# BOARD OF DIRECTORS
# Minutes of Special Meeting July 24, 2024

*The meeting was held by Zoom.*

Presiding Officer Aileen Loe called the meeting to order at 4:02pm.

**ROLL CALL**

**PRESENT:** Aileen Loe, Trever Thompson, Wanda Lenhardt, Heidi Ordwein
**ABSENT:** Brad Niess, Curt Cowan, Bachar Balach

**OTHERS PRESENT:** Rich Williamson, Business Manager; Reid Johnson, Company Engineer

**MEETING PURPOSE**
This meeting was called to authorize next steps on the Water Treatment Plant project that were time sensitive and should not be delayed to the next regular meeting of the Board of Directors in August.

**Water Treatment Plant Project update**
Project Manager Reid Johnson provided an update on the bid process for the project. Bids were opened on July 17, 2024; only one bid was submitted. The bid came in at $2.39 million, significantly higher than the Engineer's estimate of $935,000. The bid was considered non-competitive and not responsive relative to the size and scope of the project and was unreasonable.

The bid did not include the specialized treatment equipment, estimated to cost approximately $290,000. Reid had previously recommended that it be removed from the bid package and instead be pre-purchased. The pre-purchase was identified in part because of the long-lead time for the equipment.

Reid recommends that SPWC reject the bid, revise the contract documents and re-advertise the construction contract.The proposed revisions include: (1) breaking the work into two bid schedules, separating the electrical work from the rest of the project, (2) deleting a portion of the SCADA from the project. Reid presented this information in

an email that was shared to the Board of Directors earlier in the day (07/24/2024) and is attached to these minutes for reference.

Reid provided clarification about the two aspects of the SCADA, one part that controls the wells/treatment plant with data from the tanks and one part that monitors data from well production. Reid recommended that the second part (well production) be deleted. Rich Williamson inquired about the potential for AMI Smart Meters to be installed on the well-heads to obtain real-time production data. Reid replied that would be a good idea and would be much less expensive than the SCADA.

**MOTION #1:** ***Reject the bid.*** Motion by W.Lendhardt, second by H.Ordwein. Motion carried 4-0.

**MOTION #2:** ***Authorize Engineer Reid Johnson to re-advertise the project for bidding in accordance with recommendations outlined in his email on 7/24/2024 (attached).*** Motion by T.Thompson, second by H.Ordwein. Motion carried 4-0.

**Bridge Loan for Construction**
Project Manager Reid Johnson proposed that the SPWC seek a bridge loan to help manage cash flow while the two construction projects are underway. This helps maintain cash balances between the time when payments are made to contractors and reimbursements from the State are received.

**MOTION #3:** ***Authorize the Business Manager Rich Williamson to prepare, sign and submit an application on behalf of the SPWC to the RCAC for a bridge loan in the amount of $200,000.*** Motion by H.Ordwein, second by T.Thompson. Motion carried 4-0.

**Meeting Adjourned at 4:50pm.**

Next meeting August 10, 2024, 1:00pm in person at the lodge and via Zoom:

**Attachment:** Email correspondence from Reid Johnson, July 24, 2024

Gmail

Aileen Loe <aileen@sierraparkwater.com>

# WTP - For Today's meeting

**rj.jol2@gmail.com** <rj.jol2@gmail.com> Wed, Jul 24, 2024 at 10:48 AM
To: Aileen Loe <aileen@sierraparkwater.com>, Heidi Ordwein <heidi@sierraparkwater.com>, Trever Thompson <trever@sierraparkwater.com>, Wanda Lenhardt <Wanda@sierraparkwater.com>, Rich Williamson <rich@sierraparkwater.com>
Cc: Edgar Torres <Edgar@blackwater-eng.com>

Hi Aileen and Everyone

SCADA (supervisory control and data acquisition) is a selection of equipment and instruments to measure information and use it for system control or to collect the data.

There are two separate SCADA systems in our project with different functions, equipment, bid items, and funding agencies. The tank SCADA system that controls the wells to keep the tanks full, and the wells data SCADA system that records the water flows from the wells.

The scope called SCADA that was the focus of the DWR and DFA funding is the equipment and radio system at the tanks which reads the water level and transmits it to the treatment plant where it is used to start and stop the wells. This is the most important, critical, part of the project and will be constructed fully and well. This is the remote monitoring and automation of the tanks/well operations scope described in the Condition Assessment sections 4.3.2 and 5.4. Everyone agrees this is absolutely important and great effort was put into funding it between the two funding agencies. This can be called SCADA because it has instruments and transmits data by radio. The computer and SCADA software are not needed for the tank/wells operation and are not included in the tank SCADA bid item. Computers and software are only needed when data is stored or put into formats.

The AdEdge treatment equipment and back wash and sludge handling systems have its own controls independent from any computer.

The function of the wells SCADA system is to record the well data flow and water usage. Probably very few people knew that a computer and high tech software were included in the project. The computer and software are expensive and requires professionals to program and set it up. The computer SCADA can be impacted by corrupted power or surges. Professional service would be needed if there are any problems with the computer or software. There would be software license fee The cost of maintaining the treatment plant would be higher with the computer data SCADA system.

The tank/ wells control SCADA system is essential and needed. The wells data SCADA system is not necessary and is an option. We currently record the well meter readings weekly and include it in the reports. There is no State or funding requirement for a SCADA system. The DFA said they are ok with deleting the computer and software. The wells data SCADA is more expensive than the tanks/well control SCADA system.

The contractor that did a lot of work to prepare to bid on our project said it was the well SCADA the computer and software, that put the price above his bonding limit so that he could not bid.

I recommend that we rebid the project as soon as possible with the electrical separated into a different bid schedule.

I also recommend that we delete the well data SCADA the system so that the project would be within the bonding limit of the contractors that worked on their bid. By leaving the computer and software in the scope, we would get good bids on the building and infrastructure, but we may not get a bid on the electrical, or it may be the. $750,000 bid we received.

The only functionality we would lose with these recommended changes is we would not have automated meter reading on the wells. We would continue to read the well meters weekly as we are doing now when we make the weekly checks on the plant and water system.

Reid Johnson, 209-629-9220, rj.jol2@gmail.com

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