



FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
SPECIAL BOARD MEETING

NOTICE AND AGENDA

MONDAY, OCTOBER 15, 2018
1:00 P.M.

FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125

If you have a disability and need an accommodation to participate in the meeting, please call the Secretary at (760) 728-1125, ext. 1130 for assistance so the necessary arrangements can be made.

Writings that are public records and are distributed during a public meeting are available for public inspection at the meeting if prepared by the local agency or a member of its legislative body or after the meeting if prepared by some other person.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMENT

Members of the public are invited to address the Board of Directors on any item that is within the subject matter jurisdiction of the legislative body. The Board President may limit comments to three (3) minutes.

II. ACTION / DISCUSSION CALENDAR ----- (ITEMS A – B)

A. INTERVIEWS WITH PROFESSIONAL LABOR NEGOTIATIONS SERVICES FIRMS AND AUTHORIZE THE HUMAN RESOURCES MANAGER AND GENERAL MANAGER TO AWARD THE CONTRACT

Recommendation: That the Board select a firm and authorize the Human Resources Manager and General Manager to award the contract.

B. CONSIDER ADDITIONAL FUNDING REQUEST FOR AS-NEEDED PAVING SERVICES

Recommendation: That the Board authorize an additional \$315,000 in funding to be added to the As-Needed Paving contract for the remainder of fiscal year 2018/2019.

III. ADJOURNMENT OF MEETING

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DECLARATION OF POSTING

I, Mary Lou West, Secretary of the Board of Directors of the Fallbrook Public Utility District, do hereby declare that I posted a copy of the foregoing agenda in the glass case at the entrance of the District Office located at 990 East Mission Road, Fallbrook, California, at least 24 hours prior to the meeting in accordance with Government Code § 54956.

I, Mary Lou West, further declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

October 10, 2018
Dated / Fallbrook, CA


Secretary, Board of Directors

M E M O

TO: Board of Directors
FROM: Personnel Committee
DATE: October 15, 2018
SUBJECT: Interviews with Professional Labor Negotiations Services Firms

Purpose

To interview and evaluate the four (4) firms that submitted a response to the request for proposals (RFP) for professional labor negotiations services, as follows:

1. Atkinson, Andelson, Loya, Ruud & Romo (AALRR) – 1:10 pm
2. Best Best & Krieger (BB&K) – 1:50 pm
3. Liebert Cassidy Whitmore (LCW) – 2:30 pm
4. Paul, Plevin, Sullivan & Connaughton (PPSC) – 3:10 pm

Summary

The RFP for procurement of a negotiator to support upcoming contract negotiations was issued on August 14, 2018. In addition to posting on the District's website, the RFP was emailed directly to seven (7) firms that specialize in providing similar such services. A total of four (4) responses were submitted by the firms listed above.

Each firm was instructed that they will have a total of 30 minutes for their interview with the Board, to include a brief introduction not to exceed 10 minutes and 20 minutes for the question and answer portion of the interview. In addition, while the firms were told that they may bring additional staff, as necessary, the interview is expected to be conducted with the individual/s proposed to be assigned as the lead negotiator. The firms will be evaluated using the attached rating sheet that includes the following rating criteria and associated percentage weight for each category:

- Relevant Knowledge, Experience & Qualifications = 40%
- Proposed Approach to Negotiations = 40%
- Cost of Services = 20%

Recommended Action

It is recommended that the Board select a firm and authorize the Human Resources Manager and General Manager to award the contract.

M E M O

TO: Board of Directors
FROM: Fiscal Policy & Insurance Committee
DATE: October 15, 2018
SUBJECT: Additional Funding Request for As-Needed Paving Services

Purpose

To request Board approval to add additional \$315,000 in funding to the As-Needed Paving contract previously awarded to Joe's Paving and Kirk Paving.

Summary

Joe's Paving (with Kirk Paving as a back-up vendor) was previously awarded a contract for Annual Paving Services on an as-needed basis. Before the contract was awarded, the District grouped needed paving jobs together and put them out to bid. This method resulted in long delays between certain jobs being completed. After a paving services contract was awarded, many of these jobs were completed quickly and efficiently, enabling faster turn-around times on necessary road repairs.

As FPUD's valve replacement program has successfully grown and gone quicker than expected, more paving work has been necessary than originally estimated. In addition, pipe leaks have happened at a faster pace than anticipated with a significant amount of paving required in the first three months of this fiscal year, also adding to paving costs.

In February 2018, the board approved \$328,400 for paving needs. It was originally anticipated that this funding would cover paving needs through February 2019. Due to completion of additional valve replacements and a number of large leaks, as of September 2018, only \$49,686 remains, with 12 jobs remaining to be invoiced and encumbering that balance so the as-needed paving contract will be out of funds by the end of October. FPUD staff, based on previous usage and future planned valve replacements, estimates that an additional \$315,000 is necessary in order to complete all District paving needs for on-call jobs through the end of fiscal year 2018/2019 (June 2019). The additional funds will be used to both cover additional paving needs through the originally project period (February 2019) and also cover needs through the balance of the Fiscal Year (June 2019). Paving jobs that are not on-call, which are typically larger and more costly, are not included in these estimated costs and those will go for board approval separately.

Paving costs are not a separately budgeted item in the approved budget, but are included in the overall cost for repairs and capital projects. For example, the pipeline and valve replacement capital budget of \$755,000 (Attachment A) includes the expected labor and materials cost including valve replacements. The operating budgets the cost

of paving is included in the materials/supplies and services budget under each division (Attachment B). Within these budget line items, a total of \$203,500 was allocated for paving and if the total amount approved by the Board is required, the total paving cost for the fiscal year would be \$477,074 versus \$203,500 that was allocated in the budget. Staff will work to reduce other costs in the water distribution budget to try and stay within the total approved budgeted amount. Staff will evaluate including a separate general ledger account for paving in the future so that the total cost of paving can be tracked to improve the overall budgeting for paving costs. Even though the cost approved by the Board for the as-needed paving contract were not sufficient at this time it is not anticipated that the total amounts in the budget that include paving related activities need to be increased at this time.

Recommended Action

That the Board authorize an additional \$315,000 in funding to be added to the As-Needed Paving contract for the remainder of fiscal year 2018/2019.

Attachment “A”

Pipeline and Valve Replacement Projects by District

Project Description:

Projects include replacing existing valves and pipelines by District staff based on highest priority section to reduce service interruptions. Primary focus is on valve replacements with a target of replacing 100 valves a year.

The proposed purchases and costs for Fiscal Year 2018-19 also include:

- Replacing fire detector checks and smaller pressure control stations throughout the District as-needed
- Design of pipeline replacement projects by District staff
- Rehabilitation of District easements that require significant rebuilding of the existing access roads
- Surveying of sections of the district for existing small leaks



Supports Strategic Goals:

Continue implementation of an asset-management program to improve system reliability by replacing existing aging infrastructure before its failure in an effort to avoid service disruptions and property damage.

Operating Impacts:

The valve replacement program is critical in reducing the number of accounts effected by unplanned water outages.

Projects Cost:

Fiscal Year 2018-19 Expenditures:	\$755,000
Total Capital:	\$755,000



Attachment “B”

Pipeline Maintenance and Construction

- Maintain the District’s Water Services assets
- Manage all Water Services repairs and asset replacements
- Replace aged water mains and valves.
- Maintain 24-hour coverage of large water main breaks
- Maintain all right-of-way and interconnects with neighboring districts

System Services

- Meter reading, meter repair and meter exchange programs and delinquent account lock/unlocking

Table #6 - Water Services Total Operating Budget Summary

Description	FY 2016-17	FY 2017-18		FY 2018-19	Budget to Budget Change (%)
	Actual	Budget	Projected	Budget	
Total Labor *	\$ 1,486,420	\$ 1,523,700	\$ 1,523,700	\$ 1,404,962	-7.8%
Total Non-Labor	710,139	1,056,580	1,010,200	1,062,600	0.6%
Operating Total	\$ 2,196,559	\$2,580,280	\$2,533,900	\$ 2,467,562	-4.4%
Allocated Benefits Expenditures	656,829	953,036	953,036	856,056	-10.2%
Allocation of Administrative Services	2,852,039	3,238,990	3,238,990	4,123,530	27.3%
Total Services Budget	\$5,705,427	\$6,772,307	\$ 6,725,927	\$ 7,447,148	10.0%

* Total Labor does not include District’s Benefits.

Table #7 - Water Services, Division Budget to Budget Comparison

Description	FY 2016-17	FY 2017-18		FY 2018-19	Budget to Budget Change (%)
	Actual *	Budget	Projected	Budget	
Production & Distribution					
Labor:					
Salaries	\$ 947,831	\$ 899,720	\$ 899,720	\$ 811,431	-9.8%
Non-Labor:					
Equipment - Non Capital		60,500	60,500	60,500	0.0%
Materials/Supplies/Services		306,150	306,150	332,550	8.6%
Power		282,380	236,000	236,000	-16.4%
Total Non-Labor	\$ 327,420	\$ 649,030	\$ 602,650	\$ 629,050	-3.1%
Division Operating Total	\$ 1,275,251	\$ 1,548,750	\$ 1,502,370	\$ 1,440,481	-7.0%

* Detailed line item expenditure not available for Fiscal Year 2016-17.

Table #7 - Water Services, Division Budget to Budget Comparison, con't

Description	FY 2016-17 Actual *	FY 2017-18		FY 2018-19 Budget	Budget to Budget Change (%)
		Budget	Projected		
Pipeline Maintenance & Construction					
Labor:					
Salaries	\$ 248,130	\$ 369,191	\$ 369,191	\$ 283,428	-23.2%
Non-Labor:					
Materials/Supplies/Services		174,000	174,000	192,000	10.3%
Total Non-Labor	\$ 219,578	\$ 174,000	\$ 174,000	\$ 192,000	10.3%
Division Operating Total	\$ 467,707	\$ 543,191	\$ 543,191	\$ 475,428	-12.5%
System Services					
Labor:					
Salaries	\$ 290,459	\$ 254,790	\$ 254,790	\$ 310,103	21.7%
Non-Labor:					
Materials/Supplies/Services		233,550	233,550	241,550	3.4%
Total Non-Labor	\$ 163,141	\$ 233,550	\$ 233,550	\$ 241,550	3.4%
Division Operating Total	\$ 453,600	\$ 488,340	\$ 488,340	\$ 551,653	13.0%

* Detailed line item expenditure not available for Fiscal Year 2016-17.

Fiscal Year 2017-18 Accomplishments

- Had no water quality violations during the year
- Installed solar mixer at Red Mountain Reservoir to improve water quality
- Automated/remote monitor flow and pressure controls in the distribution system
- Maintained schedule to exercise all valves on a three-year cycle
- Replaced 77 water main valves and 907 feet of water mains
- Met the meter replacement schedule

Fiscal Year 2018-19 Goals and Objectives

- Upgrade Supervisory Control and Data Acquisition (SCADA) to improve communications between critical sites

The divisions and their activities are summarized below.

Collections

- Provide emergency repairs and routine maintenance to the collections system
- Manage the District’s collection system inspection program that includes TV inspection of the collections system
- Maintain and operate a vactor truck
- Maintain lift stations, clean outs, system ocean outfall
- Provide light and heavy construction services

Treatment

- Operate and maintain the Water Reclamation Plant processes in the following areas: Headworks, Primary Sedimentation, Activated Sludge, Secondary Sedimentation and Solids Handling (which includes an aerobic digester, centrifuges and a sludge dryer)
- Conducts laboratory analysis and reporting to meet the Regional Water Quality Control Board’s discharge permit requirements

Table #10 - Wastewater Services Operating Budget Summary

Description	FY 2016-17	FY 2017-18		FY 2018-19	Budget to Budget Change (%)
	Actual	Budget	Projected	Budget	
Total Labor *	\$ 1,024,881	\$ 924,699	\$ 924,699	\$ 1,124,410	21.6%
Total Non-Labor	822,640	1,065,530	1,065,530	910,930	-14.5%
Operating Total	\$ 1,847,521	\$ 1,990,229	\$1,990,229	\$ 2,035,340	2.3%
Allocated Benefits Expenditures	722,393	578,376	578,376	685,113	18.5%
Allocation of Administrative Services	2,260,106	2,616,108	2,616,108	2,255,055	-13.8%
Total Services Budget	\$4,830,020	\$ 5,184,712	\$ 5,184,712	\$ 4,975,508	-4.0%

* Total Labor does not include District’s Benefits.

Table #11 - Wastewater Services, Division Budget to Budget Comparison

Description	FY 2016-17	FY 2017-18		FY 2018-19	Budget to Budget Change (%)
	Actual *	Budget	Projected	Budget	
Collections					
Labor:					
Salaries	\$ 407,992	\$ 333,989	\$ 333,989	\$ 410,267	22.8%
Non-Labor:					
Materials/Supplies/Services		180,430	180,430	184,130	2.1%
Power		95,000	95,000	95,000	0.0%
Total Non-Labor	\$ 275,116	\$ 275,430	\$ 275,430	\$ 279,130	1.3%
Division Operating Total	\$ 683,108	\$ 609,419	\$ 609,419	\$ 689,397	13.1%
Treatment					
Labor:					
Salaries	\$ 616,889	\$ 590,710	\$ 590,710	\$ 714,143	20.9%
Non-Labor Expenses:					
Contractor Services		187,300	187,300	192,500	2.8%
Materials/Supplies/Services		278,300	278,300	270,800	-2.7%
Non-Capital Equipment		23,500	23,500	20,000	-14.9%
Power & Gas		301,000	301,000	148,500	-50.7%
Total Non-Labor	\$ 547,524	\$ 790,100	\$ 790,100	\$ 631,800	-20.0%
Division Operating Total	\$ 1,164,413	\$ 1,380,810	\$ 1,380,810	\$ 1,345,943	-2.5%

*Detailed line item expenditure not available for Fiscal Year 2016-17.

Fiscal Year 2017-18 Accomplishments

- Operating the Water Reclamation Plant processes from the headwork's to secondary treatment including solids handling, while staying in compliance with the applicable permits: National Pollutant Discharge Elimination System (NPDES) and Environmental Protection Agency (EPA) Bio-Solids Regulations.
- Maintaining the Water Reclamation Plant equipment from the headwork's to secondary treatment including solids handling equipment in order to sustain mechanical integrity and processes.

Fiscal Year 2018-19 Goals and Objectives

- Operates Water Reclamation Plant processes effectively from the headwork's to secondary treatment including solids handling to stay in compliance while optimizing operation. This includes minimizing power use, chemical use and overtime.
- Maintain Water Reclamation Plant equipment from the headwork's to secondary, including solids handling equipment using preventative and predictive measures.