

Heber Public Utility District

REPORT TO BOARD OF DIRECTORS

MEETING DATE: January 27, 2022

FROM: Laura Fischer, General Manager

SUBJECT: Authorize staff to hire a contractor to make necessary repairs to the water treatment plant clarifier #1 and modify the Water Fund budget to include additional expense.

ISSUE:

Shall the Board of Directors authorize staff to hire a contractor to make necessary repairs to the water treatment plant clarifier #1 and modify the Water Fund budget to include additional expense not to exceed \$181,480?

GENERAL MANAGER'S RECOMMENDATION:

It is recommended that the Board of Directors authorize staff to hire a contractor to make necessary repairs to the water treatment plant clarifier #1 and modify the Water Fund budget to include additional expense not to exceed \$181,480.

FISCAL IMPACT:

Staff has received one quote in the amount of \$181,480. We will secure an additional quote if possible to ensure we hire the lowest bidder. The quote is attached for your consideration.

Modification to the capital improvement fund must be made to complete this project. Staff recommends modifying the water fund budget to include the not to exceed amount of \$181,480 from water fund reserves.

According to the adopted Reserve Resolution 2021-04 the water fund has a un-restricted reserve in the amount of \$1,207,807. Staff recommends that the additional expense for the repairs to clarifier #1 be paid from the unrestricted reserve balance in the water fund.

The reserve resolution is attached for your consideration.

DISCUSSION:

Clarifier #1 was built in 2005 and some repairs to the underdrain were made by Pacific Hydrotech during the construction of the water treatment plant improvement project in 2017. These improvements were authorized through a change order by the Board and funded through the State Revolving Fund grant/loan.

The repair project will take an estimated 18 weeks to complete as parts must be ordered and installation completed. It is important that HPUD start this project as soon as possible to ensure we meet capacity demands.

The water treatment plant has a current capacity of 4MGD, which requires three clarifies; two available for use and one on standby. With clarifier number 1 out of service, our capacity is reduced as we must always have one clarifier on standby. Our peak production demand is during the summer and that is the reason that we are holding a special meeting to get this

project moving forward as soon as possible. The project timeline of 18 weeks put completion at June 1, 2022.

CONCLUSION:

As staff as identified this project as an urgent need, which requires 18 weeks to construct and as the cost of o\$181,480 is not included in the 2021-22 budget, it is recommended that the Board authorize staff to hire a contractor to make improvements to the water treatment plant clarifier #1 and modify the budget to include an amount not to exceed o\$181,480 from water fund un-restricted reserves.

ALTERNATIVES:

- 1) Do not authorize staff to contract for necessary improvements and do not modify the budget.
- 2) Authorize staff to contract for necessary improvements and provide alternate direction to staff on funding this project.
- 3) Provide alternate direction to staff that will maintain water demand.

Respectfully Submitted,

Laura Fischer, General Manager

Quote for repairs
Reserve Resolution 2021-04

RESOLUTION NO. 2021-04

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT ADOPTING RESERVE GUIDELINES AND BUDGET FOR FISCAL YEAR 2021-22

WHEREAS, the General Manager has submitted the Reserve Guideline and Reserve 2021-22 Budget to the Board of Directors for its review and consideration in accordance with reserve policies and objectives established by the Board of Directors, and

WHEREAS, the 2021-22 Reserve Guidelines are intended to provide guidelines for the Heber Public Utility District to designate money in order to balance the budget, respond to emergencies, keep rates affordable, maintain current infrastructure and plan for future public projects; and

WHEREAS, the Reserve Guidelines are as follows:

Committed Funds –

Capacity Fees: These reserves are monies received from new service connections that increase our need for increased capacity in our Water and Wastewater Enterprise Funds.

Capital Reserve Funds: These funds are reserved to ensure monies are available to implement the current FY year projects included in the Board adopted Five Year Capital Improvement Project List.

Restricted Fund Balance –

Debt Service Funds: These are funds that are mandated by law to be held in reserve.

Capital Replacement Reserve Funds: The Capital Replacement Reserve Fund (Short Lived Asset Reserve) are mandated by law to be funded each year.

Assigned or Designated Fund Balance –

Water, Sewer and Solid Waste Operating and Maintenance Reserve Funds: The Heber Public Utility District will maintain a 180 day operation and maintenance Reserve for Water, Sewer and Solid Waste (Trash) Funds.

Parks and Recreation Operating and Maintenance Reserve Funds: The Heber Public Utility District will maintain a 180 day operation and maintenance Reserve for Parks and Recreation Funds.

Unrestricted Reserves –

Unrestricted Reserves: These funds can be programed and expended for any purpose as directed by the Board of Directors.

WHEREAS, in said fiscal year beginning July 1, 2021, there is hereby Reserved within the Treasury of the Heber Public Utility District for District purposes by the various departments of said District for the fiscal year 2021-22, the projected amount of \$2,584,089; and

WHEREAS, the Proposed Reserve Funds Established for FY 2021-22 are described below; and

Heber Public Utility District Reserve Resolution Backup FY 2021-22					
* Unchanged Capital assets for Projections purposes only					
Proposed Reserve Funds Established via Resolution Number 2021-04					
PROJECTED CASH BROUGHT FORWARD AS OF JUNE 30, 2020	Parks & Rec	Water	Sewer	Trash	Totals
Other Sources of Revenues:					
<i>Per-Capita State Park Grant Prop. 68</i>	<i>187,000</i>				
Total Funds:	944,835	2,380,926	1,526,397	118,762	4,970,920
Committed Funds:					
Capacity Fees					
Capital Reserve Funds (Future Projects)					-
Manhole Replacement			20,000		20,000
STM Aerotor Improvement Project			20,000		20,000
Water Distribution Lines Improvements at Courts		200,880			200,880
Water Line Replacement north of 86 between Pitzer and Rockwood		10,000			10,000
Recreation Room at Littlefield - Parking and Patio - GRANT FUNDS - UNFUNDED \$127,171					-
Estancia Park Replace Sprinkler System	113,200				
Correll Basin				80,000	
Lnadscape Over Dogwood Canal between Highway 86 and Correll Road	5,000				
Children's Park - New Playground Equip, sidewalk repairs, shade - USE PER CAPITA FUNDS \$187,000	75,000				75,000
Vehicle Replace Fund					
New Vehicle Purchase Fund	10,000	30,000	30,000		70,000
Parks Truck	50,000				50,000
Backhoe all funds	28,000	56,000	56,000		140,000
Restricted Funds:					
Wastewater debt to Parks (Debt Authorized via Resolution 2018-06) (Reserve Amended via Resolution 2018-10)	(48,828)		48,828		-
USDA 2009 COPS Loan - Water		161,400			161,400
SWRCBA Water Loan - Debt Reserve		161,802			161,802
SWRCBA Wastewater Loan - Debt Reserve			210,998		210,998
2021-22 Short Lived Assets Reserve Annual		87,418	63,000		150,418
FY 2021-22 Withdrawal for Equipment Replacement (-) in FY 2021-22		(109,000)	(100,500)		(209,500)
Assigned or Designated Fund Balance:					
Operating and Maintenance Reserve Funds 180 days Operating and Maintenance Costs.	250,077	574,619	498,477	20,910	1,344,082
TOTAL RESERVES FOR FY 20-21	482,449	1,173,119	846,803	100,910	2,405,080
PROJECTED UN-ASSIGNED BALANCE:	462,387	1,207,807	679,594	17,852	2,565,840

WHEREAS, All modifications to the Fiscal Year 2021-22 Budget of Reserved Funds, departments and/or activities shall be made by the Board of Directors except that the General Manager may, on her own initiative and without prior approval of the Board of Directors, transfer

between budget accounts within a fund, activity, or capital improvement fund, or from a budget account or appropriation, to the said fund reserve, amounts determined to be in excess of actual requirements; as long as such changes are reported regularly to the Board of Directors; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

1. That the foregoing is true, correct and adopted.
2. That the Board of Directors Adopts the Reserve Guidelines and the Reserve Fund Budget for Fiscal Year 2021-2022.
3. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution approving the Fiscal Year 2021-2022 Reserve Guidelines and Reserve Funds Budget as set forth.
4. That the President of the Board of Directors of the Heber Public Utility District is hereby authorized to sign said Resolution, a copy of which is on file at the District office.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 15th day of July 2021.

Pompeyo Tabarez, Board President

ATTEST:

Raquel, Carrillo, Clerk of the Board

APPROVE AS TO FORM:

Steven M. Walker, General Counsel

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL)
HEBER PUBLIC UTILITY)
DISTRICT)

I, Raquel Carrillo, Board Secretary of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 15th day of July, 2021.

By _____
Raquel Carrillo, Clerk of the Board

Refurbish WesTech® Microfloc® Trident® TR-840A Clarifier and Filter

Scope of Supply

WesTech shall refurbish one (1) WesTech® Microfloc® Trident® TR-840A Clarifier and Filter, Serial No. MF 110209 at Heber PUD in Heber, California.

Scope of Work

Item	Value/Description
Mobilize	Provide manpower, supervision, specified parts, tools, and equipment to refurbish the equipment.
Remove Filter Media	Remove and dispose the WesTech proprietary media from the filter: the anthracite, sand, and garnet.
Remove Underdrain Parts	Remove the underdrain parts from filter.
Install Filter Underdrain with Certain Parts Replaced	Reinstall the underdrain parts. The following parts will be replaced with new: <ul style="list-style-type: none"> • Underdrain block with shield (66) • Block plenum with shield (11) • Partial block with shield (11) • Multiblock plug end (22) • Sealing grommet (11) • Adhesive Sealant – 10oz tube (60)
Install New Media in the Filter	WesTech will provide all new filtration media. The following amounts will be installed: <ul style="list-style-type: none"> • 75 ft³ MS-21 Garnet in the Filter • 225 ft³ MS-18 Silica Sand in the Filter • 430 ft³ MS-4 Anthracite in the Filter
Startup the Unit	

Estimated Refurbishment Schedule	
Week 1	<ul style="list-style-type: none"> • Mobilize • Remove Filter Media • Remove Underdrain Parts
Week 2	<ul style="list-style-type: none"> • Reinstall Filter Underdrain with Certain Parts Replaced • Install New Media in the Filter • Startup the Unit

Items Not Included in WesTech's Base Scope of Supply

- All underground and interconnecting piping, filter face piping and fittings, pipe supports, wall inserts or sleeves, Dresser or flexible couplings, hangers, valves, pneumatic tubing from air compressor to filter batteries, air release piping and valves, sampling lines and sinks, small pressure water supply piping, field work of piping (i.e., drilling and tapping for instrumentation) and flow meters.
- Interconnection wiring and conduit
- Cathodic protection systems
- All chemical feeders, feed lines, chemicals, tanks, labor and procedures for the disinfection of equipment, laboratory test equipment
- Structural design, supply and installation of concrete pads, foundations, rebar, anchors (other than listed in scope above), concrete, grout, sealant, sumps and concrete fill for filter underdrains
- Motor control center, motor starters, disconnects, electrical wiring and conduit, connection of electrical wiring to terminals within WesTech's control panels, telemetering equipment, turbidity monitoring equipment, supports for controls
- SCADA System
- All pumps, air compressors, dryers, operating and start-up lubricants
- Any equipment or service not listed in this proposal

Warranty

One (1) year.

This proposal has been reviewed for accuracy and is approved for issue:

By: *David Mortensen*

Date: 24 January 2022