

MINUTES OF A SPECIAL BOARD MEETING - TELECONFERENCE

December 7, 2021 at 4:00 pm

Directors Present:

Chris Mann, President
Lonni Granlund, Vice President
Jay Bogh, Director
Joyce McIntire, Director
Nyles O’Harra, Director

Staff Present:

Wade Allsup, Information Systems Specialist
Jennifer Ares, Water Resource Manager
Madeline Blua, Water Resource Specialist
Allison Edmisten, Chief Financial Officer
Chelsie Fogus, Administrative Assistant
Ashley Gibson, Regulatory Compliance Manager
Dustin Hochreiter, Senior Engineering Technician
Mike Kostelecky, Operations Manager
Tim Mackamul, Operations Manager
Matthew Porras, Implementation Manager
Mike Rivera, Public Works Manager
Charles Thomas, Operations Manager
John Wrobel, Public Works Manager
Joseph Zoba, General Manager

Directors Absent:

None

Consulting Staff Present:

Lora Carpenter, Fieldman, Rolapp & Associates
Steven Graham, Legal Counsel

Registered Guests and Others Present:

Jesse Alvarez
Ron Duncan, San Gorgonio Pass Water Agency
Logan Largent, Ortega Strategies Group
Larry Smith, San Gorgonio Pass Water Agency

This meeting was available to the public by calling (888) 475-4499 using passcode 676-950-731 and live presentation of the meeting was available at <https://zoom.us/j/676950731> using 765589.

CALL TO ORDER

The meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Chris Mann at 4:00 p.m.

ROLL CALL

The roll was called with Director Jay Bogh, Director Lonni Granlund, Director Chris Mann, Director Joyce McIntire, and Director Nyles O’Harra present.

PUBLIC COMMENTS

None

CONSENT CALENDAR

Director Lonni Granlund moved to approve the consent calendar and Director Joyce McIntire seconded the motion.

A. Minutes of Meetings

1. Board Meeting – November 16, 2021

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Nyles O’Harra - Yes

STAFF REPORT

General Manager Joseph Zoba reported on the following items:

- On December 1, 2021, the Department of Water Resources notified the State Water Project Contractors that the persistent dry conditions will result in an initial allocation of water from the State Water Project to only meet basic health and safety requirements. This is essentially a zero percent allocation for the State Water Project supplies. As a result, the District will reduce our anticipated deliveries to the Yucaipa Valley Regional Water Filtration Facility for the 2022 calendar year.
- The next meeting of the Upper Santa Ana River Watershed Infrastructure Financing Authority will be held on December 8, 2021 at 8:30 am.
- The Yucaipa Sustainable Groundwater Management Agency will be meeting on December 8, 2021 at 10:30am.

DISCUSSION ITEMS:

DM 21-184

OVERVIEW OF THE WATER
INFRASTRUCTURE FINANCE
AND INNOVATION ACT
FUNDING OPPORTUNITY FOR
THE WATERSHED CONNECT
PROJECTS

General Manager Joseph Zoba discussed the announcement by the US Environmental Protection Agency on December 3, 2021 that the District was selected to apply for a low interest loan from available from the Water Infrastructure Finance and Innovation Act (WIFIA) as part of the regional Watershed Connect Project. The District staff will be working closely with the staff members from the San Bernardino Valley Municipal Water District and the City of Colton to complete the application process.

DM 21-185

PRESENTATION OF
FINANCIAL GOALS FOR THE
YUCAIPA VALLEY WATER
DISTRICT AND THE YUCAIPA
VALLEY WATER DISTRICT
FINANCING AUTHORITY

General Manager Joseph Zoba provided an overview of several Capital Improvement Projects that can be financed as part of a Water Infrastructure Finance and Innovation Act (WIFIA) loan, State Revolving Fund (SRF), new money financing, and existing reserves.

Lora Carpenter from Fieldman, Rolapp & Associates provided a detailed presentation about refinancing existing YVWD debt obligations and using the following sources to provide the necessary funds for the proposed Capital Improvement Project list: (1) taxable advance refunding of the 2015A bonds; (2) tax-exempt new money; (3) state revolving fund loans; (4) tax-exempt refunding of existing SRF loans; and (5) a WIFIA loan. This funding strategy would maintain existing annual debt service payments of about \$6 million per year while allowing the District to construct projects during this era of low interest rates.

DM 21-186

CONSIDERATION OF
RESOLUTION NO. 2021-62
AUTHORIZING THE
EXECUTION AND DELIVERY
OF A JOINT EXERCISE OF
POWERS AGREEMENT TO
CREATE THE YUCAIPA
VALLEY WATER DISTRICT
FINANCING AUTHORITY AND
AUTHORIZING CERTAIN
OTHER MATTERS IN
CONNECTION THEREWITH

General Manager Joseph Zoba provided an overview of Resolution No. 2021-62 and the draft Joint Exercise of Powers Agreement to create the Yucaipa Valley Water District Financing Authority.

Director Nyles O’Harra moved that the Board adopt Resolution No. 2021-62.

Director Jay Bogh seconded the motion.

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Lonni Granlund - Yes
- Director Chris Mann - Yes
- Director Joyce McIntire - Yes
- Director Nyles O’Harra - Yes

DM 21-187

CONSIDERATION OF
RESOLUTION NO. 2021-61
DECLARING THE INTENT TO
REIMBURSE PROJECT
EXPENDITURES WITH BOND
PROCEEDS AND RELATED
ACTIONS FOR THE REGIONAL
ENERGY WATER AND
RESOURCE DEVELOPMENT
(REWARD) PROJECT

General Manager Joseph Zoba provided an overview of Resolution No. 2021-61 regarding the reimbursement of project expenses for various capital improvement projects.

Director Jay Bogh moved that the Board adopt Resolution No. 2021-61.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

- Director Jay Bogh - Yes

Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Nyles O’Harra - Yes

DM 21-188

PUBLIC HEARING -
CONSIDERATION OF
RESOLUTION NO. 2021-60
CERTIFYING THE FINAL
MITIGATED NEGATIVE
DECLARATION FOR THE OAK
VALLEY - SUMMERWIND
OFFSITE SEWER PROJECT

General Manager Joseph Zoba provided an overview of proposed regional sewage lift station to be located near the Oak Valley Town Center and associated sewer force mainlines and gravity sewer extension to the Wochholz Regional Water Recycling Facility.

Following a staff report, Director Chris Mann opened the public hearing for comments at 4:34pm. With no members of the public providing comments, the public hearing water closed.

Director Joyce McIntire moved that the Board adopt Resolution No. 2021-60.

Director Nyles O’Harra seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Nyles O’Harra - Yes

DM 21-189

AWARD OF CONTRACT FOR
THE ANNUAL LANDSCAPE
MAINTENANCE OF FACILITIES

Senior Engineering Technician Dustin Hochreiter provided an overview of the proposed landscape maintenance contracts for various District facilities.

Director Lonni Granlund moved that the Board authorize the General Manager to enter into a contract with RP Landscape and Irrigation for the 2022 Annual Landscape Maintenance of Facilities for a sum not to exceed \$78,975.

Director Nyles O’Harra seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Nyles O’Harra - Yes

DM 21-190

CONSIDERATION OF
RESOLUTION NO. 2021-59
ADOPTING THE STANDARD
SPECIFICATIONS FOR THE
DESIGN AND PROCESSING,
FURNISHING OF MATERIAL,
AND CONSTRUCTION OF
DRINKING WATER,
RECYCLED WATER AND
SEWER FACILITIES

Senior Engineering Technician Dustin Hochreiter provided an overview of the updated Standard Specifications for the drinking water, recycled water, and sewer systems.

Director Nyles O’Harra moved that the Board adopt Resolution No. 2021-59.

Director Jay Bogh seconded the motion.

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Lonni Granlund - Yes
- Director Chris Mann - Yes
- Director Joyce McIntire - Yes
- Director Nyles O’Harra - Yes

DM 21-191

STATUS OF THE INTERSTATE
10 DUNLAP SEWER
CROSSING PROJECT

Implementation Manager Matthew Porras provided an overview of the Interstate 10 Sewer Construction Project near the Live Oak Interchange.

DM 21-192

STATUS UPDATE FOR THE
REPLACEMENT OF DRINKING
WATER RESERVOIRS R-17.1.1
AND R-17.1.2 - YUCAIPA

Implementation Manager Matthew Porras provided an overview of the replacement of drinking water reservoirs at the R-17.1 Reservoir Complex. At the Board meeting on December 21, 2021, the District staff will be discussing a change of the tank subcontractor on the project.

DM 21-193

AWARD OF A CONSTRUCTION
CONTRACT FOR THE
PIPELINE REPLACEMENT
PROJECT IN MARONDI DRIVE,
CITY OF CALIMESA

Implementation Manager Matthew Porras provided an overview of the pipeline replacement project on Marondi Drive, Calimesa.

Director Joyce McIntire moved that the Board authorize the General Manager to award a construction contract for the Marondi Drive Replacement Pipeline Project to E.J. Meyer Company for a sum not to exceed \$233,333.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Lonni Granlund - Yes
- Director Chris Mann - Yes
- Director Joyce McIntire - Yes
- Director Nyles O’Harra - Yes

BOARD REPORTS AND
DIRECTOR COMMENTS

Director Lonni Granlund reported on the Upper Santa Ana River Watershed Infrastructure Financing Authority meeting held on December 1, 2021.

Director Joyce McIntire reported on the San Bernardino Valley Municipal Water District Basin Technical Advisory Committee meeting held on December 6, 2021.

Director Lonni Granlund and Director Nyles O’Harra reported on the Yucaipa Valley Water District Community Meeting held on December 6, 2021.

ANNOUNCEMENTS

Chris Mann called attention to the announcements listed on the agenda.

ADJOURNMENT

The meeting was adjourned at 4:55 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)