

Minutes of the Casitas Municipal Water District
Board Meeting Held
October 14, 2009

A meeting of the Board of Directors was held October 14, 2009 at Casitas' Office, Oak View, California. Directors Handley, Kaiser, Word and Baggerly were present. Director Hicks was absent. Also present were Steve Wickstrum, General Manager, Rebekah Vieira, Clerk of the Board, and Attorney, John Mathews. There were three staff members and three members of the public in attendance. Director Handley led the group in the flag salute.

1. Public comments.

None

2. General Manager comments.

Mr. Wickstrum reported on his attendance at the 2009 AWWA conference. He explained his pleasure in bringing four other staff members with him that had never been to these meetings. They learned a lot at the meeting and it was a good opportunity. His notes from the meeting were made available.

Mr. Wickstrum then introduced our new Safety Officer, Mark Passamani. Mr. Passamani stated he was excited to be here and has met with most of the employees. I am happy to share my experience and from the top down there is a genuine interest in safety and health issues and momentum to get things done. I hope to bring the focus in terms of safety and health to carry that focus on compliance and worker safety. The Board welcomed him. Mr. Wickstrum mentioned that employees would be involved in this years shake out tomorrow at 10:15 a.m.

3. Board of Director comments.

Director Word asked about the Bureau of Reclamation's upcoming visit. Mr., Wickstrum explained that they will be here on October 27th to review the Lake Casitas Recreation Area as they do about once every three years. They will look at the condition of the recreation area and review the concessionaire contracts currently in place. This is a one day visit and they will be bringing about six people from Sacramento and two or three from Fresno. The group from Sacramento would probably also be involved in the RMP. We are ready to address questions of our facility. They next day they are heading to Lake Cachuma. Director Baggerly asked how it relates to the RMP. Mr. Wickstrum replied that he was going to ask that question. Director Word asked what the expectation of attendance is. Mr. Wickstrum replied it is just staff.

Director Word explained the he was not going to respond anymore to Mr. Haines issue. Mr. Wickstrum added that he copied Norma Camacho and that if there is an enforcement issue that is their responsibility. Since I have been here we have been calling the Sheriff for enforcement to take people out and there no

trespassing and body contact. There has been no change. Mr. Wickstrum asked that if you have anything further from Mr. Haines to let him know. Director Baggerly added that he clarified the no fishing signs for him.

Director Word added that last Saturday he had the opportunity to go on Met's tour of the Edmonston pumping facility and their treatment plant facility in Simi. It is mind boggling how expansive that whole system is and its dependence on where the water comes from. The Colorado River is improving some from the snows. The rest of it is in dire straits. I asked how Met was handling their issue with the Quagga mussel and they had said earlier that they were budgeting 5 – 10 million to deal with it. It is now millions per month and growing. In Europe they put dual systems in. And the mussels only breed six week per year. The trend is still to try to treat and not contain or restrict. It sounds like they have acquiesced that they have them. We can't let up any of our efforts to keep them out.

Director Baggerly reported that he attended the VCSDA on Tuesday October 6th and one of the most interesting things about the meeting was that they had a discussion about SB 64; the dual process for getting back our property tax monies.

4. Consent Agenda

ADOPTED

- a. Minutes of the September 23, 2009 Board Meeting.
- b. Resolution directing the execution of a joint funding agreement between the United States Geological Survey and Casitas.

Director Baggerly questioned if there is a significant increase in how much we are paying for the joint funding agreement. Mr. Wickstrum explained that we split this cost with the County and the City. Our share is much less than a few years ago.

The Consent Agenda was offered by Director Kaiser, seconded by Director Baggerly and approved by the following roll call vote:

AYES:	Directors:	Word, Baggerly, Kaiser, Handley
NOES:	Directors:	None
ABSENT:	Directors:	Hicks

Resolution is numbered 09-25

Director Word abstained from approval of item a due to his absence from that meeting.

5. Bills

APPROVED

Director Word questioned items #3336 and #3400. Mr. Wickstrum explained that we are moving forward with WREA again. Some new topics have

been brought up and we are trying to get some of the environmental documents. Neil and Todd are in conversation with Lou Nagy. Also, we received some money back on this project.

Director Baggerly added that funds were released for the OBGMA groundwater model.

Director Kaiser questioned #3332 to Tyler Technologies for GASBY Module, Incode software. Mr. Wickstrum explained that this is a module that Denise purchased to calculate GASBY for us. You will see information on our requirements on GASBY 45 in the future. There are big numbers on some of the liabilities that we must post. This ties everything together in our system.

On the motion of Director Word, seconded by Director Kaiser and passed, the bills were approved.

6. Committee/Manager Reports APPROVED FOR FILING

a. Finance Committee Minutes

Director Baggerly mentioned the letter from the City of Ventura regarding Certification and that they are still not balanced. Mr. Wickstrum explained that he is trying to arrange a meeting to discuss it. They were off by about ten percent and below in district use. They have conflicting issues. Some of their general plan stipulates there is a lot more water available. Director Word added we can't continue with the non certification.

On the motion of Director Word, seconded by Director Kaiser and passed, the Committee/Manager Reports were approved for filing.

7. Resolution awarding a contract for the Rincon Reservoir No. 2 Interior Coating and Repair to A.J. Fistes Corporation in the amount of \$143,900.
ADOPTED

Director Baggerly suggested that the board consider items number 7,8,& 9 together since they were budgeted items.

Mr. Cole reported that we have three similar bids for the interior coating of Rincon, Ojai 4m and Fairview #2 tanks. All three bids received some formal bid protests from various bidders. Mistakes were made as people rushed to put bids in place. The bid protest on the Rincon Reservoir was against the low bidder and claiming that they did not complete the questionnaire properly. The protest questioned if the bidders numbers were correct. Staff was not able to determine there was a problem with the bid and determined it to be a responsible bid. All the projects came in under Engineer estimation. Mr. Cole mentioned that with these low bids, you will tend to see more change orders.

Mr. Cole reported that on the bid for Ojai 4M #2, the bid protest was from the second bidder saying Paso Robles Tank did not have the required licenses to complete the work and there was no subcontractor listed. The state says it is our call. We feel that Paso Robles Tank has the ability to complete the project and recommend approving this project to Paso Robles Tank. He added that both A.J. Fistes and Paso Robles Tank have completed projects for us.

The bid protest on Fairview #2 was a concern that the low bidder did not have the proper contractor license. We recommend that you not accept the formal bid protest. The low bidder did not include an original bid bond in the package. The requirement is that the bid bond shall be submitted. Public Contract Code Section 20642.5 requires a bid bond, cashiers check or certified check. A copy of a bid bond is not a bid bond. It is like a copy of a check is not a check. So we are saying that it is not a responsive bid for that reason.

Director Kaiser asked counsel if he had reviewed the matter. Mr. Mathews stated he supports staff's position.

Jed Nicholson, the attorney for Paso Robles Tank spoke regarding the bid bond and that the specification does not say original. The facts are that as soon as staff called and said they provided a copy, the original bid bond was provided to staff so there was no competitive advantage. Paso Robles Tank did not find out what the other bids were. The difference between the bids is \$15,000. By agreeing with staff you are taking \$15,000 away from your tax payers. If you look at the bid docs there is no mention for the need for an original bid bond. You are putting form over substance. Director Baggerly asked if the copy of the bid bond was for this project. Mr. Nicholson stated yes. The original was provided the next day. Director Word asked if original bid bonds were provided for the other two projects. Mr. Nicholson stated yes. He added that they could not get the original in time to submit the bid for this project. He added that you are authorized to waive any informalities that do not affect the contract.

Director Baggerly asked if a copy of the bid bond a legal document. Mr. Mathews replied not in my opinion. It was not an original. Mr. Nicholson continued that if you decide to deny that contract then let's look at the Rincon contract, you are accepting a safety issue. The safety documents information is not filled out. On part three there is a n/a. In its bid they do not provide information on cathodic protection. We know because of the bid submitted on the Ojai project they can't do cathodic protection on its own. They need a subcontractor. If you award that to A.J. Fistes it will turn around and hire a subcontractor for cathodic protection. This gives A.J. Fistes a competitive advantage. If you let A.J. Fistes have the Rincon bid over the obvious problems it has then you have to allow Paso Robles Tank to have the Fairview contract. That is a minor discrepancy versus the Rincon.

Director Baggerly asked Mr. Cole if we have a standard operating procedure to get a safety history for each contractor. Mr. Cole stated we don't,

however, since the issue was brought up we pulled the record for both contractors.

Mr. Nicholson added that the bigger issue is the failure to bid on the subcontractor for cathodic protection. Staff is willing to let the safety issue slide, then they should allow Paso Robles Tank a pass on providing a copy which we then gave an original to. The bigger issue on the Rincon bid is they are getting an actual competitive advantage because it did not properly bid the cathodic protection.

Mr. Cole stated that staffs opinion is that state law requires that A.J.Fistes do the work themselves. They can buy the equipment. They may have electricians on staff. It is conceivable they can do that work. The equipment is available. This is a similar issue that A.J. Fistes brought up against Paso Robles Tank.

Director Kaiser questioned accident rates. They have had zero. Mr. Cole said he has no evidence to disagree with that. Director Baggerly asked how long they had been in business. Mr. Coles stated A.J. Fistes has been in business for over 25 years. Director Word added that there is no reason to second guess staff.

The resolution was offered by Director Word, seconded by Director Kaiser and passed by the following roll call vote:

AYES:	Directors:	Word, Baggerly, Kaiser, Handley
NOES:	Directors:	None
ABSENT:	Directors:	Hicks

Resolution is numbered 09-26

8. Resolution awarding a contract for the Ojai 4(M) Reservoir No. 2 Interior Coating and Repair to Paso Robles Tank Inc. in the amount of \$165,200.
ADOPTED

The resolution was offered by Director Word, seconded by Director Kaiser and passed by the following roll call vote:

AYES:	Directors:	Word, Baggerly, Kaiser, Handley
NOES:	Directors:	None
ABSENT:	Directors:	Hicks

Resolution is numbered 09-27

9. Resolution awarding a contract for the Fairview Reservoir No. 2 Interior Coating and Repair to A.J. Fistes Corporation in the amount of \$169,950.
ADOPTED

The resolution was offered by Director Word, seconded by Director Kaiser and passed by the following roll call vote:

AYES:	Directors:	Word, Baggerly, Kaiser, Handley
NOES:	Directors:	None
ABSENT:	Directors:	Hicks

Resolution is numbered 09-28

10. Information Items:

- a. Monthly Cost Analysis for operation of Robles, fisheries and fish passage.
- b. Recreation Area Monthly Report.
- c. Letter of appreciation from AWA.
- d. News Articles
- e. Investment Report

Director Word asked if the Recreation Committee was working with concessionaires on their downside figures. Mr. Wickstrum explained that we had had discussion with them. Director Kaiser added that we are looking at a collaborative type of advertising campaign. Mr. Wickstrum added that we have made several suggestions on increasing boat rentals.

Director Word expressed that he hopes at some point in the future the recreation area will develop more comprehensive reports when special events are held including attendance numbers and revenue received.

11. Adjournment

Director Handley adjourned the meeting at 5:09 p.m.

Secretary