



**SANTA CLARITA VALLEY WATER AGENCY
REGULAR BOARD MEETING AGENDA
27234 BOUQUET CANYON ROAD
SANTA CLARITA, CA 91350
RIO VISTA WATER TREATMENT PLANT BOARDROOM
TUESDAY, DECEMBER 18, 2018 AT 6:30 PM**

AND TELECONFERENCE SITE LOCATED AT

**VICE PRESIDENT R.J. KELLY
129 WALNUT RIDGE DRIVE
IRON STATION, NC 28080
(661) 510-1025**

6:00 PM DISCOVERY ROOM OPEN TO PUBLIC
Dinner for Directors and staff in the Discovery Room
There will be no discussion of Agency business taking place prior to the
Call to Order at 6:30 PM.

OPEN SESSION BEGINS AT 6:30 PM

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **PUBLIC COMMENTS** – Members of the public may comment as to items not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so now or prior to each item as they arise. Please complete and return a comment request form to the Agency Board Secretary. (Comments may, at the discretion of the Board's presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:30 PM.
4. **APPROVAL OF THE AGENDA**
5. **SPECIAL PROCEDURES**
 - 5.1. ♦ Consideration of Los Angeles County Waterworks District No. 36, Val Verde, Nomination to the Santa Clarita Valley Water Agency Board of Directors and Approve by Resolution

6. CONSENT CALENDAR PAGE

6.1. *	Approve Minutes of the SCV Water December 4, 2018 Regular Board of Directors Meeting	5
6.2. *	Approve a Resolution Amending the Santa Clarita Valley Water Agency Conflict of Interest Code	15

7. ACTION ITEMS FOR APPROVAL PAGE

7.1. *	Approve (1) a Change Order to the Construction Contract with GSE Construction Company, Inc., (2) a Budget Increase to the Work Authorization with Vali Cooper & Associates, Inc., for Construction Management Services, and (3) a Budget Adjustment for Work Authorization No. 07-055 for Metropolitan Water District of Southern California for the Foothill Feeder Connection Project – PowerPoint – 10 Minutes	29
7.2. *	Approve (1) a Resolution for Construction Contract and Management Funding to The Newhall Land and Farming Company, LLC, and (2) a Work Authorization to Kennedy/Jenks Consultants for Inspection Services for the Magic Mountain Pipeline Phase 5 Project – PowerPoint – 10 Minutes	35

8. GENERAL MANAGER’S REPORT ON ACTIVITIES, PROJECTS AND PROGRAMS

9. COMMITTEE MEETING RECAP REPORT FOR INFORMATIONAL PURPOSES ONLY PAGE

9.1. *	December 10, 2018 Special Engineering and Operations Committee Meeting	41
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10. PRESIDENT’S REPORT

11. AB 1234 WRITTEN AND VERBAL REPORT PAGE

11.1.	AB 1234 Reports	
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12. DIRECTORS REPORT

13. DIRECTORS REQUEST FOR APPROVAL TO ATTEND UPCOMING CONFERENCES/EVENTS

14. SPECIAL PROCEDURES PAGE

14.1.*	Approve a Resolution Honoring Dean Efstathiou	45
14.2.	Recognition of Dean Efstathiou’s Distinguished Service	

15. CLOSED SESSION

- 15.1. Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9: (One Case)

16. CLOSED SESSION ANNOUNCEMENTS

17. REQUEST FOR FUTURE AGENDA ITEMS

18. ADJOURNMENT

- * Indicates Attachment
- ◆ Indicates Handout

Note: The Board reserves the right to discuss or take action or both on all of the above agenda items.

NOTICES

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on December 12, 2018.



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DRAFT

ITEM NO.
6.1

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – December 4, 2018

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, at 6:30 PM on Tuesday, December 4, 2018. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: B. J. Atkins, Tom Campbell, Ed Colley, Kathy Colley, William Cooper, Dean Efstathiou, Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Gary Martin, Dan Mortensen and Lynne Plambeck were in attendance.

DIRECTORS ABSENT: Robert DiPrimio and Jacque McMillan.

Also present: Steve Cole, Assistant General Manager; Joe Byrne, General Counsel; April Jacobs, Board Secretary; Eric Campbell, Chief Financial and Administrative Officer; Rochelle Patterson, Director of Finance and Administration; Craig Larsen, IT Technician; Kathie Martin, Public Information Officer; Terri Bell, Administrative Assistant; and members of the public.

President Cooper called the meeting to order at 6:33 PM. A quorum was present.

Upon motion of Director Gladbach, seconded by Director K. Colley and carried, the Agenda was approved by the following voice votes (Item 4):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Mortensen, seconded by Director Martin and carried, the Board approved the Consent Calendar by the following electronic votes (Item 5):

Director Atkins	Not Present	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Mortensen, seconded by Director Gladbach and carried, the Board approved Citigroup Global Markets to prepare a financing plan and act as the underwriter for the Agency's anticipated issuance of the 2019 Revenue Bonds by the following electronic votes (Item 6.1):

Director Atkins	Yes	Director Campbell	Yes
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Director E. Colley	No	Director K. Colley	No
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Mortensen, seconded by Director Atkins and carried, the Board approved (1) Resolution No. SCV-72 entering into a contract with CalPERS to provide for a merger of the contracts of the prior Agencies into a new contract with SCV Water pursuant to Government Code Section 20508, (2) Resolution No. SCV-73 establishing employee paid member contributions and (3) Resolution No. SCV-74 a tax deferred resolution to ensure that employees contributions to CalPERS are made on a pre-tax basis by the following electronic votes (Item 6.2):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-72

**SANTA CLARITA VALLEY WATER AGENCY
RESOLUTION AUTHORIZING A CONTRACT**

WHEREAS, the Public Employees' Retirement Law provides for the participation of a Public Agency in the California Public Employees' Retirement System, making its employees members of said System; and

WHEREAS, the Board of Directors of the Santa Clarita Valley Water Agency on December 4, 2018, adopted a Resolution giving notice of intention to approve a contract providing for such participation; and

WHEREAS, the employees of said public agency, whose memberships in said Retirement System are contemplated, have approved said participation, by majority vote;

NOW, THEREFORE, BE IT RESOLVED, that a contract between the Board of Directors of the Santa Clarita Valley Water Agency and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said contract being attached hereto and by such reference made a part hereof as though herein set out in full; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the presiding officer of said governing body is hereby authorized, empowered and directed to execute said contract for and on behalf of said public agency.

RESOLUTION NO. SCV-73

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
FOR EMPLOYER PAID MEMBER CONTRIBUTIONS**

WHEREAS, the Board of Directors of Santa Clarita Valley Water Agency has the authority to implement Government Code Section 20691; and,

WHEREAS, the Board of Directors of Santa Clarita Valley Water Agency has a written labor policy or agreement which specifically provides for the normal member contributions required to be paid by employees to be paid instead by the employer; and,

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the Board of Directors of Santa Clarita Valley Water Agency of a Resolution to commence paying said Employer Paid Member Contributions (EPMC); and,

WHEREAS, the Board of Directors of Santa Clarita Valley Water Agency has identified the following conditions for the purpose of its election to pay the EPMC:

- This benefit shall apply to all classic employees.
- This benefit shall consist of paying 7% of the normal member contribution as EPMC.
- The effective date of this resolution shall be January 1, 2019.

NOW, THEREFORE, BE IT RESOLVED that Board of Directors of Santa Clarita Valley Water Agency hereby elects to pay the EPMC as set forth above.

BE IT FURTHER RESOLVED that this Resolution shall remain in effect until subsequently changed by the Board of Directors.

RESOLUTION NO. SCV-74

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
FOR THE IMPLEMENTATION OF THE PROVISIONS OF SECTION 414(h)(2)
OF THE INTERNAL REVENUE CODE TO
TAX DEFER EMPLOYEE RETIREMENT CONTRIBUTIONS TO CALPERS**

WHEREAS, the Board of Directors of Santa Clarita Valley Water Agency ("Agency") has the authority to implement the provisions of Section 414(h)(2) of the Internal Revenue Code ("IRC") whereby any amount contributed to a public employer pension plan, which is designated as an employee contribution, may be picked up on a pre-tax basis by the public employer and excluded from an employee's gross income if the employer specifies that the contributions, although designated as employee contributions to the plan, are being paid by the employer in lieu of contributions by the employee, and the employee cannot choose to receive the amounts directly instead of having them paid into the plan; and

WHEREAS, the Board of Directors has determined that even though the implementation of the provisions of IRC Section 414(h)(2) is not required by law, the tax benefit offered by IRC Section 414(h)(2) in reducing taxable employee gross income should be provided to all Agency

employees who are members of CalPERS; and

WHEREAS, Internal Revenue Service Revenue Ruling 2006-43 requires an employer take contemporaneous action evidencing an intent to establish a proper pick-up under IRC Section 414(h)(2).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Santa Clarita Valley Water Agency as follows:

Section 1. The Recitals set forth above are incorporated herein and made an operative part of this Resolution.

Section 2. Employer Pick Up of Regular Employee Contributions.

(a) Pursuant to IRC Section 414(h)(2), the Board of Directors hereby elects to implement an employer pick-up pursuant to this Resolution, of employee retirement contributions on behalf of Agency employees who are members of CalPERS. "Employee retirement contributions" shall mean both those contributions paid by salary reduction and credited to individual employee's account as normal member contributions and normal member contributions paid directly by an employer pursuant to Government Code Section 20691 as employer paid member contributions. This provision will apply to all employees of the Agency that are members of CalPERS.

(b) Picked up contributions, although designated as employee contributions to CalPERS, will be picked up on a pre-tax basis, whether paid pursuant to salary reduction or directly by the Agency pursuant to Government Code Section 20691, in lieu of employee contributions so that such contributions are treated as employer contributions.

(c) Employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Agency to CalPERS.

(d) Amounts picked up by the Agency shall be paid from the same sources of funds as used in paying salary.

(e) Amounts picked up by the Agency shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by CalPERS. This treatment shall apply to all employees of the Agency.

(f) If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 3. The effective date of this Resolution shall be January 1, 2019.

Upon motion of Director Campbell, seconded by Director Mortensen and carried, the Board approved (1) Resolution No. SCV-75 electing to be subject to the Public Employees Medical

and Hospital Care Act as an equal amount for employees and annuitants (CalPERS all Employees), (2) Resolution No. SCV-76 electing to be subject to the Public Employees Medical and Hospital Care Act at an equal amount for employees and annuitants (Non CalPERS Board of Directors) and (3) Resolution No. SCV-77 identifying health vesting requirements for future annuitants under the Public Employees' Medical and Hospital Care Act (CalPERS All Employees) by the following electronic votes (Item 6.3):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-75
ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS
(CalPERS All Employees)

- WHEREAS, (1) A contracting agency meeting the eligibility requirements set forth in Government Code Section 22920, may obtain health benefit plan(s), as defined under Government Code Section 22777, by submitting a resolution to the Board of Administration of the California Public Employees' Retirement System (the "Board"), and upon approval of such resolution by the Board, become subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Santa Clarita Valley Water Agency is a contracting agency eligible to be subject to the Act under Government Code Section 22920; and
- WHEREAS, (3) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (4) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and
- WHEREAS, (5) Santa Clarita Valley Water Agency desires to obtain for its employees and annuitants the benefit of the Act and to accept the liabilities and obligations of an employer under the Act; now, therefore, be it
- RESOLVED, (a) Santa Clarita Valley Water Agency elects to be subject to the provisions of the Act; and be it further

- RESOLVED, (b) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the PEMHCA Minimum per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (c) Santa Clarita Valley Water Agency has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (d) That the participation of the employees and annuitants of Santa Clarita Valley Water Agency shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Santa Clarita Valley Water Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.
- RESOLVED, (e) That the executive body appoint and direct, and it does hereby appoint and direct, April Jacobs, Board Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of Santa Clarita Valley Water Agency all functions required of it under the Act; and be it further
- RESOLVED, (f) That coverage under the Act be effective on February 1, 2019.

RESOLUTION NO. SCV-76

ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS

(Non CalPERS Board of Directors)

- WHEREAS, (1) A contracting agency meeting the eligibility requirements set forth in Government Code Section 22920, may obtain health benefit plan(s), as defined under Government Code Section 22777, by submitting a resolution to the Board of Administration of the California Public Employees' Retirement System (the "Board"), and upon approval of such resolution by the Board, become subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Santa Clarita Valley Water Agency is a contracting agency eligible to be subject to the Act under Government Code Section 22920; and

- WHEREAS, (3) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (4) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and
- WHEREAS, (5) Santa Clarita Valley Water Agency desires to obtain for its employees and annuitants the benefit of the Act and to accept the liabilities and obligations of an employer under the Act; now, therefore, be it
- RESOLVED, (a) Santa Clarita Valley Water Agency elects to be subject to the provisions of the Act; and be it further
- RESOLVED, (b) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the PEMHCA Minimum per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (c) Santa Clarita Valley Water Agency has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (d) That the participation of the employees and annuitants of Santa Clarita Valley Water Agency shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Santa Clarita Valley Water Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.
- RESOLVED, (e) That the executive body appoint and direct, and it does hereby appoint and direct, April Jacobs, Board Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of Santa Clarita Valley Water Agency all functions required of it under the Act; and be it further
- RESOLVED, (f) That coverage under the Act be effective on February 1, 2019.

RESOLUTION NO. SCV-77
ELECTING TO BE SUBJECT TO SECTION 22893
TO ESTABLISH HEALTH VESTING REQUIREMENTS FOR FUTURE ANNUITANTS
UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
(CalPERS All Employees)

- WHEREAS, (1) Government Code Section 22893 provides that a contracting agency subject to the Public Employees' Medical and Hospital Care Act (the "Act") may file a resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22893; and
- WHEREAS, (2) Santa Clarita Valley Water Agency is a contracting agency under Government Code Section 22920 and subject to the Act; and
- WHEREAS, (3) Santa Clarita Valley Water Agency certifies, some or all employees are represented by a bargaining unit and there is an applicable memorandum of understanding; and
- WHEREAS, (4) The credited service of an employee for purposes of determining the percentage of employer contribution applicable under Government Code Section 22893 shall mean service as defined in Government Code Section 20069, except that not less than five years of that service shall be performed entirely with the Santa Clarita Valley Water Agency; and
- WHEREAS, (5) The employer contribution for active employees cannot be less than what is defined in Government Code Section 22892(b); now, therefore be it
- RESOLVED, (a) That employees first hired on or after the effective date of this resolution shall be subject to the requirements defined in Government Section 22893, except that the employer may, once each year without discrimination, allow all employees who were first employed before Government Code Section 22893 became applicable to the employer to individually elect to be subject to the provisions of Government Code Section 22893, and the employer shall notify the Board which employees have made that election; and be it further
- RESOLVED, (b) That the employer contribution shall be necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the amounts prescribed by Government Code Section 22893(a)(1), plus Administrative fees and Contingency Reserve assessments; and be it further
- RESOLVED, (c) That the percentage of employer contribution payable for post-retirement health benefits for each annuitant shall be based on the employee's

completed years of credited service based upon the table in Government Code Section 22893; and be it further

RESOLVED, (d) Santa Clarita Valley Water Agency has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (e) That the participation of the employees and annuitants of Santa Clarita Valley Water Agency shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Santa Clarita Valley Water Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (f) That the executive body appoint and direct, and it does hereby appoint and direct, April Jacobs, Board Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of Santa Clarita Valley Water Agency all functions required of it under the Act; and be it further

RESOLVED, (g) That coverage under the Act be effective on February 1, 2019.

AB 1234 Reports (Item 12):

Written reports were submitted by Directors Atkins, Campbell, DiPrimio, Efstathiou, Gladbach, Martin and Plambeck.

President Cooper reported that he attended the ACWA Fall Conferences held in San Diego, on November 27-30, 2018.

Vice President Kelly reported that he attended the JPIA and ACWA Fall Conferences held in San Diego, on November 25-30, 2018 respectively.

Director E. Colley reported that he attended the ACWA Fall Conference held in San Diego on November 27-30, 2018.

Director Efstathiou recommended that the Agency look into the Proposed Drinking Water Tax issue (Item 15).

Director Kelly asked that the Claims Policy be reviewed by either the Board or The Finance and Administration Committee (Item 15).

Upon motion of Vice President Kelly, seconded by Director Mortensen and carried, the meeting was adjourned at 7:30 PM by the following electronic votes (Item 16):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Absent
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

April Jacobs, Board Secretary

ATTEST:

President of the Board



BOARD MEMORANDUM

DATE: December 11, 2018
TO: Board of Directors
FROM: April Jacobs *aj*
Board Secretary
SUBJECT: Approve a Resolution Amending the Santa Clarita Valley Water Agency Conflict of Interest Code

SUMMARY

Pursuant to Section 87306.5 of the Political Reform Act (the "Act"), the Fair Political Practices Commission ("FPPC") directed the Agency to (1) conduct a review of the Agency's Conflict of Interest Code ("Code") to determine if a change in the Code was necessary, (2) file a biennial notice regarding the results of the review no later than the required deadline, and (3) amend the Agency's Code pursuant to the Act, if necessary.

During the review process, staff found that updates and amendments to the Agency's Conflict of Interest Code were necessary. A redlined version of the proposed amended Code is attached.

DISCUSSION

The Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), requires all public agencies to adopt and maintain a Conflict of Interest Code. The Act further requires that agencies regularly review and update their Codes as necessary when directed by the code-reviewing body or when change is necessitated by changed circumstances (Sections 87306 and 87306.5). The FPPC is the Agency's code-reviewing body and directed that the Code be reviewed as required under the Act. During this review, staff found that amendments to the Code were necessary.

Attached is a redlined version of the proposed amended Code showing the changes to be made to the Agency's Code to bring it current. The revisions are based on the need to include new positions that must be designated, revise titles of existing positions, and revise disclosure categories.

FINANCIAL CONSIDERATIONS

None.

RECOMMENDATION

That the Board of Directors of the Santa Clarita Valley Water Agency approve the attached resolution Amending the Conflict of Interest Code for the Santa Clarita Valley Water Agency pursuant to the Political Reform Act of 1974.

Attachments

MBS

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LEGISLATIVE VERSION
(SHOWS CHANGES MADE)

SANTA CLARITA VALLEY WATER AGENCY
CONFLICT OF INTEREST CODE

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regulations § 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix, designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Santa Clarita Valley Water Agency (Agency)**.

All officials and designated positions shall file their statements of economic interests with the **Board Secretary** as the Agency's Filing Officer/Official. The **Board Secretary** shall make the statements available for public inspection and reproduction. (Gov. Code § 81008.) All statements will be retained by the **Agency**.

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APPENDIX

CONFLICT OF INTEREST CODE

OF THE

SANTA CLARITA VALLEY WATER AGENCY

PART “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Agency officials who manage public investments, as defined by 2 California Code of Regulations section 18700.3(b), are NOT subject to the Agency’s Code but must file disclosure statements under Government Code section 87200, et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments:¹

Board of Directors

Chief Financial & Administrative Services Manager~~Officer~~

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

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DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>Designated Positions</u>	<u>Assigned Disclosure Categories</u>
Administrative Analyst	5
Assistant General Manager	1, 2
Assistant Retail Manager	1, 2
Associate Water Resources Planner	2, 5
Board Secretary	3 4
Building and Grounds Supervisor	5
Civil Engineer	3, 5
<u>Customer Service Manager</u>	<u>5</u>
Public Affairs Specialist (ALL)	5
Controller	1, 2
<u>Director, Finance & Administration</u>	<u>1, 2</u>
<u>Director, Operations & Maintenance</u>	<u>5</u>
<u>Director, Technology Services</u>	<u>5</u>
<u>Distribution/Mechanical Supervisor</u>	<u>5</u>
Engineering and Operations Manager <u>Chief Engineer</u>	2, 5
Executive Assistant	5
Facilities Maintenance Technician (Sr., II)	5
Financial Analyst	4
General Counsel	1, 2
General Manager	1, 2
Human Resources/Risk Management Supervisor	5
Information Technology Administrator	5
Information Technology Technician	5

<u>Designated Positions</u>	<u>Assigned Disclosure Categories</u>
<u>Inspector Supervisor</u>	<u>5</u>
Laboratory/Regulatory Affairs Supervisor	4
Management Analyst	5
Operations and Maintenance Superintendent	5
Operations Superintendent	5
<u>Operations Supervisor</u>	<u>5</u>
Principal Engineer	2, 5
Principal Water Resources Planner	2, 5
Production Supervisor	5
Public Information Officer	1
<u>Purchasing Coordinator</u>	<u>4</u>
<u>Resource Conservation Manager</u>	<u>2, 5</u>
Retail Administrative Officer	1, 2
Retail Manager <u>Chief Operating Officer</u>	1, 2
Senior Engineer	2, 5
Senior Financial Analyst	2, 4
Senior Information Technology Technician	5
Senior Management Analyst	5
Senior Water Resources Planner	2, 5
Water Conservation Education Specialist	5
<u>Water Conservation Specialist (II, III)</u>	<u>5</u>
Water Conservation Supervisor	5
<u>Water Quality/Regulatory Compliance Supervisor</u>	<u>5</u>
<u>Director</u> , Water Resources Manager	2, 5

Designated Positions

Assigned Disclosure Categories

Water Resources Planner

2, 5

Water Utility Foreman

5

Consultants and New Positions*

* Individuals providing services as a Consultant defined in Regulations 18700.3 (a), or in a new position created since this Code was last approved that makes or participates in making decisions as identified in Regulation 18734, shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code § 82019; FPPC Regs 18219 and 18734.) The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code § 81008.)

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PART “B”

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned. “Investment” means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the Agency.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, that do business in or own real property within the jurisdiction of the Agency.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the Agency.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the Agency.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Agency.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position’s department, unit or division.

SANTA CLARITA VALLEY WATER AGENCY
CONFLICT OF INTEREST CODE
Amended December 18, 2018
RESOLUTION No. _____

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA CLARITA VALLEY WATER AGENCY ADOPTING AN
AMENDED CONFLICT OF INTEREST CODE PURSUANT TO
THE POLITICAL REFORM ACT OF 1974**

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Santa Claita Valley Water Agency ("SCVWA") and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") for SCVWA in compliance with the Act which was amended December 13, 2017; and

WHEREAS, subject to changed circumstances within SCVWA have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update SCVWA's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in SCVWA being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated employee and publicly posted for review at the SCVWA Administration Building at 27234 Bouquet Canyon Road, Santa Clarita, California, establishing a 45-day comment period in compliance with Title 2, California Code of Regulations, Section 18750; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors of SCVWA on December 18, 2018, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Clarita Valley Water Agency as follows:

- Section 1.** The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Board Secretary and available to the public for inspection and copying during regular business hours.
- Section 2.** The said amended Code shall be submitted to the Fair Political Practices Commission for approval.
- Section 3.** The said amended Code shall become effective immediately after the Fair Political Practices Commission approves the proposed amended Code as submitted.


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BOARD MEMORANDUM

DATE: December 11, 2018

TO: Board of Directors

FROM: Brian J. Folsom, P.E.
Chief Engineer 

SUBJECT: Approve (1) a Change Order to the Construction Contract with GSE Construction Company, Inc., (2) a Budget Increase to the Work Authorization with Vali Cooper & Associates, Inc., for Construction Management Services, and (3) a Budget Adjustment for Work Authorization No. 07-055 for Metropolitan Water District of Southern California for the Foothill Feeder Connection Project

SUMMARY

Construction of a permanent turnout structure known as CLWA-01 will replace the current temporary connection which will remain as a back-up. The project consists of the installation of approximately 200 feet of 48-inch diameter pipeline, a 140 cfs/90 MGD turnout structure, valve and meter vaults, and SCADA equipment and construction of a new valve vault, a new meter vault, pipelines and other ancillary items. The Project will increase water delivery capacity to the Rio Vista Water Treatment Plant (RVWTP) by up to 6 MGD (6,700 AFY) immediately to allow for full utilization of RVWTP's current 66 MGD capacity and for future capacity of up to 90 MGD, if necessary.

On March 8, 2017, the Castaic Lake Water Agency Board of Directors adopted a resolution awarding a construction contract to GSE Construction Company, Inc. (GSE), for the Foothill Feeder Turnout No. CLWA-01 Project (Project) for \$2,691,300. Additional work beyond the original specifications has been required because of unforeseen conditions and new and changed requirements issued by the Metropolitan Water District of Southern California (MWDSC), owner of the Foothill Feeder, as well as a delay in dewatering of the Foothill Feeder from the winter of 2018 to February 2019. To date, six change orders have been issued for a total of \$175,550. Staff is recommending approval of Change Order Number 7 for additional costs, including those related to the shutdown scheduled for February 2019. Staff also recommends approval of a work authorization amendment to Vali Cooper & Associates, Inc. (Vali Cooper) for construction management services for the project.

MWDSC continues to play an important role in the Foothill Feeder Connection Project. The Agency made initial payments of \$765,000 to MWDSC in 2007 and \$350,000 in 2015 for anticipated MWDSC project costs. Based on extensive design reviews and the latest project scope, MWDSC's anticipated costs have increased. Staff is recommending approval of a budget increase for MWDSC so that sufficient funds will be available to successfully complete the project.

DISCUSSION

The proposed Change Order Number 7 includes the following items:

- Remobilization, excavation, perform tie-in to SCVWA's 42" pipeline, backfill

- Remobilization, excavation, perform tie-in to MWDSC's 48" pipeline, backfill
- Apply cement linings and coatings to pipelines

Vali Cooper, the Construction Manager, has negotiated Change Order Number 7 for a total cost of \$84,909. A copy of the proposed Change Order Number 7 is attached.

In 2015, Vali Cooper submitted a proposal with a budget in excess of \$600,000 to perform construction management services for the Foothill Feeder Connection project. Staff subsequently negotiated the not-to-exceed-fee down to \$450,000 for a forecasted construction period of 335 days. The project is taking considerably longer than 335 days due to the number of submittals submitted for review, the extensive MWDSC and Agency review process, and changes in the specifications upon which the contractors bid. Additionally, the contractor was not able to make the connection to MWDSC's Foothill Feeder nor the Agency's raw water pipeline because Metropolitan was not able to dewater the Foothill Feeder during the winter 2018 shutdown. The dewatering is currently scheduled for February 2019.

For the first 335 days of the project, Vali Cooper was slightly under budget. However, soon after, a budget increase was required. A Board authorization and 10 percent increase in accordance with the Agency's Purchasing Manual resulted in a total authorized budget of \$599,500. An additional \$95,100 is necessary to complete the current work, the final connections during the February 2019 shutdown, and to conduct project closeout, thereafter.

Since the original work authorization was issued in 2007, the project scope has become more defined and MWDSC's estimated costs have increased. The increase is due to more reviews of plans and specifications than originally contemplated, MWDSC cost of living increases, the need to disassemble and inspect the valve after lying idle for several years, more extensive valve refurbishment than originally anticipated, and other items that were not originally identified. An estimated increase of \$165,000 is needed for MWDSC to complete the project, resulting in a budget adjustment from the currently authorized \$1,115,000 to \$1,280,000.

CEQA Determination

The environmental effects from the design, construction, and operation of the Foothill Feeder connection were originally evaluated in the Rio Vista Water Treatment Plant Expansion Project Final Environmental Impact Report, which was certified by the Castaic Lake Water Agency (CLWA) Board of Directors on August 23, 2006 (CLWA Resolution No. 2480). The CLWA Board also approved the Findings of Fact, the Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations for the project. There are no substantial changes to the original project. The previous environmental documentation certified by the CLWA Board in conjunction with the proposed action fully complies with CEQA and the State CEQA Guidelines and no further environmental analysis or documentation is required for the Board to act on the proposed action.

On December 10, 2018, the Engineering and Operations Committee considered staff's recommendation to approve (1) a Change Order to the Construction Contract with GSE Construction Company, Inc., (2) a Budget Increase to the Work Authorization with Vali Cooper & Associates, Inc., for Construction Management Services, and (3) a Budget Adjustment for Work Authorization No. 07-055 for Metropolitan Water District of Southern California for the Foothill Feeder Connection Project.

FINANCIAL CONSIDERATIONS

The execution of Change Order Number 7 would increase the contract with GSE by \$84,909 from \$2,866,850 to \$ 2,951,759. The execution of an amendment to the Vali Cooper work

authorization would increase the budget by \$95,100 from \$599,500 to \$694,600. Execution of an amendment to the MWDSC work authorization would increase the budget by \$165,000 from \$1,115,000 to \$1,280,000. The total budget increase for these three items combined is \$352,655.

The project is funded in the Agency's FY 2018/19 Budget for the Foothill Feeder Connection Project and there are adequate funds remaining for this work. The current estimated total cost of the project, including engineering, construction management and miscellaneous items, is \$5,200,000. As of November 27, 2018, total project expenditures are \$4,016,466.

RECOMMENDATIONS

The Engineering and Operations Committee recommends that the Board of Directors:

1. Authorize the General Manager to execute Change Order Number 7 to the contract with GSE Construction Company, Inc. to increase the construction contract amount by \$84,909 to \$2,951,759 for the Foothill Feeder Connection Project;
2. Authorize the General Manager to execute an amendment to Work Authorization E1617-036 with Vali Cooper & Associates, Inc., with a budget increase of \$95,100 for a total not to exceed a total authorization of \$694,600 for Construction Management Services for the Foothill Feeder Connection Project; and
3. Authorize the General Manager to execute a budget adjustment to increase the budget of Work Authorization No. 07-055 by \$165,000 for a total of \$1,280,000 for the Metropolitan Water District of Southern California to provide services for the Foothill Feeder Pipeline Connection Project.

JL

Attachment



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ATTACHMENT 1

CHANGE ORDER NO. 7

SANTA CLARITA VALLEY WATER AGENCY

CONTRACT: SCVWA Foothill Feeder Turnout Project

TO: GSE Construction, Inc.
26027 Huntington Lane, Unit D
Valencia, CA 91355

You are hereby directed to make the herein described changes from the plans and specifications or do the following described work not included in the plans and specifications of this contract. All new work herein described shall be done in accordance with the applicable provisions of the plans and specifications, except as specifically modified by this change order. NOTE: This change order is not effective until approved by the Owner.

Please refer to attachments for a cost breakdown, a more detailed description of the work and additional backup information.

CONTRACT SUMMARY:

CONTRACT COST ADJUSTMENT:

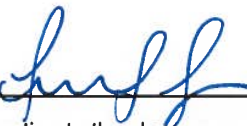
• Original Contract Amount	\$	2,691,300.00
• Net Cost Changes by Previous Change Orders	\$	175,550.00
• Contract Amount Prior to this Change Order	\$	2,866,850.00
• Cost Change by this Change Order	\$	84,909.00
• New Contract Amount	\$	2,951,759.00

CONTRACT TIME ADJUSTMENT:

• Original Completion Date	March 27, 2018
• Net Time Adjustment by Previous Change Orders	295
• Completion Date Prior to This Change Order	January 16, 2019
• Contract Time Adjusted by this Change Order	58
• New Completion Date	March 15, 2019

PREPARED BY:

Vali Cooper & Associates

By:  Date: 11/8/18

We the undersigned contractor, have given careful consideration to the change proposed and hereby agree. If this change order is approved, we will provide all equipment, furnish all material, except as may otherwise be noted above, and perform all services necessary for the work above specified, and will accept as full payment therefore the prices shown above.

ACCEPTED:

GSE Construction, Inc.
(Contractor)

By:  Date: 11/8/18

APPROVED:

Santa Clarita Valley Water Agency

By: _____ Date: _____

**DESCRIPTION OF WORK, TIME AND COST BREAKDOWN
CHANGE ORDER NO. 07**

Item	Description	Amount	Time - Days
6.01	PCO 013 - Remobilization to Perform SCVWA 42" Tie-in: MWD was not able to close the isolation valves to allow tie-in of the new 42" pipeline to the existing 42" pipeline, resulting in this work being delayed until the shut down of the Foothill Feeder currently scheduled for February, 2019. GSE submitted a lump sum cost of \$33,122.00, to remobilize, excavate, dewater the 42" pipeline, complete the tie-in work and backfill during the February, 2019, shut down. A Time Extension of 38 Calendar Days is required to move the Contract completion date to coincide w/ the revised shut down date.	\$ 33,122.00	58
6.02	PCO 014 - Remobilization to Perform MWD 48" Tie-in: MWD cancelled the shut down of the Foothill Feeder scheduled for February, 2018, and rescheduled the shut down for February, 2019. GSE stored the 48" pipe fittings without cement mortar linings or coatings at MWD's request. GSE submitted a lump sum cost of \$51,787.00, to remobilize, excavate, complete the tie-in work and backfill during the shut down. This price includes the cost of applying the cement mortar linings & coatings.	\$ 51,787.00	0
	TOTAL	\$ 84,909.00	58



BOARD MEMORANDUM

DATE: December 11, 2018

TO: Board of Directors

FROM: Brian J. Folsom, P.E.
Chief Engineer BJF

SUBJECT: Approve (1) a Resolution for Construction Contract and Management Funding to The Newhall Land and Farming Company, LLC, and (2) a Work Authorization to Kennedy/Jenks Consultants for Inspection Services for the Magic Mountain Pipeline Phase 5 Project

SUMMARY

The Magic Mountain Pipeline Phase 5 (Phase 5 Pipeline) project has been advertised for construction bids. Bids have been received and staff is recommending approval of construction contract and construction management funding to The Newhall Land and Farming Company, LLC (Newhall Land). Staff is also recommending approval of a work authorization to Kennedy/Jenks Consultants (K/J) for inspection services.

DISCUSSION

The Agency's Capital Improvement Program includes construction of new pipelines to extend its existing Magic Mountain Pipeline to the future Magic Mountain Reservoir, located in the Mission Village development. The pipeline extension will be constructed in three phases (Phases 4, 5, and 6) based on the Mission Village development road construction schedule. On August 1, 2018, the Agency executed the Magic Mountain Water Pipeline Installation Agreement (Agreement) with Newhall Land. Under the terms of the Agreement, Newhall Land will install the Phase 5 Pipeline as a part of the road improvements and the Agency will reimburse Newhall Land for construction costs.

The Phase 5 Pipeline is approximately 3,000 feet long and 42-inches in diameter. The pipeline will be installed within Magic Mountain Parkway beginning near the intersection of Magic Mountain Parkway and Magic Mountain Amusement Park entrance and approximately 400 feet west of the intersection of the new Magic Mountain Parkway and Commerce Center Drive. The project was advertised for construction bids by Newhall Land on November 7, 2018.

On November 26, 2018, three bids were received by Newhall Land. A summary of the bids is presented below:

Bidder	Bidder Location	Total Bid Price
Toro Enterprises Inc.	Oxnard, CA	\$3,269,978.85
Sam Hill & Sons Inc.	Ventura, CA	\$4,098,750.56
Blois Construction Inc.	Oxnard, CA	\$5,034,350.00

Newhall Land and Agency staff evaluated the submitted bids. The apparent responsive low bid is from Toro Enterprises Inc. (Toro) for a total of \$3,269,978.85. The engineer's estimate for the

project is \$4,281,498. Toro is a licensed Class A contractor in the State of California and is registered with the Department of Industrial Relations.

The Agency's Purchasing Policy allows the General Manager to approve change orders up to four percent (4%) of the original contract amount, however, the Board may grant a different change order authority on a project-specific basis. Newhall Land will manage the construction contract of the Phase 5 Pipeline as part of the overall road development. Since it is anticipated that there may be a limited time for change order processing and approval, staff is recommending increasing the General Manager's Change Order Authority from four percent (4%) to ten percent (10%) of the original contract amount.

K/J is performing inspection services for the Phase 4 project and staff is recommending that K/J provide inspection services for the Phase 5 project. K/J will be performing inspections and reviewing progress pay estimates.

CEQA Determination

The proposed action was previously evaluated by the Castaic Lake Water Agency's (CLWA) Board of Directors. On February 11, 2015, CLWA, as a Responsible Agency under CEQA, certified the Mission Village Final Environmental Impact Report (Final EIR) and adopted the Lead Agency's (the County of Los Angeles) findings, the Statement of Overriding Considerations and the Mitigation Monitoring and Reporting Programs with the adoption of Resolution No. 3023. CLWA filed the Notice of Determination with the Los Angeles County Clerk's Office and the State Clearinghouse on February 24, 2015. There are no substantial changes to the project and no further CEQA documentation is necessary for the Board to act with regards to the proposed actions.

On December 10, 2018, the Engineering and Operations Committee considered staff's recommendation to approve (1) a Resolution for Construction Contract and Management Funding to The Newhall Land and Farming Company, LLC, and (2) a Work Authorization to Kennedy/Jenks Consultants for Inspection Services for the Magic Mountain Pipeline Phase 5 Project. The Committee requested that staff provide details to the Board of Directors on all construction change orders issued on the project.

FINANCIAL CONSIDERATIONS

The Agency will reimburse Newhall Land for construction costs and the Agency shall pay Newhall Land for construction management and miscellaneous costs for permits, construction survey and geotechnical testing. Toro's construction bid is \$3,269,978.85. Newhall Land's budget for construction management and miscellaneous costs (permits, construction survey, and geotechnical testing) is an amount not to exceed \$244,000. K/J's budget for inspection services is an amount not to exceed \$287,000. K/J's services will be performed on a time and materials basis.

This project is funded in the Agency's FY 2018/19 Budget for the Magic Mountain Pipeline No. 5 Project. The project's total estimated cost including engineering, construction management, construction, and miscellaneous costs is \$6,167,000. The FY 2018/19 project budget is \$6,062,000. As of November 27, 2018, project expenditures are \$133,070.


RECOMMENDATION

The Engineering and Operations Committee recommends that the Board of Directors (1) approve the attached resolution awarding funding in an amount not to exceed \$3,269,978.85

for construction costs and an amount not to exceed \$244,000 for construction management and miscellaneous costs to The Newhall Land and Farming Company, LLC, and authorize the General Manager to execute construction change orders up to ten percent (10%) of the original construction contract, and (2) authorize the General Manager to execute a work authorization with Kennedy/Jenks Consultants for an amount not to exceed \$287,000 for inspection services during construction of the Magic Mountain Pipeline Phase 5 project.

ES

Attachment



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RESOLUTION NO. SCV-XX

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
APPROVING FUNDING FOR CONSTRUCTION CONTRACT
AND CONSTRUCTION MANAGEMENT
TO THE NEWHALL LAND AND FARMING COMPANY, LLC,
FOR THE MAGIC MOUNTAIN PIPELINE PHASE 5 PROJECT**

WHEREAS, Santa Clarita Valley Water Agency (SCVWA) desires to take steps to increase the reliability of its existing water system; and

WHEREAS, SCVWA's Capital Improvement Program includes new pipelines to extend the Agency's existing Magic Mountain Pipeline to the future Magic Mountain Reservoir, located in The Newhall Land and Farming Company, LLC, (Newhall Land)'s Mission Village project; and

WHEREAS, Newhall Land is constructing the Mission Village project, and would like to install/construct SCVWA's new pipelines in three phases, Magic Mountain Pipeline Phases 4-6, as part of Newhall Land's road improvements, subject to SCVWA's reimbursement; and

WHEREAS, any agreement with Newhall Land regarding the Mission Village project is independent of SCVWA's pre-existing plans to construct the pipeline as part of SCVWA's Capital Improvement Program to ensure a reliable supply of water; and

WHEREAS, Castaic Lake Water Agency (CLWA), as a CEQA Responsible Agency, filed the Notice of Determination with the Los Angeles County Clerk's Office and the State Clearinghouse on February 24, 2015 and there are no substantial changes to the project, and no further CEQA documentation is necessary for the Board to act with regards to the proposed actions; and

WHEREAS, the General Manager executed the Magic Mountain Water Pipeline Installation Agreement with Newhall Land for the construction of the Magic Mountain Pipeline Phases 4-6 on August 1, 2018; and

WHEREAS, all bid proposals submitted to the Newhall Land, pursuant to the Magic Mountain Water Pipeline Installation Agreement, and the Agency's construction contract documents, as amended by Addenda, were received by Newhall Land on Monday, November 26, 2018 by 4:00 p.m., in full accordance with the law and the Newhall Land and Farming Company's customary procedures; and

WHEREAS, the Board of Directors finds, after considering the opinion of staff, that the total bid of Toro Enterprises Inc. in the amount of \$3,269,978.85 is the lowest responsible bid of three bids submitted, and that said bid substantially meets the requirements of said construction contract documents as amended by Addenda; and

WHEREAS, the Agency's Purchasing Policy allows the General Manager to approve change orders up to four percent (4%) of the original contract amount and the Board of Directors may grant a different change authority on a project-specific basis; and

WHEREAS, it is in the Agency's best interest that the Board of Directors change the General Manger's Change Order Authority for this project from four percent (4%) to ten percent (10%).

WHEREAS, under the terms of the Magic Mountain Water Pipeline Installation Agreement, Newhall Land will perform the construction management and miscellaneous construction support services for this project in an amount not to exceed \$244,000.

NOW, THEREFORE, BE IT RESOLVED that the Agency's Board of Directors does authorize its General Manager to accept said low bid and does thereafter authorize the Agency's General Manager or its Chief Engineer to approve the funding to Newhall Land for a reimbursement to Toro Enterprises Inc., hereby found to be the "lowest responsible bidder" for the Magic Mountain Pipeline Phase 5 Project pursuant to said Agency's construction contract documents as amended by Addenda for a total construction budget not to exceed \$3,269,978.85.

RESOLVED FURTHER that the Agency's Board of Directors does authorize its General Manager or its Chief Engineer to approve change orders up to ten percent (10%) of the original construction contract amount for the Magic Mountain Pipeline Phase 5 Project with details of all construction change orders being reported to the Board of Directors.

RESOLVED FURTHER that the Agency's Board of Directors does authorize its General Manager or its Chief Engineer to approve the funding to Newhall Land for construction management and miscellaneous construction support services for the Magic Mountain Pipeline Phase 5 Project pursuant to the Magic Mountain Water Pipeline Installation Agreement in an amount not to exceed \$244,000.



BOARD MEMORANDUM

DATE: December 11, 2018
TO: Board of Directors
FROM: Brian J. Folsom, Chief Engineer *BJF*
Keith Abercrombie, Chief Operating Officer *KA*
SUBJECT: December 10, 2018 Special Engineering and Operations Committee Meeting

The Engineering and Operations Committee Meeting met at 5:30 PM on Monday, December 10, 2018 in the Training Room of the Rio Vista Water Treatment Plant. In attendance were Committee Chair Dean Efstathiou; Directors Tom Campbell, Ed Colley, Bill Cooper, Gary Martin and Lynne Plambeck; General Manager Matt Stone; Director of Operations and Maintenance Mike Alvord; Safety Officer Mark Passamani; Safety Specialist Jon Wallace; Chief Engineer Brian Folsom; Principal Engineer Jason Yim; Senior Engineer Jim Leserman and Associate Engineer Elizabeth Sobczak. Two members of the public were present. A copy of the agenda is attached.

Item 1: Public Comments – There was no public comment.

Item 2: Recommend Approval of (1) a Resolution for Construction Contract and Management Funding to The Newhall Land and Farming Company, LLC, and (2) a Work Authorization to Kennedy/Jenks Consultants for Inspection Services for the Magic Mountain Pipeline Phase 5 Project – Recommended actions for this item are included in a separate report being submitted at the December 18, 2018 regular Board meeting.

Item 3: Recommend Approval of (1) a Change Order to the Construction Contract with GSE Construction Company, Inc., (2) a Budget Increase to the Work Authorization with Vali Cooper & Associates, Inc., for Construction Management Services, and (3) a Budget Adjustment for Work Authorization No. 07-055 for Metropolitan Water District of Southern California for the Foothill Feeder Connection Project – Recommended actions for this item are included in a separate report being submitted at the December 18, 2018 regular Board meeting.

Item 4: Quarterly Safety Presentation – Mark Passamani and Jon Wallace provided an update on the Agency's Safety Program for the first quarter of Fiscal Year 2018/19.

Item 5: Operations and Production Report – Staff and the Committee reviewed the Monthly Operations and Production Report.

Item 6: Capital Improvement Projects Construction Status Report – Staff and the Committee reviewed the Capital Improvement Projects Construction Status Report.

Item 7: Third Party Funded Agreements Quarterly Report – Staff and the Committee reviewed the Third Party Funded Agreements Quarterly Report.

Item 8: Committee Planning Calendar – A revised FY 2018/19 Committee Planning Calendar was handed out and reviewed by staff and the Committee. The January 3, 2019 Engineering and Operations Committee meeting will be cancelled.

Item 9: General Report on Treatment, Distribution, Operations and Maintenance Services Section Activities – Mike Alvord provided an update on the repair of a leak on the recycled water pipeline at the intersection of Magic Mountain Parkway and The Old Road.

Item 10: General Report on Engineering Services Section Activities – No items were discussed.

Item 11: Adjournment – The meeting adjourned at 6:40 PM.

BJF

Attachment

MBS



Date: November 30, 2018

To: **Engineering and Operations Committee**
Dean Efstathiou, Chair
Tom Campbell
Ed Colley
William Cooper
Gary Martin
Lynne Plambeck

From: Brian J. Folsom, Chief Engineer *BJF*
Keith Abercrombie, Chief Operating Officer *KA*

A special meeting of the **Engineering & Operations Committee** is scheduled to meet on **Monday, December 10, 2018 at 5:30 PM at Rio Vista Water Treatment Plant** located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Training Room.

SPECIAL MEETING AGENDA

<u>ITEM</u>	<u>PAGE</u>
1. Public Comments	
2. * Recommend Approval of (1) a Resolution for Construction Contract and Management Funding to The Newhall Land and Farming Company, LLC, and (2) a Work Authorization to Kennedy/Jenks Consultants for Inspection Services for the Magic Mountain Pipeline Phase 5 Project	3
3. * Recommend Approval of (1) a Change Order to the Construction Contract with GSE Construction Company, Inc., (2) a Budget Increase to the Work Authorization with Vali Cooper & Associates, Inc., for Construction Management Services, and (3) a Budget Adjustment for Work Authorization No. 07-055 for Metropolitan Water District of Southern California for the Foothill Feeder Connection Project	9
4. Quarterly Safety Presentation	
5. * Operations and Production Report	15
6. * Capital Improvement Projects Construction Status Report	73
7. * Third Party Funded Agreements Quarterly Report	75

- | | |
|--|----|
| 8. * Committee Planning Calendar | 77 |
| 9. General Report on Treatment, Distribution, Operations and Maintenance Services Section Activities | |
| 10. General Report on Engineering Services Section Activities | |
| 11. Adjournment | |

- * Indicates attachments
- ◆ To be distributed

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on December 3, 2018.

RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA CLARITA VALLEY WATER AGENCY
HONORING AND COMMENDING DEAN EFSTATHIOU
FOR HIS SERVICE AND DEDICATION**

WHEREAS, Dean Efstathiou served on the Castaic Lake Water Agency Board of Directors as an appointed Director for the Los Angeles County Waterworks District No. 36 from November 18, 1992 to December 31, 2017; and

WHEREAS, Mr. Efstathiou served on many of the Castaic Lake Water Agency Committees over his 25 years of service as a Director; and

WHEREAS, Mr. Efstathiou voted and was in support of combining the Castaic Lake Water Agency and the Newhall County Water District to form the Santa Clarita Valley Water Agency; and

WHEREAS, Mr. Efstathiou has served on the Santa Clarita Valley Water Agency Board of Directors as an appointed Director for the Los Angeles County Waterworks District No. 36 from January 1, 2018 through December 31, 2018; and

WHEREAS, Mr. Efstathiou has served as Chair of the Engineering and Operations Committee (formally Engineering Committee) and as a Committee member for the Finance and Administration Committee (formally Finance and Operations Committee) for the 2018 calendar year; and

WHEREAS, Mr. Efstathiou has sat on the Southern California Water Coalition (Committee) and Urban Water Institute Board representing the interests of both the Southern California Rate Payers and the Agency; and

WHEREAS, Mr. Efstathiou has enthusiastically supported the Agency's efforts to provide responsible water stewardship to ensure the Santa Clarita Valley has reliable supplies of high quality water at a reasonable cost and passionately represented the customers of the Santa Clarita Valley; and

WHEREAS, Mr. Efstathiou has provided valuable water industry insights to the Agency's Board of Directors; and

WHEREAS, the Board of Directors deem it most fitting that Mr. Efstathiou's outstanding service to the Agency and the people it serves be publicly and appropriately recognized.

NOW THEREFORE BE IT RESOLVED, that the Santa Clarita Valley Water Agency Board of Directors congratulates Dean Efstathiou for his 26 years of public service to both the Castaic Lake Water Agency Board of Directors and the Santa Clarita Valley Water Agency Board of Directors and thanks him for his support of the Board, employees of the Agency and the residents of the Santa Clarita Valley through his many significant contributions and leadership during his time as a Board member.

President

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