

**ACTION MINUTES OF  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
CITY OF TULARE**

November 2, 2017

**A regular session meeting of the Board of Public Utilities Commissioners, City of Tulare, was held on Thursday, November 2, 2017, at 7:00 p.m., in the Tulare Public Library & Council Chambers.**

**BOARD MEMBERS PRESENT:** James Pennington, Howard Stroman, Thomas Griesbach, Gregory Blevins, Chris Soria

**STUDENTS PRESENT:** Maribel Lupercio

**STUDENTS ABSENT:** Esmeralda Arellano, Alicia Aroche

**STAFF PRESENT:** Joe Carlini, Sarah Tobias, Michael Miller, Darlene Thompson, Tim Doyle, Nick Bartsch, Ben Siegel, Melissa Hermann

**I. CALL TO ORDER:**

President Pennington called the regular meeting to order at 7:00 p.m.

**II. PLEDGE OF ALLEGIANCE:**

Board Member Griesbach led the Pledge of Allegiance and an invocation was given by Vice President Stroman.

**III. ADMINISTRATION OF OATH OF OFFICE FOR NEW BOARD MEMBER:**

Deputy City Clerk Melissa Hermann administered an Oath of Office to the newest Board Member, Chris Soria.

**IV. CITIZEN'S REQUEST OR COMMENTS:**

President Pennington advised that comments from the public are for items within the jurisdiction of the Board. Speakers will be allowed three minutes.

There were no citizen comments presented.

**V. COMMUNICATIONS:**

There were no items for this section on the agenda.

**VI. STUDENT REPORTS:**

There were no activities to report.

**VII. CONSENT CALENDAR:**

**It was moved by Board Member Blevins, seconded by Vice President Stroman and unanimously carried 5 to 0 that the items on the Consent Calendar be approved as presented with the exception of item(s) 3 and 4.**

- (1) Approve minutes of October 19, 2017 regular meeting(s).**
- (2) Accept investment report for September 2017.**
- (3) Adopt Resolution 17-10 authorizing the surplus of three (3) city vehicles.** President Pennington pulled this item to inquire about the process for auctioning surplus vehicles. General Services Director Steve Bonville provided a response thereto. It was moved by Vice President Stroman, seconded by Board Member Griesbach and unanimously carried 5 to 0 to approve the item as presented.
- (4) Accept Public Works Project Dashboard for November 2017.** Board Member Griesbach pulled this item to inquire about the items on the dashboard highlighted in yellow. Senior Project Manager Nick Bartsch and City Manager Joe Carlini provided a response thereto. It was moved by Board Member Griesbach, seconded by Vice President Stroman and unanimously carried 5 to 0 to approve the item as presented.
- (5) Award Bid 18-634 to Will Tiesiera Ford in the amount of \$23,845.40 for the purchase of one (1) 2018 Ford Regular Cab Half Ton Pickup Truck for the Water Division.**
- (6) Award Bid 18-635 to Will Tiesiera Ford in the amount of \$26,165.20 for the purchase of one (1) 2018 Ford Extended Cab Half Ton Pickup Truck for the Solid Waste Division.**

**VIII. GENERAL BUSINESS:**

*Comments related to General Business Items are limited to three minutes per speaker for a maximum of 30 minutes per item unless otherwise extended by the Board.*

- (1) Discussion regarding the adoption of Resolution 17-11 fixing the time for holding the regular meetings of the Board of Public Utilities and rescinding all resolutions or parts of resolutions in conflict therewith.** President Pennington opened up this item for the Board to discuss the possibility of moving the meeting time. Following discussion, it was the consensus of the Board to

agendize an item for the next meeting to adopt Resolution 17-11 fixing the time for holding regular meetings of the Board.

- (2) **Continued discussion regarding the cancellation process as to regularly scheduled Board of Public Utilities meetings.** Board Member Blevins opened up discussion on the item as he had requested clarification. Assistant City Attorney Sarah Tobias provided information to the Board stating after extensive research that the City Manager has the discretion to cancel meetings with no appeal process available to the Board.

**IX. ITEMS OF BOARD INTERESTS** (may include City Council and Planning Commission updates) – GC 54954.2(3)

Items of Board interest were discussed among the Board and staff.

**X. ADJOURN TO CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION(S):**

President Pennington adjourned to closed session at 8:00 p.m.

- (1) **54956.9(e)(2) Conference with Legal Counsel – Anticipated Litigation (1) Facts and circumstances from complications surrounding the current status of the power purchase agreement and interconnection agreement with Fuel Cell Energy.**

**XI. RECONVENE CLOSED SESSION**

President Pennington reconvened from closed session at 8:20 p.m.

**XII. CLOSED SESSION REPORT (if any)**

President Pennington advised there was no reportable action.

**XIII. ADJOURN REGULAR MEETING**

President Pennington adjourned the regular meeting at 8:20 p.m.

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President of the Board of Public Utilities  
Commissioners of the City of Tulare

**ATTEST:**

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Secretary of the Board of  
Public Utilities Commissioners

**AGENDA ITEM: Consent 2**

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department:** Finance

**For BPU Meeting of:** November 16, 2017

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Accept Financial Status Report.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

The statements attached reflect Operating, CIP and Reserve funds that are part of the Water and Sewer funds. The Solid Waste fund only has a CIP fund and Operating fund. Staff has included inter-fund transfers on the respective fund columns so the Board can see where funds come from to pay for some of the projects.

The expenditures reflect the annual administrative fees and inter-fund transfers so the expenditures appear inflated. The administrative fees and inter-fund transfers are only made annually at the beginning of the fiscal year. Other regular expenses appear to be normal and tracking as such.

Water and Sewer revenue for the 12 months including the new rate period is coming in as proposed in the Water and Sewer rate study. Actual expenditures are comparable to the rate study as well. Consequently, the rate increases approved in August of 2016 seem to be working as proposed at the end of year one.

There was minimal increase in the Solid Waste Revenue.

**STAFF RECOMMENDATION:**

Accept Financial Status Report.

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:**  Yes  No  N/A

**Submitted by:** Darlene Thompson

**Title:** Finance Director

**Date:** November 7, 2017

**City Manager Approval:** \_\_\_\_\_

City of Tulare  
Sewer/Wastewater Utility Funds  
Summary of Revenue/Expenditures -Budget to Actual  
For the Four Months Ended  
October 31, 2017

	Funds 015 Sewer - Wastewater Operations										Fund 615 Capital		Fund 685 Reserves		Sewer Wastewater			
	Sewer Collection		Domestic Wastewater		Industrial Wastewater		Pretreatment		Energy		Total Sewer Wastewater Operations		CIP		Reserves		Total Funds	
	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual
<b>Revenues:</b>																		
Service Revenue - Operating Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,275,290	\$ 6,001,619	\$ 9,556,580	\$ 2,331,872	\$ 1,800,000	\$ 560,000	\$ 35,631,870	\$ 8,893,492
Miscellaneous Revenue											3,008,000	880,312				3,008,000	880,312	
<b>Total Revenues</b>	-	-	-	-	-	-	-	-	-	-	<b>27,283,290</b>	<b>6,881,931</b>	<b>9,556,580</b>	<b>2,331,872</b>	<b>1,800,000</b>	<b>560,000</b>	<b>38,639,870</b>	<b>9,773,803</b>
<b>Expenditures:</b>																		
Operations																		
Salaries & Benefits	763,230	269,020	1,121,540	390,032	1,357,140	513,240	100,290	26,709	17,120	4,068	3,359,320	1,203,069					3,359,320	1,203,069
Maintenance & Operations	1,377,018	354,844	2,588,909	582,103	2,966,288	690,319	52,790	18,918	658,967	91,759	7,643,973	1,737,943	197,330	23			7,841,303	1,737,966
Annual Admin, Franchise & IT Fees	72,820	57,720	134,612	111,760	134,462	105,610	(7,560)	(7,560)	7,300	7,300	341,634	274,830					341,634	274,830
Depreciation	1,341,500	452,968	1,030,040	330,251	2,862,060	954,096			510,810	170,270	5,744,410	1,907,585					5,744,410	1,907,585
Transfers to Surface Water			424,770	424,770							424,770	424,770					424,770	424,770
Transfers to Technology CIP	-	-	12,290	12,290							12,290	12,290					12,290	12,290
<b>Total Operations</b>	<b>3,554,568</b>	<b>1,134,551</b>	<b>5,312,161</b>	<b>1,851,206</b>	<b>7,319,950</b>	<b>2,263,266</b>	<b>145,520</b>	<b>38,067</b>	<b>1,194,197</b>	<b>273,398</b>	<b>17,526,397</b>	<b>5,560,487</b>	<b>197,330</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>17,723,727</b>	<b>5,560,510</b>
<b>Net Revenue from Operations</b>											<b>9,756,893</b>	<b>1,321,444</b>	<b>9,359,250</b>	<b>2,331,849</b>	<b>1,800,000</b>	<b>560,000</b>	<b>20,916,143</b>	<b>4,213,293</b>
<b>Other Expenditures</b>																		
Capital Outlay																		
Special M & O			63,000		403,623	145,374					466,623	145,374					466,623	145,374
CIP Expenditures			40,000								40,000	-	3,155,145	293			3,195,145	293
<b>Total Capital Expenditures</b>	<b>-</b>	<b>-</b>	<b>103,000</b>	<b>-</b>	<b>403,623</b>	<b>145,374</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>506,623</b>	<b>145,374</b>	<b>3,155,145</b>	<b>293</b>	<b>-</b>	<b>-</b>	<b>3,661,768</b>	<b>145,667</b>
Debt Service																		
Debt Service	765,750	(87,860)	4,052,750	(319,193)	9,851,600	(1,003,655)			626,320	(43,656)	15,296,420	(1,454,363)					15,296,420	(1,454,363)
<b>Total Debt Service</b>	<b>765,750</b>	<b>(87,860)</b>	<b>4,052,750</b>	<b>(319,193)</b>	<b>9,851,600</b>	<b>(1,003,655)</b>	<b>-</b>	<b>-</b>	<b>626,320</b>	<b>(43,656)</b>	<b>15,296,420</b>	<b>(1,454,363)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,296,420</b>	<b>(1,454,363)</b>
<b>Total Other Expenditures</b>	<b>765,750</b>	<b>(87,860)</b>	<b>4,155,750</b>	<b>(319,193)</b>	<b>10,255,223</b>	<b>(858,281)</b>	<b>-</b>	<b>-</b>	<b>626,320</b>	<b>(43,656)</b>	<b>15,803,043</b>	<b>(1,308,990)</b>	<b>3,155,145</b>	<b>293</b>	<b>-</b>	<b>-</b>	<b>18,958,188</b>	<b>(1,308,697)</b>
<b>Operating Transfers In(Out)</b>																		
			-	-	-	-	-	-	-	-	-	-	(517,250)	-	-	-	(517,250)	-
<b>Net Revenue/(Expenditures)</b>											<b>\$ (6,046,150)</b>	<b>\$ 2,630,434</b>	<b>\$ 5,686,855</b>	<b>\$ 2,331,556</b>	<b>\$ 1,800,000</b>	<b>\$ 560,000</b>	<b>\$ 1,440,705</b>	<b>\$ 5,521,990</b>
<b>Unadjusted Cash Balance at September 30, 2017</b>											<b>\$ 10,266,417</b>	<b>\$ 8,785,100</b>	<b>\$ 1,680,000</b>				<b>\$ 20,731,516</b>	

Expenses paid in July and August for June activities are included in the previous fiscal year's expense as the City uses a Modified Accrual Basis of accounting.

City of Tulare  
Solid Waste Funds  
Summary of Revenue/Expenditures -Budget to Actual  
For the Four Months Ended  
October 31, 2017

	Funds 012 - Solid Waste Operations											Fund 612 Capital		Solid Waste		
	Residential		Commercial		Street Sweeping		Roll-Offs		Other Revenue		Total		CIP		Total Solid Waste	
	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual Total	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual FY 2017
<b>Revenues:</b>																
Service Revenue - Operating Funds	\$ 4,990,010	\$ 1,626,267	\$ 1,804,720	\$ 622,282	\$ 1,020,390	\$ 367,645	\$ 703,580	\$ 228,453			\$ 8,518,700	\$ 2,844,647			\$ 8,518,700	\$ 2,844,647
Recycle Sales	46,820	11,001	6,240	8,064	-	-		1,410		\$ -	53,060	20,475			53,060	20,475
Miscellaneous Revenue									173,100	71,451	173,100	71,451			173,100	71,451
Interfund Loan Repayment											-	-			-	-
<b>Total Revenues</b>	<b>5,036,830</b>	<b>1,637,268</b>	<b>1,810,960</b>	<b>630,346</b>	<b>1,020,390</b>	<b>367,645</b>	<b>703,580</b>	<b>229,863</b>	<b>173,100</b>	<b>71,451</b>	<b>8,744,860</b>	<b>2,936,573</b>	<b>-</b>	<b>-</b>	<b>8,744,860</b>	<b>2,936,573</b>
<b>Expenditures:</b>																
Operations																
Salaries & Benefits	1,582,680	603,112	934,350	293,847	298,840	97,893	204,860	97,791			3,020,730	1,092,644			3,020,730	1,092,644
Maintenance & Operations	2,565,540	651,489	1,109,020	277,459	403,830	89,465	487,550	120,265			4,565,940	1,138,678			4,565,940	1,138,678
Annual Admin, Franchise & IT Fees	238,010	227,270	109,250	109,250	20,120	20,120	31,920	31,920			399,300	388,560			399,300	388,560
Depreciation	7,880	2,964					-				7,880	2,964			7,880	2,964
Transfers to Technology CIP	6,150	6,150					-				6,150	6,150			6,150	6,150
Total Operations	4,400,260	1,490,985	2,152,620	680,556	722,790	207,478	724,330	249,976	-	-	8,000,000	2,628,996	-	-	8,000,000	2,628,996
<b>Net Revenue from Operations</b>	<b>636,570</b>	<b>146,283</b>	<b>(341,660)</b>	<b>(50,210)</b>	<b>297,600</b>	<b>160,166</b>	<b>(20,750)</b>	<b>(20,113)</b>	<b>173,100</b>	<b>71,451</b>	<b>744,860</b>	<b>307,577</b>	<b>-</b>	<b>-</b>	<b>744,860</b>	<b>307,577</b>
<b>Other Expenditures</b>																
Capital Outlay																
Special M & O	13,088	690	4,363	230	2,181	115	2,181	115			21,814	1,150			21,814	1,150
CIP Expenditures	160,000		61,000	2,378			11,500				232,500	2,378	40,000		272,500	2,378
Total Capital Expenditures	173,088	690	65,363	2,608	2,181	115	13,681	115	-	-	254,314	3,528	40,000	-	294,314	3,528
<b>Operating Transfers In(Out)</b>	<b>(234,000)</b>	<b>(234,000)</b>	<b>(117,000)</b>	<b>(117,000)</b>	<b>(19,500)</b>	<b>(19,500)</b>	<b>(19,500)</b>	<b>(19,500)</b>			<b>(390,000)</b>	<b>(390,000)</b>	<b>(134,750)</b>	<b>390,000</b>	<b>(524,750)</b>	<b>-</b>
<b>Net Revenue/(Expenditures)</b>	<b>\$ 229,482</b>	<b>\$ (88,407)</b>	<b>\$ (524,023)</b>	<b>\$ (169,819)</b>	<b>\$ 275,919</b>	<b>\$ 159,936</b>	<b>\$ (53,931)</b>	<b>\$ (20,228)</b>	<b>\$ 173,100</b>	<b>\$ 71,451</b>	<b>\$ 100,546</b>	<b>\$ (85,952)</b>	<b>\$ (174,750)</b>	<b>\$ 390,000</b>	<b>\$ (74,204)</b>	<b>\$ 304,048</b>
<b>Unadjusted Cash Balance at September 30, 2017</b>											<b>\$ 4,095,171</b>		<b>\$ 830,008</b>		<b>\$ 4,925,179</b>	

Expenses paid in July and August for June activities are included in the previous fiscal year's expense as the City uses a Modified Accrual Basis of accounting.

City of Tulare  
Water Utility Funds  
Summary of Revenue/Expenditures -Budget to Actual  
For the Four Months Ended  
October 31, 2017

	Fund 010 Water Operations										Fund 610 Capital		Fund 680 Reserves		Water Funds			
	Admin		Distribution		Extraction		Treatment		Groundwater		Total Water Operations		CIP		Reserves		Total Water Funds	
	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	Annual Budget FY 2017	Actual	12 Mos Budget FY 2017	Annual Actual		
<b>Revenues:</b>																		
Service Revenue - Operating Funds										\$ 6,862,320	\$ 2,599,227	\$ 2,242,900	\$ 850,005	\$ 1,334,610	\$ 436,904	\$ 10,439,830	\$ 3,886,136	
Water Recharge Component										220,000	89,757					220,000	89,757	
State Revolving Fund												1,350,000				1,350,000	-	
Water Waste Fees										60,000	16,005					60,000	16,005	
Miscellaneous Revenue										601,100	230,995					601,100	230,995	
<b>Total Revenues</b>	-	-	-	-	-	-	-	-	-	<b>7,743,420</b>	<b>2,935,984</b>	<b>3,592,900</b>	<b>850,005</b>	<b>1,334,610</b>	<b>436,904</b>	<b>12,670,930</b>	<b>4,222,893</b>	
<b>Expenditures:</b>																		
Operations																		
Salaries & Benefits	506,270	177,362	880,950	322,220	206,090	80,236	139,700	47,324	59,770	15,020	1,792,780	642,162					1,792,780	642,162
Maintenance & Operations	558,690	165,249	656,535	490,957	1,722,965	554,521	203,117	68,531	904,930	8,512	4,046,237	1,287,770	10,000				4,056,237	1,287,770
Annual Admin, Franchise & IT Fees	37,060	12,820	89,690	87,690	49,050	47,950	17,700	17,700	15,290	15,290	208,790	181,450					208,790	181,450
Depreciation	7,530	2,508	976,180	328,136	210,050	81,664		605			1,193,760	412,913					1,193,760	412,913
Transfers to Surface Water									663,400	663,400	663,400	663,400					663,400	663,400
Transfers to Technology CIP	7,350	7,350	-								7,350	7,350					7,350	7,350
Total Operations	1,116,900	365,290	2,603,355	1,229,003	2,188,155	764,371	360,517	134,160	1,643,390	702,222	7,912,317	3,195,045	10,000	-	-	-	7,922,317	3,195,045
<b>Net Revenue from Operations</b>											<b>(168,897)</b>	<b>(259,061)</b>	<b>3,582,900</b>	<b>850,005</b>	<b>1,334,610</b>	<b>436,904</b>	<b>4,748,613</b>	<b>1,027,847</b>
<b>Other Expenditures</b>																		
Capital Outlay																		
Special M & O			98,000	11,097							98,000	11,097					98,000	11,097
CIP Expenditures											-	-	12,549,729	317,210			12,549,729	317,210
Total Capital Expenditures	-	-	98,000	11,097	-	-	-	-	-	-	98,000	11,097	12,549,729	317,210	-	-	12,647,729	328,307
Debt Service																		
Debt Service	1,012,740	456,250		(79,125)							1,012,740	377,124					1,012,740	377,124
Total Debt Service	1,012,740	456,250	-	(79,125)	-	-	-	-	-	-	1,012,740	377,124	-	-	-	-	1,012,740	377,124
<b>Total Other Expenditures</b>	1,012,740	456,250	98,000	(68,028)	-	-	-	-	-	-	1,110,740	388,222	12,549,729	317,210	-	-	13,660,469	705,431
<b>Operating Transfers In(Out)</b>																		
Operating Transfers In(Out)													2,992,000				2,992,000	-
<b>Net Revenue/(Expenditures)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,279,637)</b>	<b>\$ (647,283)</b>	<b>\$ (5,974,829)</b>	<b>\$ 532,795</b>	<b>\$ 1,334,610</b>	<b>\$ 436,904</b>	<b>\$ (5,919,856)</b>	<b>\$ 322,416</b>
<b>Unadjusted Cash Balance at October 31, 2017</b>											<b>\$ 2,846,349</b>		<b>\$ (445,435)</b>		<b>\$ 1,338,688</b>		<b>\$ 3,739,603</b>	

Expenses paid in July and August for June activities are included in the previous fiscal year's expense as the City uses a Modified Accrual Basis of accounting.

**AGENDA ITEM: Consent 3**

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department:** City Manager

**For Board Meeting of:** November 16, 2017

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Adopt Resolution 17-11 fixing the time for holding the regular meetings of the Board of Public Utilities to 4:00 p.m. and rescinding all resolutions or parts of resolutions in conflict therewith.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

On June 3, 1948, the Board of Public Utilities (Board) established the time for holding regular meetings to be the first and third Thursdays of each month, beginning at 3:00 p.m.

Concerns were expressed by both the Tulare City Council and the Board that this meeting start time is not conducive in providing for public participation. Three o'clock is during typical work hours for the majority of residents within our community, as well as, during the height of dismissal time for local schools, both conflicts of which would impact one's ability to actively participate in the democratic process of open and public meetings.

On May 4, 2017, the Board adopted Resolution 17-02, which established seven o'clock as the new start time for the regular meetings to improve public participation; however, it has been observed that attendance has not increased, but decreased.

On October 19, 2017, Board Member Blevins requested that the meeting time be moved back to three o'clock. It was the consensus of the Board to bring this item to the next meeting. Assistant City Attorney Sarah Tobias advised that staff would agendize the item for the next meeting for discussion and direction on establishing a more appropriate meeting time.

At the November 2, 2017 meeting, following discussion, the Board, by consensus, agreed to change the meeting time from 7 p.m. to 4 p.m.; however, due to a concern regarding the wording on the agenda, Assistant City Attorney Sarah Tobias advised that adoption of the resolution approving this change would need to be scheduled for the next meeting.

**STAFF RECOMMENDATION:**

Adopt Resolution 17-11 fixing the time for holding the regular meetings of the Board of Public Utilities to 4:00 p.m. and rescinding all resolutions or parts of resolutions in conflict therewith.

**CITY ATTORNEY REVIEW/COMMENTS:**  Yes  No

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:**  Yes  No



(If yes, please submit required budget appropriation request)

**Signed: Joseph Carlini**

**Title: Interim City Manager**

**Date: November 6, 2017**

**City Manager Approval: \_\_\_\_\_**

**RESOLUTION NO. 17-11**

**A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES  
OF THE CITY OF TULARE FIXING THE TIME FOR HOLDING THE REGULAR  
MEETINGS OF THE BOARD OF PUBLIC UTILITIES AND RESCINDING ALL  
RESOLUTIONS AND PARTS OF RESOLUTIONS IN CONFLICT THERE WITH**

**BE IT RESOLVED BY THE BOARD OF PUBLIC UTILITIES OF THE CITY OF  
TULARE, AS FOLLOWS, TO WIT:**

SECTION 1. That the regular meetings of the Board of Public Utilities of the City of Tulare shall be held on the first and third Thursdays of each month at the hour of 4:00 p.m.

SECTION 2. The location of these regular meetings will be held at the Tulare Public Library and Council Chambers, subject to any special meetings that may be scheduled from time-to-time at another location within the City, to accommodate for larger crowds, special topics, and/or community-town hall related meetings.

SECTION 3. All resolutions or parts of resolutions in conflict herewith are hereby rescinded.

PASSED, ADOPTED AND APPROVED this 16<sup>th</sup> day of November, 2017

\_\_\_\_\_  
President of the Board of Public Utilities of  
The City of Tulare

ATTEST:

STATE OF CALIFORNIA )  
COUNTY OF TULARE ) ss.  
CITY OF TULARE )

I, Joseph V. Carlini, Interim Clerk of the City of Tulare, certify the foregoing is the full and true Resolution 17-11 passed and adopted by the Board of Public Utilities of the City of Tulare at a regular meeting held on November 16, 2017 by the following vote:

Aye(s): \_\_\_\_\_

Noe(s): \_\_\_\_\_ Absent \_\_\_\_\_

Dated: Joseph V. Carlini, CITY CLERK

By Melissa Hermann, DEPUTY CITY CLERK

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department:** Fleet Maintenance Division

**For Council Meeting of:** November 16, 2017

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Award Bid Piggy-Back Purchase to Will Tiesiera Ford in the amount of \$95,381.60 for the purchase of four (4) 2018 Ford Regular Cab Half Ton Pickup Trucks for the Water Division and Wastewater Division.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

For the 2017/18 budget year, the Waste Water Division requested and was approved three (3) replacement trucks, and the Water Division requested and was approved the replacement of Unit 229 with a standard half-ton truck.

Bid 18-634 was sent out to vendors soliciting bids for two (2) Regular Cab Half-Ton Pickup Trucks on October 19, 2017 for the Streets Division.

Vendors that submitted bids were Visalia Ford with \$47,687.70, Will Tiesiera Ford of Tulare with \$47,690.80, Merle Stone Chevrolet with \$49,481.84, and Giant Chevrolet of Visalia with \$49,639.12. The lowest bid was Visalia Ford at \$47,687.70.

Based upon the language in the purchasing policy and prior service that has been provided by Will Tiesiera Ford whose bid complied with bid specifications, staff recommended and the Board awarded the bid to Will Tiesiera Ford, a local vendor, whose bid was less than five percent (5%) higher than the lowest bid received. The cost per truck was \$23,845.40.

The City's Purchasing Policy (page 18, section 4, subsection C) allows for the use of "Cooperative Purchasing or Piggy-Back" contracts to take advantage of competitively bid purchasing if it would "provide the City with benefits." Will Tiesiera Ford is willing to extend the pricing given the vehicles awarded with Bid 18-634 to the four additional vehicles requested with this transmittal.

**STAFF RECOMMENDATION:**

Award Bid Piggy-Back Purchase to Will Tiesiera Ford in the amount of \$95,381.60 for the purchase of four (4) 2018 Ford Regular Cab Half Ton Pickup Trucks for the Water Division and Wastewater Division.

**CITY ATTORNEY REVIEW/COMMENTS:**  Yes  No  N/A

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:**  Yes  No  N/A

**Submitted by: Steve Bonville**

**Title: General Services Director**

**Date: 11/07/2017**

**City Manager Approval: \_\_\_\_\_**

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department:** Public Works

**For Board Meeting of:** November 16, 2017

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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***AGENDA ITEM:***

Accept Water System Development Program update.

***IS PUBLIC HEARING REQUIRED:***  Yes  No

***BACKGROUND/EXPLANATION:***

At the February 18, 2016 Board of Public Utilities meeting, staff took an item to the Board (agenda item attached), requesting that the Board accept Carollo's Technical Memorandum No. 1 on the Matheny Sultz Water System Improvements, provide feedback on the Water System Development Program and appropriate funding for the Water System Development Program feasibility development. Carollo's Technical Memorandum No. 1 was a result of the City's concerns regarding the state of the water system and the City's ability to connect Matheny Tract (Pratt Mutual Water Company) and Soult's Mutual Water Company to the City's system. Carollo evaluated the City's water system and identified the projects needed to provided sufficient capacity to the existing system and to provide sufficient capacity for future water delivery needs. Using the Carollo study as a basis for future water system improvement projects, the Board accepted the study and created a project for the Water System Development Program.

At the June 16, 2016 Board of Public Utilities meeting the Board asked for a tracking of the milestones and updates on the Water System Development Program. Since that time, staff has been providing monthly updates to the Board regarding the program. The update identifies the three major parts of the program: Water Storage, Water Wells, and the State SRF Grant for a new water well and water main extension project. As the status report is updated each month, the updated items are highlighted to make the changes easily identifiable to the Board. Attached are the anticipated milestones and updates for the project to date.

There are no substantial updates since the last meeting. Staff is working with the contractors to finalize the contracts and establish start dates for new well #45 and for the storage tanks and wells at J Street and Alpine. The groundbreaking ceremony for the storage tanks and well was held on November 3 at the J Street site. A pre-construction meeting for new well #45 was also held on November 3 and pre-construction meeting for the storage tanks and well projects is scheduled for November 9, 2017.

***STAFF RECOMMENDATION:***

Accept Water System Development Program update.

**CITY ATTORNEY REVIEW/COMMENTS:** Yes No

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:** Yes No  
(If yes, please submit required budget appropriation request)

**Signed:** Trisha Whitfield

**Title:** Public Works Director

**Date:** October 11, 2017

**City Manager Approval:** \_\_\_\_\_

**Water System Development Program  
November 16, 2017**

**Water Storage Tanks**

Sites identified:

updated                      Site 1: 1258 N. J Street  
                                    Site 2: SE corner of Alpine Avenue & Nelder Grove. Provided update to BPU on 2/2/17

Design/Construction timeline:

June 28, 2016              CEQA for city projects published. 20 day review period  
July 12, 2016              RFP's for design of storage tanks published  
August 4, 2016             Responses to RFP due  
August 18, 2016            Award RFP at BPU meeting  
October 20, 2016          BPU approved design of two, 2.0 million gallon concrete storage tanks  
January 9, 2017            Planning Commission approved design review for J Street storage tank site.  
(amended CEQA due to change in size of tanks from 1.0 to 2.0 million gallons)  
February 13, 2017        Planning Commission approved design review of Alpine storage tank site.  
May 2017                    Plans and Specifications completed  
August 2, 2017            Advertise for bid for storage tanks and wells (J Street & Alpine). Bid due 9/7 and will  
award on 9/21.  
October 5, 2017            Award RFB 18-626 for the Water Storage Tanks and Wells project.  
November 3, 2017        Groundbreaking for Water Storage Tank and Well project.  
November 9, 2017        Pre-construction meeting for the storage tanks and well projects.  
November 2018            Anticipated completion of storage tanks and well project.

**Water Wells**

Sites identified:

June 2, 2016                Site 1: Board approved suitability agreement for 333 South I Street (Well 6).  
July 21, 2016                Site 2: 1258 N. J Street  
                                    Site 3: SE corner of Alpine Avenue & Nelder Grove. Provided update to BPU on 2/2/17  
January 19, 2017            Site 4: Cartmill Avenue between De La Vina Street & Mooney Blvd.

Design/Construction timeline:

June 28, 2016              CEQA for city projects published. 20 day review period  
July 12, 2016              Staff working with on-call Engineer to write specs for design-build wells  
August 2016                RFB for test wells published  
October 2016                RFP for design of water wells and hydrogeologists published  
October 20, 2016          Award RFB for test wells, design of water wells and hydrogeologist consulting services  
Award well design to Cannon for 333 S. I Street  
November 3, 2016          Award well design to Carollo Engineers for 1258 N. J Street  
November 4, 2016          Held pre-construction meeting for test wells  
November 14, 2016        Begin construction of test well #1 at 333 S. I Street. Estimated time frame - 6 weeks  
November 2016            Begin construction of two wells. Work to include: test wells & sampling, design of well  
construction, construction of the well(s), installation of pump & appurtenances  
December 15, 2016        Award well design to Carollo Engineers for Alpine & Nelder Grove site  
December 23, 2016        Completed test well #1 at 333 S. I Street. Awaiting lab results for final design  
January 3, 2017            Begin construction of test well #2 at 1258 N. J Street. Estimated time frame - 6 weeks  
January 19, 2017           Present BPU with information regarding proposed Cartmill well site  
February 1, 2017           Completed test well #2 at 1258 N. J Street. Awaiting lab results for final design

February 7, 2017	RFB for drilling of permanent well at 333 S. I Street published. Anticipate to award in March
March 16, 2017	Award RFB for construction of well at 333 S. I Street
March 16, 2017	Begin construction of test well #4 at Cartmill/Mooney. Estimated time frame - 6 weeks
March 21, 2017	RFB for drilling of permanent well at 1258 N. J Street published. Anticipate to award in May.
April 7, 2017	Completed test well #4 at Cartmill/Mooney. Awaiting lab results for final design
April 14, 2017	Begin construction of test well #5 at Alpine/Nelder Grove. Estimated time frame -6 wks
April 17, 2017	Begin construction of well at 333 S. I Street
May 4, 2017	Award RFB for construction of well at 1258 N. J Street. Anticipate construction to begin in May 2017
May 4, 2017	Award well design to Cannon for Cartmill & Mooney site
May 5, 2017	Completed test well #5 at Alpine/Nelder Grove. Awaiting lab results for final design
May 30, 2017	Anticipating to begin construction of well at 1258 N. J Street
June 4, 2017	Award RFB for up to five test wells to Johnson Drilling.
August 1, 2017	Advertise for bids for New Well #45 (I Street). Bids due 9/7 and will award 9/21
October 5, 2017	Award RFB 18-625 for New Well #45 Equipping Project.
<b>November 3, 2017</b>	<b>Held pre-construction for new well #45.</b>
November 2017	Begin construction of well
May 2018	Anticipate completion of well

**State Grant - Matheny/Pratt MWC Consolidation**

Sites identified:

July 21, 2016	Well Site 1: Closed session - real property negotiations for 2508 W. Tulare. Property negotiations cancelled - Looking for new well site. Well 14: 12" pipe north to Matheny Tract
October 6, 2016	Well Site 1: approval to purchase 820 Wright Way
June 2017	Well Site 2: City owned property at SW corner of Bardsley & K Street

Design/Construction timeline:

August 2016	Application for funding submitted to State
December 2016	All grant paperwork submitted and tentatively approved by the State, just waiting on CEQA required Cultural Report from consultant.
February 2017	Still working through cultural report. Anticipate final environmental by March.
February 15, 2017	Begin construction of test well #3 at 820 Wright Way. Estimated time frame - 6 weeks
March 2017	Completed test well #3 at 820 Wright Way. Final lab results determined the site the site is not suitable for a well (arsenic, TCP)
April 2017	Staff is looking for a new well site. Environmental documents on hold until a new well site is identified.
June 2017	Staff has identified the City owned lot at the SW corner of Bardsley & K Street as a potential well site. The test well will be started by the end of June and should take three weeks for drilling and an additional three weeks for lab results to come back.
July 2017	Complete application for funding (General, Technical, Environmental, & Financial)
August 3, 2017	Begin construction of test well at Bardsley & K Street. Estimated time frame - 6 weeks
September 2017	Complete construction of test well. Awaiting sample results.
December 2017	Finalize grant agreement with the State
February 2018	Award RFP for design, plans & specifications
May 2018	Plans and Specifications completed
June 2018	Construction documents out to bid



August 2018	Begin construction of well site and pipeline
January 2019	Construction of pipeline complete
May 2019	Construction well site complete

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department:** Public Works – Water Division

**For Board Meeting of:** November 16, 2017

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Accept Public Works Monthly Water System Report

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

Resolution 16-19, adopted by the Board on November 15, 2016 directs the Public Works Director to provide monthly reports regarding the status of new connections and water system performance.

**Definitions:**

**Total System Delivery Capacity**

The total delivery capacity of the city wells based on their potential production expressed in terms of Million Gallons per Day (MGD).

**System Capacity Loss**

The difference between the volume of water produced and the volume of water delivered through meters expressed in MGD. This encompasses capacity lost through pipe leakage, breaks and system maintenance operations such as flushing and sampling.

**Connections**

The number of new connections completed is reported on a monthly basis by the Development Services Department.

**Monthly Total Demand**

Monthly Total Demand is the average volume of water delivered through retail meters expressed in MGD.

**Peak Hour Demand**

Peak Hour Demand is a calculated estimate of the effective demand on the City water system during the highest use periods of the month expressed in MGD.

**Average Max Day Pressure**

The Average Max Day Pressure is the average of the high pressure data points recorded in the SCADA system for each well site, each day of the month expressed in PSI.

**Peak Minimum Pressure**

Peak Minimum Pressure is the average of the lowest pressure data points recorded in the SCADA system for each well site, each day of the month expressed in PSI.

**Pressure Standards**

The minimum daily pressure standard is 30 psi. The target daily average standard psi is 35 or higher.

**STAFF RECOMMENDATION:**

Accept Public Works Monthly Water System Report.

**CITY ATTORNEY REVIEW/COMMENTS:** Yes No N/A

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:** Yes No N/A

**Signed:** Trisha Whitfield

**Title:** Public Works Director

**Date:** November 16, 2017

**City Manager Approval:** \_\_\_\_\_

**Comparator Tool  
Projection vs Actual**

Month	System Delivery Capacity (MGD)	System Capacity Loss (MGD)	Demand (MGD)*		Pressure (PSI)		Connections Since Dec 2014 / Remainder of 952 Available Connections Completed		
			Monthly Total	Peak Hour	Ave Max Day	Min Peak Hour	This Month	Cumulative	Remainder
Oct-17	31.95	-	-	-	55.32	37.81	23	791	161
Sep-17	31.95	1.25	16.59	23.89	56.03	35.74	23	768	184
Aug-17	31.95	0.47	19.40	27.94	53.68	31.39	39	745	207
Jul-17	31.95	1.79	18.94	27.28	52.71	29.94	23	706	246
Jun-17	31.95	0.55	19.21	27.67	54.79	31.10	19	683	269
May-17	31.95	0.72	16.21	23.35	53.32	36.77	18	664	288
Apr-17	31.95	0.78	11.86	17.08	54.57	42.07	21	646	306
Mar-17	31.95	0.31	9.95	14.33	57.18	41.75	25	625	327
Feb-17	31.95	0.09	8.72	12.55	54.13	42.75	11	600	352
Jan-17	31.95	0.91	8.18	11.77	53.87	42.35	15	589	363
Dec-16	31.95	0.38	9.16	13.18	53.93	42.53	41	574	378
Nov-16	31.95	0.62	10.38	14.95	54.80	42.57	32	533	419
Oct-16	31.95	1.90	12.69	18.27	52.23	38.94	15	501	451
Sep-16	31.95	0.94	16.58	23.62	51.83	35.20	26	486	466
Aug-16	31.95	1.79	19.43	25.02	54.16	33.29	25	460	492
Jul-16	31.95	2.38	17.52	26.35	53.57	31.50	30	435	517
Jun-16	31.95	1.48	18.89	24.67	52.87	32.23	22	405	547
May-16	31.95	0.50	15.41	19.49	53.03	37.32	45	383	569
Apr-16	31.95	0.54	12.20	13.74	50.67	42.43	17	338	614
Mar-16	31.95	0.07	9.46	8.61	51.29	41.84	14	321	631
Feb-16	31.95	1.32	8.52	8.65	53.56	40.96	17	307	645
Jan-16	31.95	1.50	7.58	8.28	53.85	40.27	12	290	662
Dec-15	31.95	0.28	9.35	8.99	54.90	40.26	52	278	674
Nov-15	31.95	0.82	9.81	10.19	56.00	41.90	19	226	726
Oct-15	31.95	1.52	11.94	14.86	52.53	39.73	24	207	745
Sep-15	26.42	1.14	15.67	19.12	54.07	39.96	22	183	769
New connections completed between 12/01/14 - 08/30/15								161	791

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department: Solid Waste – Roll Off Division**

**For Board Meeting of: November 16, 2017**

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Award Bid 18-630 to E.M. Tharp of Porterville, CA for the purchase of one (1) Peterbilt roll-off truck with the Sparton body style in the amount of \$165,962.84 including tax and license.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

For the 2017/2018 Budget year the Solid Waste Division requested and was approved the purchase of one (1) replacement Roll Off Truck in the amount of \$250,000 from the Fleet Control Budget (FCB). Unit #5587 will be replaced because it is the oldest roll off unit currently in service and has been in service since 1993.

Bid No. 18-630 for one Roll Off Trucks was sent to vendors with specifications standardized on the rest of the Roll Off fleet.

The Bids received were;

<u>Company</u>	<u>Location</u>	<u>Chassis Type</u>	<u>Amount</u>
E.M. Tharp, Inc.	Porterville	Peterbilt	\$165,962.84
Affinity Truck Center	Fresno	Volvo	\$178,745.65
Papé Kenworth	Fresno	Kenworth	\$165,113.72

Bids were in compliance with the bid specifications and met the condition of the City's purchasing policy.

*Policy 15-04 section 4M (1) (2) - Value and Price Policies – states the following;*

- 1. Standardization - Departments are expected to make maximum use of standard products.*
- 2. Full Value Analysis – In order to assure that every reasonable effort is made to buy only those items which represent true value in relation to their necessary function,... may be required to perform a full value analysis... This analysis will be a comparison of offers based on total costs and value to the city which includes, but is not limited to, the following factors:*

- a. Actual cost
- b. Delivery costs
- c. Life expectancy
- d. Maintenance costs
- e. Parts availability

The Solid Waste division, in conjunction with Fleet Maintenance, has been working to standardize the Solid Waste fleet whenever the opportunity arises. This is to improve the efficiency and ease of repair and maintenance by streamlining parts availability and staff training. The Roll Off division has been standardizing on Peterbilt chassis.

The low bid on this RFB was from Papé Kenworth by \$849.12. Currently the City has 22 Peterbilt units and only 1 Kenworth unit. Fleet Maintenance has determined using a "Full Value Analysis" that the Papé Kenworth bid included a variety of service limitations, that E.M. Tharp bid does not have, which makes up for the \$849.12 difference between the two bids and that the Peterbilt unit would be the best value to the City.

**STAFF RECOMMENDATION:**

Award Bid 18-630 to E.M. Tharp of Porterville, CA for the purchase of one (1) Peterbilt roll-off truck with the Sparton body style in the amount of \$165,962.84 including tax and license.

**CITY ATTORNEY REVIEW/COMMENTS:** Yes No

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:** Yes No

**FUNDING SOURCE/ACCOUNT NUMBER:**

Fleet Control Budget FY17/18

**Signed:** Frank Rodriguez

**Title:** Solid Waste Manager

**Date:** November 16, 2017

**City Manager Approval:** \_\_\_\_\_

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department:** Engineering - Project Management

**For Board Meeting of:** November 16, 2017

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Award and authorize the City Manager to sign a contract with Don Berry Construction, Inc. of Selma, CA in an amount not to exceed \$2,352,008.36 for street and utility improvements associated with the EN0070 – Owens Avenue and 'I' Street Improvements Project; approve the revised project budget; and authorize the City Manager or designee to approve contract change orders in an amount not to exceed 10% (\$235,200) of the contract award amount.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

Capital Improvement Program Project EN0070 is located on 'I' Street between San Joaquin Avenue and Pleasant Avenue and on Owens Avenue between 'E' Street and 'I' Street. This project replaces failing and substandard water, sewer and storm drain mains, services and laterals, makes necessary ADA sidewalk accessibility improvements, and addresses the failed state of the existing roadway paving.

The proposed water system improvements included in this project are necessary to provide additional distribution system capacity in the vicinity of the new well that is being constructed on 'I' Street south of Inyo Avenue. Specifically, the project will install a new 10" water main in Owens Avenue, upsizing sections of existing 8" main and connecting the new well site to the existing 12" main in 'E' Street. This will improve distribution of the supply provided by the new well throughout the City's looped water system. Completion of this project is anticipated around the same time that the new well will be completed. This will ensure that when the well is brought online, the system will be able to immediately take full advantage of the additional capacity that it provides.

Due to the fact that the project's funding will include various transportation related funds, the City Council will also review this contract at its November 21, 2017 regular meeting.

**STAFF RECOMMENDATION:**

Award and authorize the City Manager to sign a contract with Don Berry Construction, Inc. of Selma, CA in an amount not to exceed \$2,352,008.36 for street and utility improvements associated with the EN0070 – Owens Avenue and 'I' Street Improvements Project; approve the revised project budget; and authorize the City Manager or designee to approve contract change orders in an amount not to exceed 10% (\$235,200) of the contract award amount.

**CITY ATTORNEY REVIEW/COMMENTS:**  Yes  N/A

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:**  Yes  No  N/A

**FUNDING SOURCE/ACCOUNT NUMBER:**

EN0064-040-0202

022 – Gas Tax

010 – Water Bonds

615 – Sewer Wastewater CIP

067 – Surface Water Management CIP

**Submitted by: Nick Bartsch**

**Title: Sr. Project Manager**

**Date: November 8, 2017**

**City Manager Approval: \_\_\_\_\_**



## TRANSPORTATION PROJECT

<b>PROJECT #EN0070 (PMS 2)</b>	<b>ACCT #</b>	<b>643-4643-6839</b>
'I' St.-Owens Improvements		<b>610-4610-6839</b>
		<b>615-4615-6839</b>
<b>(Capital)</b>		<b>647-4647-6839</b>
<b>(Capital)</b>		
<b>District(s): 2, 3</b>		

**PROJECT MANAGER:** Nick Bartsch

**PROJECT DESCRIPTION & PURPOSE:** Pavement Management System / Utility project on 'I' St. between San Joaquin and Pleasant; Owens between 'E' St. and 'I' St. Includes ADA Concrete work, Water, Sewer and Surface Water facilities.

**KEY POINTS:** Critical Utility Infrastructure Improvements; **Increased capacity from a proposed new well site**; Traffic safety; Relief from potential liability concerns; Compliance to the American Disabilities Act

**PROJECT STATUS:** Approved by TMT on 9/23/16

**PROJECTED START DATE:** 1/1/2017

**PROJECTED END DATE:** 6/30/2018

**FUTURE M & O:** No additional Cost  
(Additional Cost & Department Responsibility)

**CRITERIA (1-8):** Criteria 7: Project addresses regulatory, safety, or environmental requirements that could threaten in whole or in part the City's ability to operate a core program or function at some future time if not replaced or repaired.

Costs Description	Fiscal Year					Total	Unfunded
	2016/17	2017/18	2018/19	2019/20	2020/21		
<b>001 -Conceptual</b>	\$0	\$0	\$0	\$0	\$0	\$ -	\$ -
<b>002 - Preliminary Design</b>	\$0	\$0	\$0	\$0	\$0	\$ -	\$ -
<b>003 - Environmental</b>	\$6,000	\$0	\$0	\$0	\$0	\$6,000	\$ -
<b>004 - Final Design</b>	\$252,600	\$14,570	\$0	\$0	\$0	\$267,171	\$ -
<b>005 - Construct/Impliment</b>	\$0	\$2,910,330	\$0	\$0	\$0	\$2,910,330	\$ -
<b>006 - Close Out</b>	\$0	\$0	\$0	\$0	\$0	\$ -	\$ -
<b>Total Costs:</b>	\$258,600	\$2,924,901	\$0	\$0	\$0	<b>\$3,183,501</b>	\$ -
<b>Funding Sources</b>							
022 - Gas Tax	\$56,454	\$373,212	\$0	\$0	\$0	\$429,666	\$ -
021 - Measure R-Local	\$0	\$0	\$0	\$0	\$0	\$0	\$ -
077- CDBG	\$0	\$390,000	\$0	\$0	\$0	\$390,000	\$ -
010 - Water Bonds	\$109,285	\$1,127,511	\$0	\$0	\$0	\$1,236,796	\$ -
615 - Sewer/Wastewater CIP	\$45,264	\$489,219	\$0	\$0	\$0	\$534,483	\$ -
647 - Surface Water CIP	\$47,598	\$544,958	\$0	\$0	\$0	\$592,556	\$ -
<b>Total Funding:</b>	\$258,600	\$2,924,901	\$0	\$0	\$0	<b>\$3,183,501</b>	\$ -

*Revised: 11-16-17*

**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department: Public Works**

**For Board Meeting of: November 16, 2017**

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Receive the Public Works performance reports for October 2017.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

Public Works first reported performance dashboards for each of its divisions to the Board of Public Utilities in August 2015 with the intention of inviting additional transparency into the maintenance and operations activities of each of the divisions.

**Solid Waste**

Overall, fleet availability improved prior levels from 73% in September to 80% in October. Residential, Sweeper and Roll Off divisions met their availability targets. Commercial divisions did not meet their targets, achieving 76%.

In the Commercial Division, Unit 5007 was only available 4% of the time, the largest impact to availability. Unit 5007 was offsite for repairs for most of the month and only became available in the final week. In order to meet commercial targets, Unit 5007 must have been available for 80% of the month instead of 4%. This would have brought this division up to standard. Availability is measured in 'Route Days' – the total number of days in the month a vehicle is available to service a route divided by the total number of days with routes that require service.

**Water**

Water delivery, or water "sold," in September 2017 increased by 200,000 gallons (+0.04%) as compared to September 2016. Potable water production was increased by 9.5 million gallons (+1.8%) in September 2017 as compared to September 2016. Please recall that water delivery volumes lag by a month due to availability of billing data.

**Conservation**

In September, Gross Gallons per capita has decreased from 287 last year to 281 gallons per capita per day this year (-2%). This is a measurement of water use efficiency throughout the city as a whole across all customers. In September, the Residential Gallons per capita use decreased from 173 gpd last year to 162 gpd this year (-6%). Residential Gallons per capita looks specifically at residential water use only. Total water waste tickets in September were 363.

## **Collections**

In October, the Collections division was productive, cleaning over 36,000 feet of collection lines. Over half of its time (52%, 283.5 man hours) was spent on Preventative Maintenance. Corrective Maintenance activities were limited to 1% (11 man hours). 26% (141 man hours) were spent engaged in administrative tasks related to operating the division. Man hours for October 2016 were included for comparison purposes, however because preventative and corrective maintenance activities were not separated at that time, the Preventative Maintenance category shows more time spent than this year, and the corrective maintenance category shows no time spent last year.

## **Waste Water Treatment Plant**

There were several days in October that the WWTP did not perform to standards and exhibited higher than typical metrics for TSS and BOD. The monthly sample average of 39 mg/l for TSS was within permit requirements. BOD was higher than typical as well, producing a monthly sample average of 46, exceeding the permit requirements. The plant has since been adjusted, and the BOD and TSS metrics have improved. Ammonia metrics were acceptable and consistent with prior months.

Operationally, the WWTP completed 15 corrective work orders and 304 preventative maintenance work orders. Only 5% of work orders were completed to address an immediate and unplanned problem. The remaining 95% of work orders were for planned and preventative maintenance. Overall, 129 of the work orders were completed for the Domestic side of the facility and 190 for the Industrial side, 40% and 60% respectively. The gross total monthly influent and effluent volumes for both the Domestic and Industrial facilities increased (+13.4 MG) over September to a total of 354.5 MG.

## **Air Permit**

The WWTP maintains 14 total air permits throughout the facility and operations. The WWTP staff has reduced the overall number of Air Permits from 18 down to 14 when the existing Fuel Cells were taken off line. Staff has not yet received the fines associated with the two Notices of Violation issued on August 28, 2017 by the San Joaquin Valley Unified Air Pollution Control District.

## **Consultant Projects**

In response to the BPU's direction on June 1, 2017 to include project updates related to the 10 Year Energy Plan on the Department Dashboard, staff has added the '*Consultant Projects*' category. This will include monthly progress reports on any approved and ongoing consulting projects.

## **10 Year Energy Plan Project**

On November 2, 2017 Hydros submitted their October invoicing in the total amount of \$16,990.65 (14.8%). The total amount invoiced to date is \$85,702.85 (74.4%). The Natural Gas fuel cell is currently on schedule, pending resolution of the Interconnection Agreement issue. Below is a brief summary of the project activities invoiced for period 10/1/2017 through 10/31/2017:

- Oversight- weekly phone meetings with FCE regarding construction scheduling and design issues. Document reviews as appropriate. Providing reviewed written progress reports to City with exception reporting. One site visit. Onsite visit to confirm status of heat loop installation to industrial boiler
  - 4.5 hours
- Monitoring the removal of existing fuel cells. Consultation with FCE regarding notifications of unit removal and documentation for the purposes of notifying SJAPCD.
  - 1.5 hours
- Process Engineering Study: Preparation of field notes. Preparation of field notes. Initial analysis of biogas production and application for process heat. Value engineering alternative designs for heat use. Preparation of narrative of report and accompanying graphics.
  - 43.75 hours
- Brief City staff in person, by email and phone conversation by progress is owner's representative responsibilities by project, process engineering study. Project support provided to City staff re: PPA.
  - 6 hours
- Consultation and negotiation with FCE regarding location of biogas fuel cell, route of heat loop for BVF, cost of heat loop and routing/license for overhead electrical connection to Rinker circuit near WWTP office.
  - 10.5 hours
- Ongoing communication with Direct Energy regarding executable pricing, market conditions and consultation with City regarding transmittal and 5 year contract for purchase; attendance at BPU meeting; identification of issue to save on emergency tariff (SCG rate) for Oct. usage
  - 11.5 hours
- Conversations with Solar Project proposers about site conditions, existing system, status of interconnection application; Clarification of Proposals; details regarding financing options and proposer offering; technology compatibility with approved interconnection application; Analysis and due diligence on proposals, report to City; Review of City's options for prepaid PPA, purchase, monthly pay PPA and implications for Capex, costs/benefits to City
  - 41 hours

### CMMS Implementation Project

This project was approved in parts by both the City Council and the BPU within their respective purviews – the BPU for the Water and Wastewater Collections component, and the City Council for the Surface Water Management Component. The total project cost was approved for \$79,580 for all phases, \$63,160 for Water and Wastewater and \$16,420 for Surface Water. To date, \$54,340 (86%) has been invoiced and paid for Phase 1 and \$7,800 (47.5%) has been invoiced for Phase 2. As of 11/08/2017, the current status is as follows below:

- Phase 1 & 2 (Water, Wastewater Collections and Surface Water) Planning and Work Order Prioritization model - Completed.
- Consultant reports on Phase 1 & 2 Work Order Planning and Prioritization have been received and reviewed by Staff
- Phase 1 & 2 Implementation – Staff is working with the consultant to draft a Request for Proposals (RFP) seeking firm(s) to leverage GIS mapping resources to improve the CMMS final product.

**Solid Waste Rate Study**

On November 3, 2016 the BPU authorized a contract with R3 Consulting Group to carry out a series of studies (Solid Waste Routing, Operational Review, Vehicle Impact Fee Study and 10 Year Financial Plan) that will culminate in a Rate Study and propose any necessary changes to the existing Solid Waste rates. Total authorized expenditures for this project was \$168,000 to complete the work including Prop 218 mailings, staff time and \$13,500 for contingency, if necessary.

To date, \$128,836.25 (95.4% of total authorized expenditures) have been invoiced and paid. Staff has been working closely with R3 Consulting, reviewing and vetting drafts of these studies and reporting documents. The study report was delivered to the BPU on August 3, 2017, with a presentation from R3 to the Board on August 17, 2017. Staff will be returning to the BPU on December 7 with R3 to present proposed rate design options for the Boards approval. Once a rate design has been approved, staff will return for Board’s approval of a Proposition 218 notice.

***STAFF RECOMMENDATION:***

Receive the Public Works performance reports for October 2017.

***CITY ATTORNEY REVIEW/COMMENTS:***  Yes  No  N/A

***IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:***  Yes  No  N/A

***FUNDING SOURCE/ACCOUNT NUMBER:***

**Signed: Benjamin Siegel**

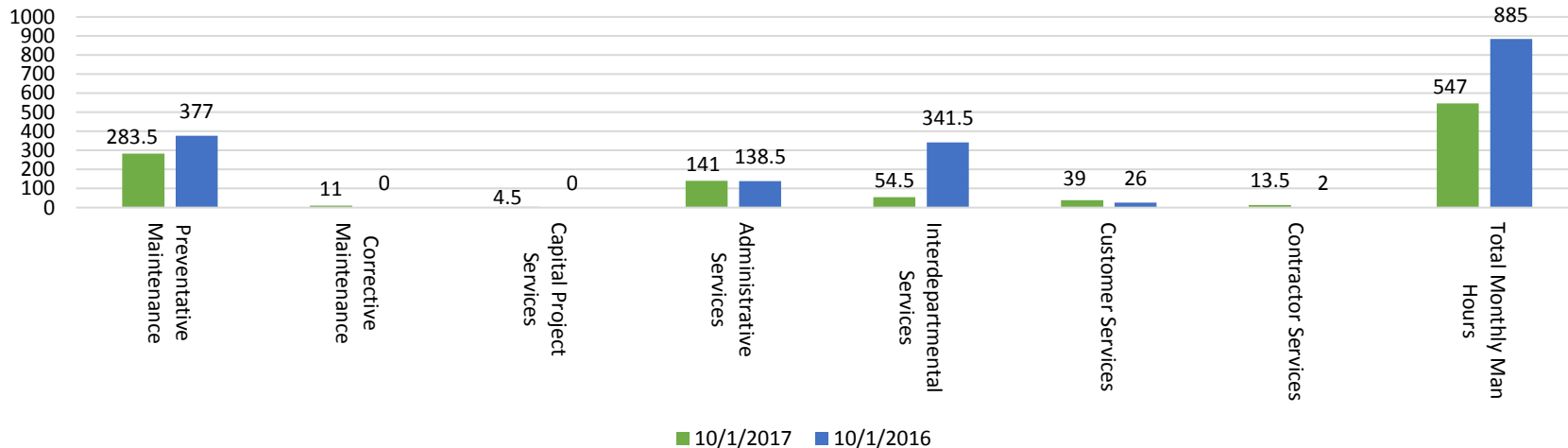
**Title: Management Analyst**

**Date: November 16, 2017**

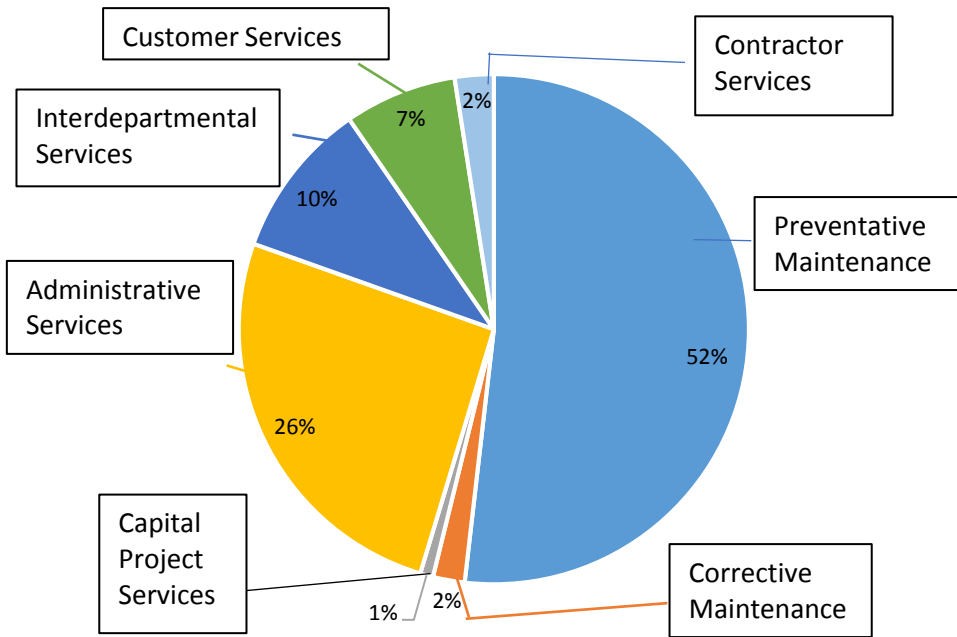
**City Manager Approval: \_\_\_\_\_**

**City of Tulare Sewer Collections Division  
October 2017 Dashboard**

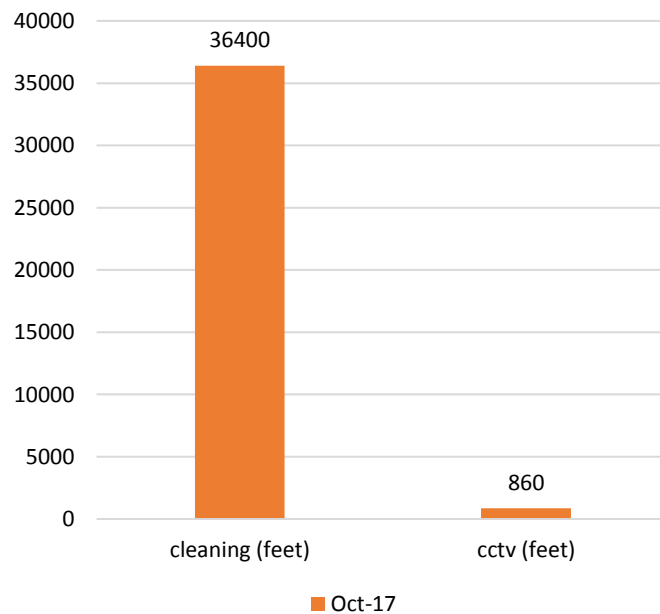
**October 2017 Man Hours**



**October 2017 Man Hour Distribution**

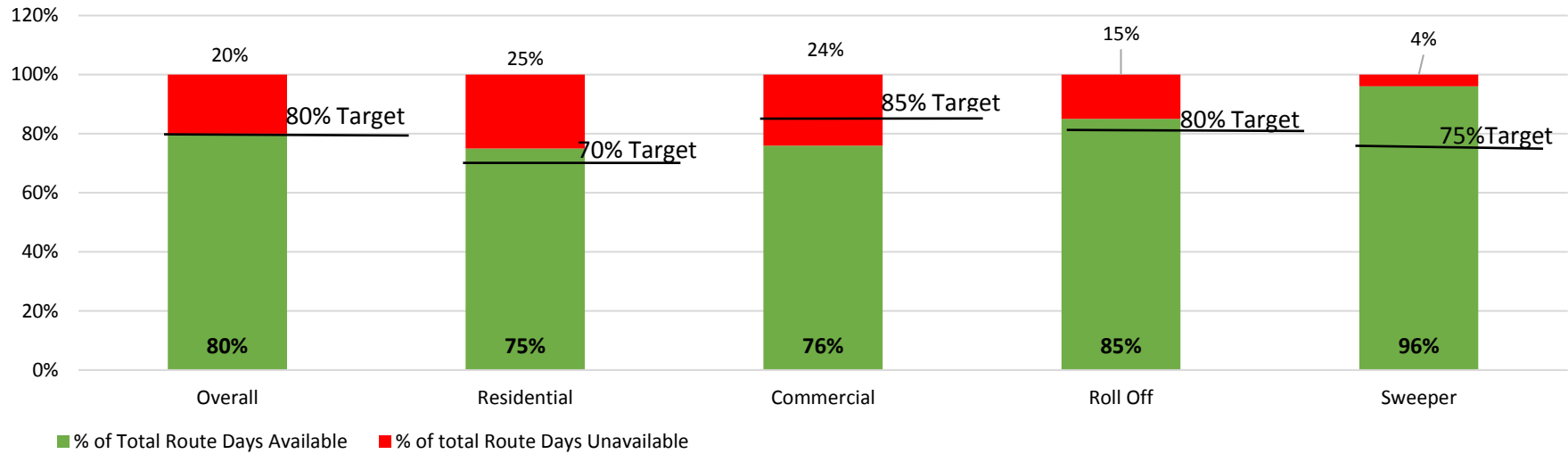


**Linear Maintenance Footage**

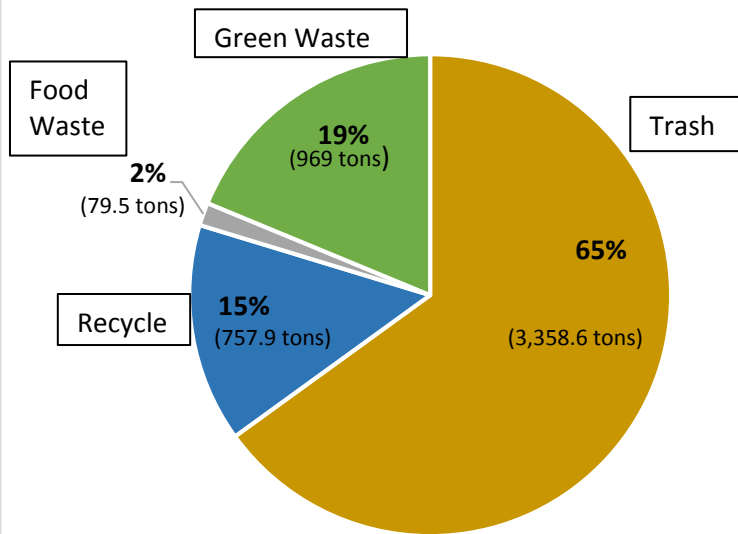


**City of Tulare Solid Waste Dashboard  
October 2017**

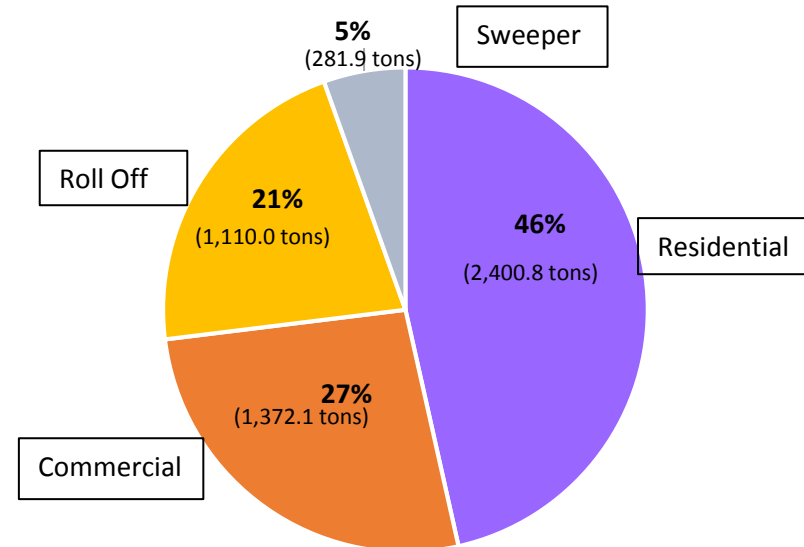
**Route Day Availability**



**Tonnage by Type**

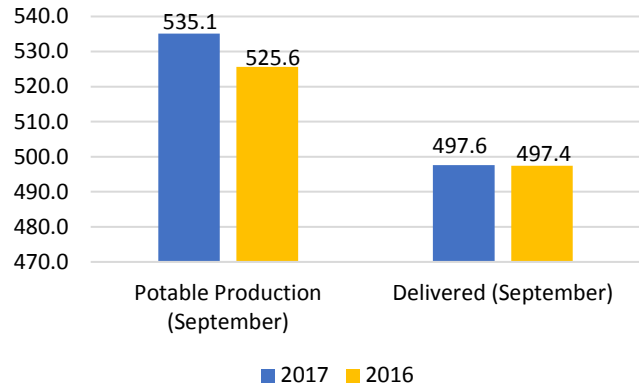


**Tonnage by Division**

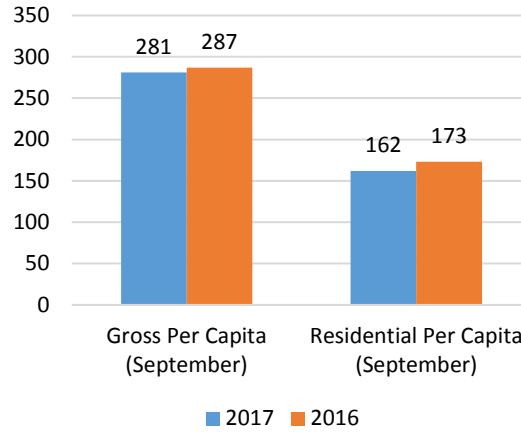


**City of Tulare Water Division  
October 2017 Dashboard**

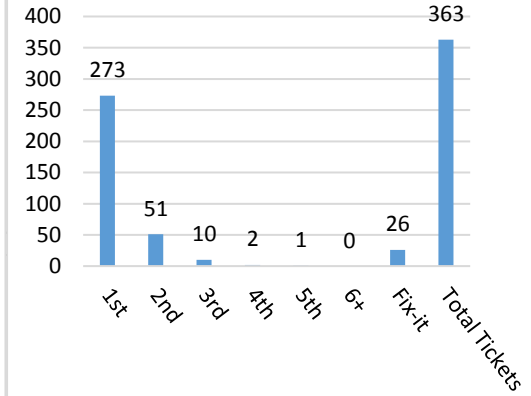
**Production & Delivery Volumes  
(MG)**



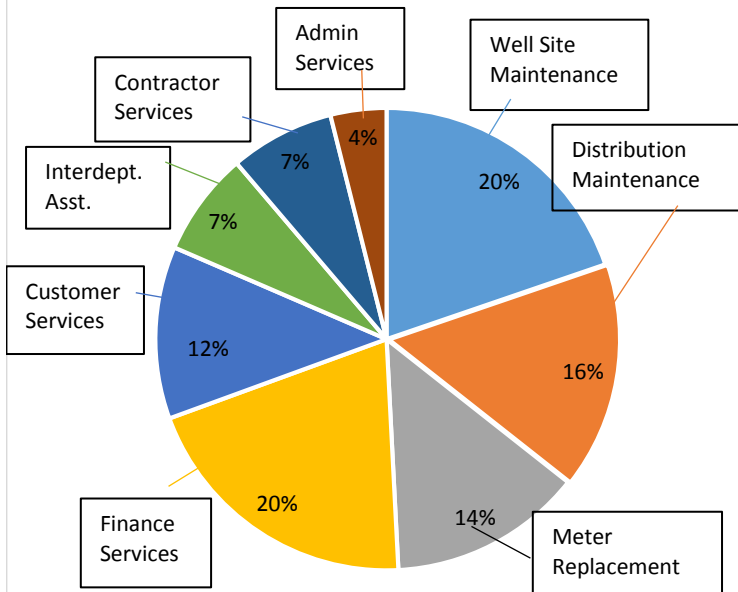
**GPCD & Residential -GPCD**



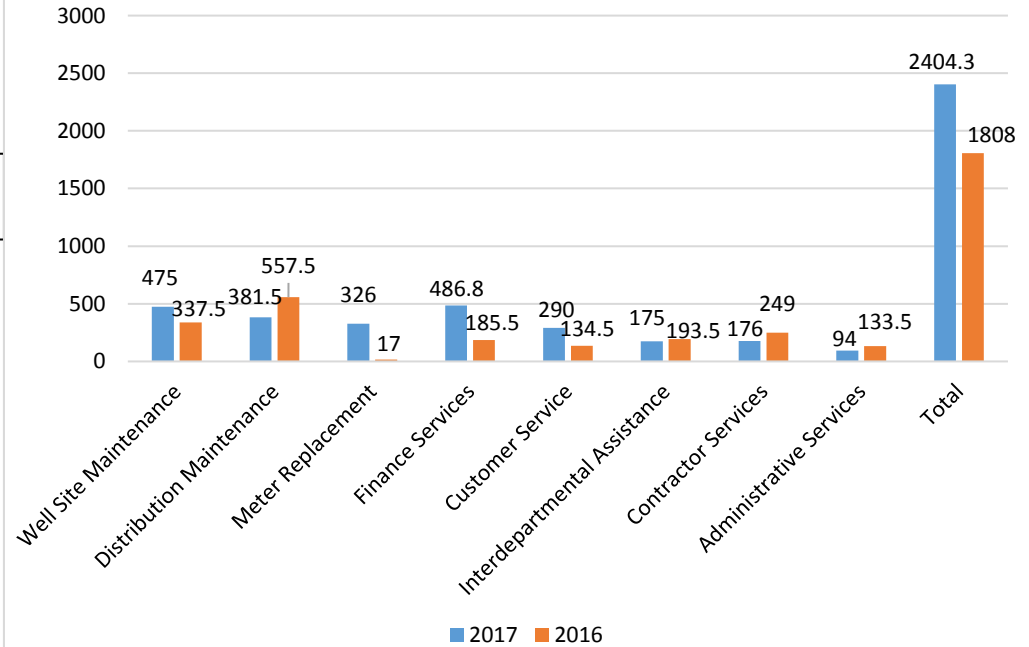
**October Water Waste Tickets**



**October 2017 Water Maintenance  
Man Hours**



**Water Man Hours -October 2016 & 2017**

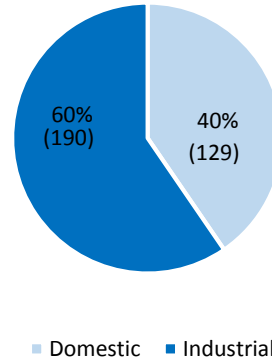




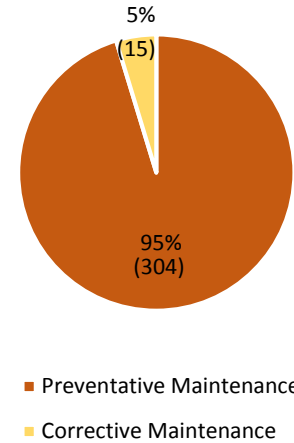
**City of Tulare WWTP Division  
October Dashboard**

Compliance				
	BOD <40mg/l	TSS <40mg/l	Ammonia <10mg/l	Nitrogen <10mg/l
Efficiency	97%	95%	99.5%	94%
Sample Avg (mg/l)	46	39	0.1	6.42
Air Permits		Influent (MG)	Domestic	Industrial
# of Permits	14	Daily Avg	3.23	8.2
# Compliant	14	Total Month	100.1	254.4
		Daily Peak	3.5	10.1
Effluent (MG)				
		Combined	354.5	

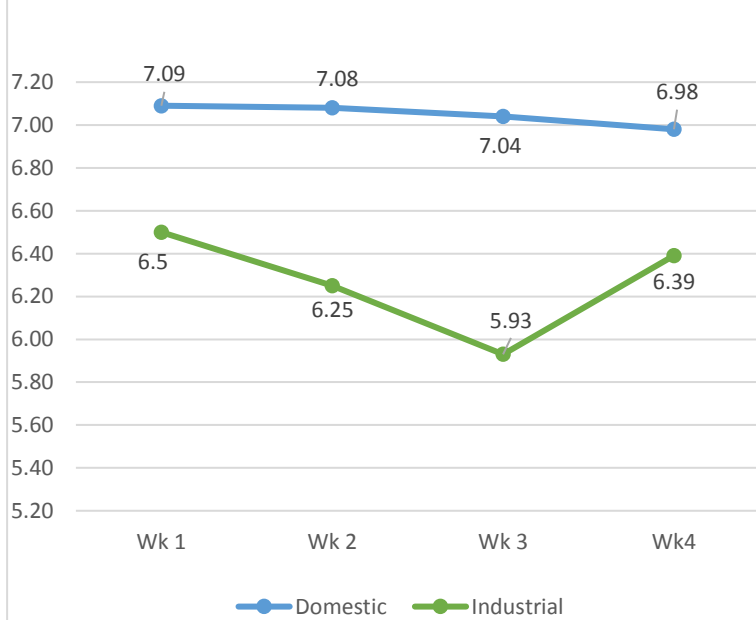
**Domestic and Industrial Maintenance Work Orders**



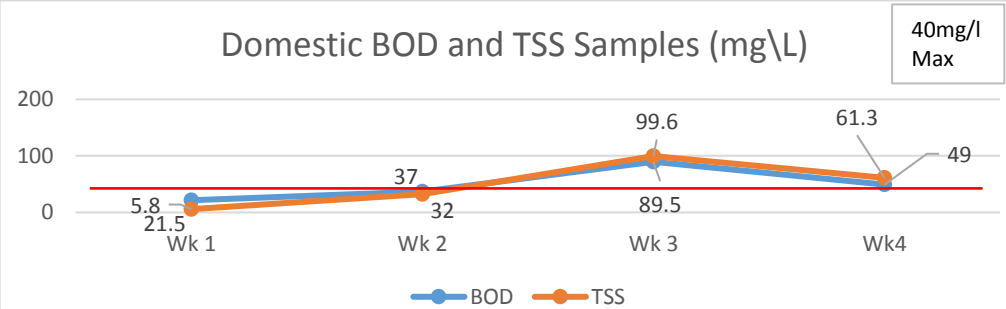
**Preventative and Corrective Maintenance Work Orders**



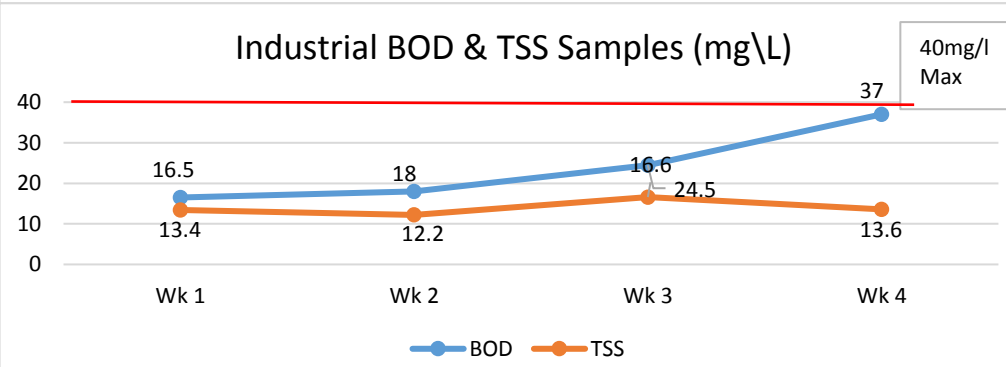
**Domestic & Industrial pH**



**Domestic BOD and TSS Samples (mg/L)**



**Industrial BOD & TSS Samples (mg/L)**



**CITY OF TULARE, CALIFORNIA  
BOARD OF PUBLIC UTILITIES COMMISSIONERS  
AGENDA ITEM TRANSMITTAL SHEET**

**Submitting Department: Public Works – Wastewater Treatment Plant**

**For Board Meeting of: November 16, 2017**

**Documents Attached:**  Ordinance  Resolution  Staff Report  Other  None

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**AGENDA ITEM:**

Approve the potential sale of the existing 1.0 megawatt solar energy generation facility from the Wastewater Fund (Fund 015) to another party.

**IS PUBLIC HEARING REQUIRED:**  Yes  No

**BACKGROUND/EXPLANATION:**

On October 7, 2010 the Board of Public Utilities (BPU) approved the purchase of a 1 megawatt (MW) solar array in the amount of \$5,403,714 to be installed at the wastewater treatment plant (WWTP) for solar generation of electricity to support operations by offsetting the energy demand of the WWTP.

The BPU has stated on several occasions that it desires to ‘*get out of the energy generation business*’. Staff has taken steps to carry out that direction, most notably the recently executed natural gas fuel cell PPA, moving responsibility for energy generation from the City to Fuel Cell Energy (FCE). The just finalized biogas fuel agreement is similar, placing responsibility for energy generation with FCE rather than the City. The only remaining energy generating installation that the utility owns and operates is the existing 1MW solar array.

Staff has begun addressing this facility by publishing a Request for Proposals (RFP) earlier this year to expand the solar facility through the use of a Power Purchase Agreement, or other similar options by an additional 2MW. The primary goal of the RFP was to expand the existing solar facility in such a way that the City would no longer be the facility owner and operator. An option that was included in the proposals received was that the proposers would purchase the existing 1MW solar facility and incorporate it into the expanded facility, and that they may own and operate the system.

**Impact of Sale or Transfer**

Currently, the City pays annually on the bond used to finance the solar facility. There remain 8.5 years left on the payment schedule (the final payment is scheduled for June 2026), and a remaining unpaid balance of \$2,406,701.32, principal and interest included and net of Build America Bond (BAB) interest repayments. This is what the city would pay for the remaining life of the bond if it continued to make payments as scheduled. If the system were to be paid off at some point between June and December of 2018 the payoff amount would be \$1,886,517.80. The RFP proposals included an estimated current market value of the existing system of \$1,500,000. This indicates that the existing system is upside-down, the utility owes

approximately \$386,517.18 more on the system than its market value, if the bond were to be paid off now. The sale of this facility would remove this debt from the books on Fund 015 if it were to sell for remaining value of the bond or more. If it sells for less than the bond amount, Fund 015 would retain responsibility for the difference.

The existing 1MW solar facility has been utilized to offset energy costs for the industrial facility at the WWTP. Given that there are now projects in place to offset energy costs for the entire WWTP, the solar facility would represent surplus energy generation and is not necessary for offsetting WWTP costs.

### Sale Considerations and Options

Apart from reducing Fund 015 debt, eliminating energy offset redundancy, and '*getting out of the energy generation business*', there are additional considerations that must be discussed. First, if the BPU comes to the consensus that it is agreeable to selling this facility, there are at least two potential customers related to the Solar Project RFP that may have an interest in purchasing:

1. Proposals received in response to the Solar Project RFP include options to sell the existing 1MW system to the proposer. This would result in a PPA where the proposer that receives the project award owns and operates the entire (now expanded) solar facility and sells energy at a discounted rate to other municipal facilities within the city, such as the water well system to offset those energy costs in the Water Fund.
2. Another implementation option for this project may be for the General Fund to purchase the solar facility expansion instead. The WWTP can then sell the existing 1MW facility to the General Fund. This would allow the General Fund to own and operate the expanded solar facility, offsetting general fund energy use and potentially selling the surplus generated electricity to the Water Fund at a discounted rate to offset the water system's energy use.

This option is entirely contingent on the City Council's receptiveness to owning and operating a solar facility and would require their approval. If this is the direction approved by both BPU and City Council, the details, terms and process can be determined at that point.

The bond assignment on the solar facility is assigned simply to 'The City of Tulare' and not Fund 015 specifically. As a result, if the City Council were to approve purchase the solar facility by the General Fund, one option would be simply for the General Fund to take over the remaining bond payments. Another purchase option for the General Fund would be to pay the full value of the existing solar facility to Fund 015.

The existing facility's productivity is another consideration. The existing solar facility was originally projected to produce a maximum "guaranteed" 1675.2 megawatt hours (MWH) annually when it was first approved in 2010. This included a 1% annual reduction in efficiency and 10% cushion. The prior 24 month period generated a 12 month average of 1,788.11

MWH, exceeding both the modeled and more conservative “guaranteed” energy generation projections developed at that time and identified in the original contract.

	Energy Year	Modeled Energy (MWH)	% change	“Guaranteed” Energy (MWH)
2011	1	1861.13		1675.02
2012	2	1842.51	-1.00%	1658.26
2013	3	1824.08	-1.00%	1641.67
2014	4	1805.84	-1.00%	1625.26
2015	5	1787.78	-1.00%	1609.00
2016	6	1769.90	-1.00%	1592.91
2017	7	1752.20	-1.00%	1576.98
2018	8	1734.68	-1.00%	1561.21

Prior 24 month period 6/2015 - 6/2017	
12 month avg	1788.11

The solar facility has been a beneficial and reliable energy project for the WWTP. It has lost value relative to the remaining debt owed, but has also been a good project over time. In keeping with the board’s prior request to remove the utilities from the energy generation business, and to proceed in evaluating the strengths and weaknesses of the solar project proposals Staff requests explicit direction: *“Is the Board still interested in selling the existing 1MW solar facility to another party?”*

**STAFF RECOMMENDATION:**

Approve the potential sale of the existing 1.0 megawatt solar energy generation facility from the Wastewater Fund (Fund 015) to another party.

**CITY ATTORNEY REVIEW/COMMENTS:** Yes No N/A

**IS ADDITIONAL (NON-BUDGETED) FUNDING REQUIRED:** Yes No N/A

**FUNDING SOURCE/ACCOUNT NUMBER:**

Signed: Joseph Carlini

Title: City Manager

Date: November 16, 2017

City Manager Approval: \_\_\_\_\_

## Solar Facility Repayment Schedule

Pmt Date	Principal	Interest	Total Pmt	BAB Repayment	Net Pmt	Outstanding Balance
6/10/2018	\$84,833.76	\$48,262.31	\$133,096.07	\$16,891.81	\$116,204.26	\$1,886,517.80
12/10/2018	\$89,653.97	\$46,145.71	\$135,799.68	\$16,151.00	\$119,648.68	\$1,759,873.29
6/10/2019	\$91,107.93	\$43,908.84	\$135,016.77	\$15,368.09	\$119,648.68	\$1,668,765.36
12/10/2019	\$96,131.85	\$41,635.70	\$137,767.54	\$14,572.49	\$123,195.05	\$1,572,633.51
6/10/2020	\$97,690.86	\$39,237.21	\$136,928.07	\$13,733.02	\$123,195.05	\$1,474,942.65
12/10/2020	\$102,926.51	\$36,799.82	\$139,726.33	\$12,879.84	\$126,846.49	\$1,372,016.14
6/10/2021	\$104,595.72	\$34,231.80	\$138,827.52	\$11,981.13	\$126,846.39	\$1,267,420.42
12/10/2021	\$110,051.42	\$31,622.14	\$141,673.56	\$11,067.75	\$130,605.81	\$1,157,369.00
6/10/2022	\$111,836.18	\$28,876.36	\$140,712.54	\$10,106.72	\$130,605.82	\$1,045,532.82
12/10/2022	\$117,520.58	\$26,086.04	\$143,606.63	\$9,130.12	\$134,476.51	\$928,012.23
6/10/2023	\$119,426.47	\$23,153.91	\$142,580.38	\$8,103.87	\$134,476.51	\$808,585.76
12/10/2023	\$125,348.55	\$20,174.21	\$145,522.76	\$7,060.98	\$138,461.78	\$683,237.21
6/10/2024	\$127,381.39	\$17,046.77	\$144,428.16	\$5,966.37	\$138,461.79	\$555,855.82
12/10/2024	\$133,550.43	\$13,868.60	\$147,419.04	\$4,854.01	\$142,565.03	\$422,305.39
6/10/2025	\$135,716.29	\$10,536.52	\$146,252.81	\$3,687.78	\$142,565.03	\$286,589.10
12/10/2025	\$142,141.96	\$7,150.40	\$149,292.36	\$2,502.64	\$146,789.72	\$144,447.15
6/10/2026	\$144,447.15	\$3,603.96	\$148,051.10	\$1,261.38	\$146,789.72	\$0.00

	Principal	Interest	Total pmt	BAB Repayment	Net Pmt	est. market price	Net Worth (est. market price - outstanding balance)
Total	<b>\$1,934,361.02</b>	<b>\$472,340.30</b>	<b>\$2,406,701.32</b>	<b>\$165,319.00</b>	<b>\$2,241,382.32</b>	<b>\$1,500,000</b>	<b>(\$386,517.80)</b>