid of Support Products Inc., and authorize the General Manager to execute an agreement and place the order for the fabrication of four custom heat exchangers. Director Hall seconded the motion and it was carried on the following vote: Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.

Item 17. Adjourn to Closed Session

President to reference Closed Session items as presented on Agenda, then Board to adjourn to Closed Session

- a. In Accordance with Exhibit A Attached Hereto, DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds et al.
- b. In Accordance with Exhibit B Attached Hereto, Kern County Superior Court Case 97209, Tehachapi-Cummings County Water District, a Body Corporate and politic vs. Frank Armstrong et al.

The Board went into Closed Session at 4:50 p.m.

Item 18. Return to Open Session

The Board returned to Open Session at 5:17 p.m.

a. Report Action Taken in Closed Session:

1. In Accordance with Exhibit A Attached Hereto, DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds et al.

Vice President Worden reported that there was no reportable action taken.

2. In Accordance with Exhibit B Attached Hereto, Kern County Superior Court Case 97209, Tehachapi-Cummings County Water District, a Body Corporate and politic vs. Frank Armstrong, et al.

Vice President Worden reported that there was no reportable action taken.

Item 19. Adjournment

The meeting was adjourned at 5:18 p.m. on a motion made by Vice President Worden, seconded by Director Hall and unanimously carried. Ayes: Hall, Pack, Prel, and Worden; Noes: None; Abstain: None; Absent: Zanutto.


Richard Zanutto, Board President


Catherine Adams, Board Secretary