



Annual
Accomplishments
2020

66575 SECOND STREET
DESERT HOT SPRINGS, CA
92240

May 2020

Dear Board of Directors:

I don't need to tell you that these are very uncommon and challenging times for us, individually and together, as we move forward the work of our District. We have been told from the President down that we are essential workers, and we know that means we must keep providing the comprehensive service our jobs demand, while squarely in the midst of the COVID-19 pandemic and the challenges it has placed in our path. I can say that we will get through this, and thanks to your leadership, we are functioning well and doing everything we know to be prepared and continue to face the unexpected. We do need to come together through this experience and be out there, day and night, to provide a safe, reliable water supply to our customers. The communities we serve depend on us.

I think it is safe to say that we have and continue to demonstrate an unceasing commitment to the wonderful people who live in this District. Every year around this time, we provide you with a review of what we have accomplished during the year, and what we have on the horizon. The list this year is impressive and would not have been possible without your oversight and great leadership.

In addition to the day to day operations, we are also faced with very important challenges that we need to address. To begin, the District is in the midst of some significant legal challenges that we cannot ignore. With your considered direction, this work protects our interests and ability to provide a safe, reliable and affordable water supply for our customers and the future of our community. Over the year the Board has been regularly updated regarding the status of ongoing litigation with DWA and CVWD regarding management and control of our groundwater basins under the Sustainable Groundwater Management Act (SGMA), the most significant water legislation in California in a century. This litigation has taken several interesting directions over the year, has made us more visible in our community, has moved us into a positive relationship with the Agua Caliente Tribe, and has brought us as close to a successful resolution of our historic differences with DWA than we have ever been.

After being approached by DWA to consider a settlement proposal, we spent the better part of the year evaluating the legal and financial conditions of both agencies to determine how the deal proposed by DWA could be achieved. We were asked to put together a team of experts in public accounting, finance, taxation, engineering, and state water contracting, and to fully explore the legal

and financial ramifications of the proposed settlement. Our team of experts worked tirelessly to examine all aspects of the settlement before DWA unilaterally decided to discontinue negotiations. So close to resolution of a decades-old fractious relationship with DWA, we learned, and continue to learn from this experience, the details of our differences and what will likely put the District in good standing should the opportunity to bring the Coachella Valley water agencies into full alignment arise again in the future. Without the settlement, however, the litigation, which will likely decide the future of our District and our community, will continue.

We were one of only a handful of agencies in the state to get an alternative plan approved. The Alternative Plan, approved by the Board in 2018, is a replacement for a Ground Water Sustainability Plan (GSP) required by SGMA for all water purveyors in the state. This approval was a compliment to the District because the state confirmed that our 2013 Mission Creek/Garnet Hill Water Management Plan demonstrates and supports continued effective management and sustainability in our primary groundwater basins. That means that we had a forward-looking Plan in place several years early, which continues to provide the basis for managing our water. We have also succeeded in completing, and submitted, a second Annual Report for the Mission Creek Alternative Plan.

Even though we do have an approved Alternative Plan in place, the state is requiring that it be comprehensively updated by 2022. This will require substantial review and refinement of our Water Management Plan, including sophisticated modeling and analysis of the Mission Creek and Garnet Hill groundwater subbasins. We have spent much of the last year initiating the Plan revision and update process. This will be one of the most important and extensive projects we have undertaken in a decade and will provide insight and direction to the future development of our community. The Alternative Plan 2022 Update and Water Management Plan update are required by SGMA.

The District is also a participant the San Gorgonio Pass Groundwater Sustainability Agency (SGPGSA), which is in the process of preparing its GSP. Again, once that GSP is completed and approved, annual reports and updates will be required by SGMA for the SGPGSA. Our participation in the SGPGSA is relatively minor, so the expense will not be significant; we are, however, actively participating in that process.

As you know, we continue to work with the Tribe to manage and develop an alternative water resource for the District. We are in the early stages of a feasibility study that should be completed sometime over the next year. As you know, last year we entered into an MOU with the Tribe, which is forward

looking, and provides the basis on which we will work together cooperatively to achieve responsible management of our groundwater.

MSWD has always been committed to involving the communities it serves. To this end we have formed and participated with various community committees and groups to get input from the community to develop policies and procedures we need to run our District. These committees and groups worked tirelessly to understand and make recommendations on almost every aspect of our operations. This year we formed a group of community members to help us explore and chart the course of how to best manage our groundwater supply. That group was the Ground Water Study Group that worked for months studying and preparing recommendations for the District to consider. It was very time consuming but also extremely helpful, and the District was appreciative of the time and effort this group devoted over the last year to this endeavor. My thanks to the community!

Fortunately, based on your prudent decisions, we are in a better position financially than we were during the great recession of 2008. We entered this pandemic lean and well organized, which has resulted in the smoothest possible adjustment to operate under these new and challenging conditions and restrictions.

Lastly, I want to again address our strategic planning process which has directed our efforts toward the accomplishment of the goals you established for us to achieve. These, together with (and in some ways despite) the new challenges we face today, are shaping our District:

Water Supply - *MSWD meets the current and future water supply needs of its customer base and its community. Implementation of this goal will include strategies and programs designed to develop new water resources and conserve existing resources.*

Infrastructure - *MSWD provides continuous investment in its infrastructure systems to ensure the treatment and distribution of existing and future water and wastewater supplies, as well as maintaining and improving its facilities and operational support systems.*

Financial Management - *MSWD practices stewardship of its financial resources in a responsible manner to ensure the current and future reliability of its operations.*

Public and Political Outreach - *Develop opportunities to positively influence outcomes favorable to MSWD. Developing strategic alliances and partnerships as well*

as fostering better relationships with other political entities and members of the public accomplish this goal.

Organizational Development - *MSWD is committed to hiring, training and retaining the highest quality employees while providing them with the tools and organizational structure to grow in their personal and professional development.*

This is the time of the year when we reflect on what we have achieved. This year says more than ever that there will always be new or unexpected challenges over time, and that our paramount goals are to be prepared and flexible enough to meet those challenges proudly and successfully, now and for the future. Fortunately, with the strong foundation of the leadership you provide, and the work of our dedicated, experienced and excellent staff, we have everything it takes to move our District proudly forward.

Thank you for your strong and excellent oversight and leadership!

Sincerely,



Arden Wallum

Leaders aren't born, they are made. And they are made just like anything else, through hard work. That's the price we have to pay to achieve that goal or any goal.

– Vince Lombardi

Administration

Cost of Service/Rate Study implementation (continued) AND UPDATE

On March 1, 2016 the first phase of our five-year rate action was implemented and on January 1, 2020 the fifth and final phase was implemented. Communication on bills and reminder postcards were also sent to all customers as we continue to be proactive in educating our customers about District finances. Because many assumptions and circumstances had changed, the rate study was reviewed and updated by a third-party consultant to ensure that the District is doing its due diligence with regards to rates. This was completed prior to the 1/1/20 increase.

Improvements to District IT system

A new firewall was implemented by our IT consultants during 2019. This new (smart)firewall protects the District better than our old firewall with less maintenance costs to our consultants. It learns and protects against patterns of invasion attempts.

Register Failures and AMI System

2019 proved to be a very challenging time in relation to the mass failure of Master Meter registers due to a manufacturing defect. While issues and communication continue with Master Meter in an attempt by the District to correct this problem, a new solution had to be implemented in the meantime. Beginning in December 2019, the District is installing and implementing a new AMI (Automated Meter Infrastructure) system. This system should be fully functional by summer 2020 and will prove to be as better system than the prior. This system will not only make reading meters easier for District staff but drastically improve the information that is available to the customer on a regular basis. There was also a \$300,000 grant that staff obtained to help offset the cost of this project.

New Building

Efforts continue toward the design and construction of a new administrative building. During 2019 staff further explored the possibility of combining both District locations into one at the corporate yard. This exploration continues into 2020.

District Credit Cards

Wells Fargo has provided district staff with credit cards that are currently being tested. This new system will greatly minimize the amount of time that staff spends on gathering documentation and reconciliation each month. Once staff has completed testing, these cards will be used by all current District users of CalCard.

Assessment District #18

Assessment District #18 was completed during 2019 and established by voters. This will be an imperative part of obtaining grant financing in the future and enable the District to complete the Groundwater Protection Plan. Grants are being pursued now that will further this project along.

Disaster Training

District staff attended and completed several different Disaster Preparedness trainings during 2019. Included in this training was a “tabletop exercise” that enabled District staff to have a dress rehearsal of a mock disaster. This training is invaluable and helped staff to adapt accordingly during the COVID 2019 pandemic.

Fleet Outsourcing

During 2019 the majority of the District’s fleet was outsourced to Enterprise Fleet Management. This will save the District approximately \$40,000 per year in total fleet costs as well as provide newer vehicles than the district has historically had.

Implementation of SB998

This senate bill set new requirements for shut offs related to delinquencies, required policy revisions and other changes such as providing certain customer service documents in six different languages. Many staff hours were spent on these changes and this was successfully implemented in early 2020.

SCIP Program Implementation

The District began participating in the SCIP (Statewide Community Infrastructure Program)

Program. This program provides yet another financing tool for customers and developers to use in the financing of the connection fees and/or infrastructure projects.

Blood Drive

On September 11, 2019 the District had a very successful second annual blood drive. The community and District staff were served well by this function. Another example of MSWD giving back to the community.

Government Affairs/Program & Public Affairs/Human Resources

General

- Successful succession planning/management restructuring to better serve the District growing needs
 - Two staff members hired; one staff member retired
 - Extended expertise to track and manage government activities
- Additional financing and grant sources
 - Coronavirus Aid, Relief, and Economic Security Act (CARES)
 - JPIA Wellness Grant
- Continued completion and tracking of Employee Performance Evaluations
- Passage of the Board Handbook
- Passage of the Employee Handbook
- Implementation of the Employee Recognition Program
- Completion and launch of the Strategic Communications Plan
- Completion of consultant selection for Administrative Code Codification

Government Affairs

- Support MSWD Board of Director in their representation of the District
- Extended State Advocacy Contract
- Extended Federal Advocacy Contract
- Creation of Annual Legislative Brochure in support of Groundwater Quality Protection Project

Public Communication

Public communication consists of traditional outreach and public awareness activities to ensure Brand enhancement in the community. Further, it assures that community members are well informed about the essential issues, values and mission of the District. General Public Outreach is a primary tool for building trust, good will and respect for the agency.

- Enhanced social media presence through regular posts and interactions.
- Enhanced on-line ad program including geo-fencing tech that ensures ads run within MSWD service area only.
- Continued ad placement in local publications highlighting vision, values water quality and conservation
- Promoted district values and conservation through numerous sponsorship-related ads in partnership with local non-profit and community organizations

- Participated in water-issues forums through print media websites
- Authored numerous press releases related to elected officials, special events and issues of importance.
- Launched AD18 outreach.
- Provide support services for Customer Service, including
 - Assist in handling phone calls and information requests
 - Addressing “challenging” customers via phone or in person
 - Assisting with CS messaging on billing statements and billing inserts
 - Assisting CS manager in finding references and policies related to various customer inquiries and interactions
- Attended various events that featured MSWD such as Rotary, School events and general community groups (HOAs, etc.).
- Facilitated the REAL Academy visits to MSWD. There are two student field trips which include interaction with MSWD staff from each department. The purpose is to expose middle school students and REAL Academy candidates to career opportunities in the water field as well as teach them about the renewable resource of water.
- Continued outreach to I-10 property owners to continue conversation about sewer collection project.

COVID-19 Communications

As a result of the Novel Coronavirus (COVID-19) Pandemic, Mission Springs Water District launched into a multi-platform outreach strategy to facilitate public outreach and reassurance during this uncertain period.

- Daily Updates were provided both to the board and staff. These updates reported on happenings with MSWD, local/county government affairs, state affairs and federal affairs.
- A webpage was developed that provided information about water quality and COVID-19. The webpage also includes all of the daily updates and any associated press releases that MSWD issued.
- A billboard was put up in the middle of April with a message of reassurance to our greater community that “We are in this together.”
- Two monthly (April & May) inserts were included in customer’s bills.
 - April’s insert displayed phone numbers for our community as an “Emergency Resource” sheet that customers can keep or display. Resources included: utilities, food assistance, mental health, and emergency services
 - May’s insert was a collage of photos of MSWD team members in the community ensuring that the community water and sewer services went uninterrupted.

Strategic Communications Plan

The development process of this Strategic Communications Plan resulted in the following primary communication goals for Mission Springs Water District (MSWD), adopted by the MSWD Board in January 2020. These goals lay the foundation for the communication efforts outlined in this plan. The Strategic Communications Plan resulted from MSWD's Strategic Plan of 2016. Throughout the COVID-19 Pandemic the Public Affairs team utilized key components from the Strategic Communications plan, such as updating billboard messaging, continued transparency and engagement with community members through website and social medias.

- POSITION Mission Springs Water District (MSWD) as a steward, leader, effective water service provider and trusted source of information, first to its customer base and then in the in the regional community of professionals, industry groups and media.
- ENHANCE internal employee communications and external stakeholder relationships through transparency and timely, candid flow of information, as well as improving the decision-making process by considering perspectives from all staff classifications.
- SUPPORT Board communication by providing accurate information, training and resources to build a culture of collaboration both internally and with the community.
- COMMUNICATE a clear and unified message through key mediums, both internally and externally. Motivate, educate and engage staff and Board to deliver key messages and increase stakeholder awareness.
- ENGAGE and educate customers, community and stakeholders about the value of MSWD.
- SET the stage for communication longevity and readiness, including crisis communication.

The Plans' elements include six (6) different key outreach objectives, each with their respective tactics and goals. A Strategic Communications Plan Update will be provided to the board every six (6) months to ensure and track that each element and the public outreach calendar are put into effect.

- Community Engagement & Education
- Image Awareness & evolution
- Employee & Board Empowerment
- Internal Communications Excellence
- Regional Industry Leadership
- Succession Planning & Communication Readiness

Cost of Service/Rate Study/sewer fee to tax roll

The Programs & Public Affairs Associate (PPAA) assists other departments with messaging and outreach activities related to implementation of Board policies and legal notices.

- Provided support services to the finance and customer service departments in public outreach related to notices about the January rate increases for water and sewer.
- Ensure rate information is updated on the website and other public-access mediums
- Provided support services for annual placement of sewer fee to the tax roll, including reviewing a letter with the Accounting department sent out to customers.
- Managed dozens of phone calls about the tax bill and sewer fees

Assessment Districts and Capital Project funding - GWPP

The PPAA provides key leadership in spearheading development of financing districts for the proliferation of the GWPP. The primary function of the PPAA is public outreach and education. Secondary is management of the assessment formation process, interaction with the Assessment Engineer and Bond Counsel, and support for the Executive Assistant in ensuring proper notification and implementation of Proposition 218.

- The GWPP continues to move forward. PPAA provides support service in development of local, state and federal funding. In 2019, the PPAA accompanied the team who met with the USACE to develop a long-term strategy to access the USACE Section 219 Construction Authorization. The PPAA is also working with MSWD's engineering office to develop a strategic approach to development of future funding and project areas.
- The AD-18 Outreach initiative began in 2018. In November 2019, AD 18 was successfully voter-approved with close to 60% of votes in favor of the project. AD 18 includes seven (7) difference neighborhood areas, from the former AD 12 sub areas. This process included multiple mailings and public meetings, as well as facilitation of reports and presentations for the Board and public in accordance with Proposition 218. New outreach efforts such a door hanger, robocalls and robo texts were used to reach the public.
- AD-16 formation at the Interstate 10 and Indian industrial corridor is ongoing. Activities over the past year include developing new scenarios in an attempt to create a financing district which would exclude non-supportive properties. This also required extensive work with the assessment engineering firm and design engineers. Significant amounts of communication were also part of the ongoing effort as well as an annexation proposal (in process).

Conservation and compliance with state mandated activities

The PPAA is the primary office for implementation of conservation programs. These include mandated and un-mandated programs as well as state monitoring programs, reporting and legislation.

- Monitored and reported on legislation related to changes in conservation mandates for public water agencies
- Ensured compliance with state-mandated conservation measures to ensure continued reduction in per-capita water use in MSWD's service area
- Ensured monthly compliance with state water use reporting the CA "Drinc" portal
- Assisted in completion of Electronic Annual Reporting for conservation through the state Drinc portal.
- Continued to represent MSWD on the CV Water Counts group for regional conservation efforts and implementation of an "Addy-Award" winning program.
 - Participate in monthly planning meetings
 - Participate in regional events
 - Plan and participate in annual Desert Horticultural society event including presenting on water issues
 - Plan and participate in annual Coachella Valley Water Summit
 - Plan and participate in the Water Counts Academy
 - Partner with valley water agencies to create and execute regional messaging related to conservation
 - Review and approve monthly Facebook posts
 - Managed the marketing consultant contract

Special Projects

The PPAA is often tasked with special or non-traditional projects or assigned support roles within such projects.

- Districting/Transition to a By-Division Election: In January, MSWD held its first public hearing to kick-start the districting process. The second public hearing was held in February 2020. Unfortunately, due to the COVID-19 Pandemic and by the Governor's Executive order, the districting process was halted.
 - A special webpage was created on the MSWD website explaining the process and to show good-faith efforts to encourage public comments on any eventual proposed maps or during the first two public hearings which were for public comment only, no maps presented.

- SGMA: The Sustainable Groundwater Management Act presents significant and complex challenges to MSWD. The PPAA has been tasked with assisting the General Manager with elements for addressing SGMA, including:
 - Preparation of a communications plan
 - Preparation of and comment on various correspondences and media pieces
 - Support in developing a milestone Valley Voice article
 - General assistance to the GM on conference calls and follow-up activities.
 - Appearances before the television outlets and management of print media inquiries.
- Advanced Meter Technology: The AMT project has expanded to create an opportunity for technological advancement throughout the MSWD service area.
 - Modification and updates to AMT technology for practical implementation (wired to wireless, independent power source, improved integration into agency meter installation standards)
 - 26 customers signed up for the AMT pilot project.
- Annual Consumer Confidence Report. The CCR is a mandated publication that reports on the water quality of the three service areas of MSWD. The report compiles water sampling results and information about water quality into a document that must be made available to the public by July 1 of each year. This effort is a collaborative between Operations Department (water production) and the PPAA.
 - Contract with designer for creation of post card notice and CCR document
 - Review with Staff and state health authorities
 - Oversee printing and distribution of CCR in accordance with State law
 - Comply with state-required confirmation of notice
 - Ensure both an English and Spanish version of the CCR are uploaded to the website
- Serve on the Greater Coachella Valley Chamber of Commerce (GCVCC) Board and the United Way of the Desert (UWD) Board.
 - As a member of the GCVCC Board, MSWD can have a voice on various business activities or advocacy related efforts both locally and regionally. This is a great benefit for MSWD as they can ensure that certain activities take place in Desert Hot Springs, especially since before joining with the GCVCC, the Desert Hot Springs community has been without a chamber for the last few years.
 - Attends monthly board meetings

- Attends various regional mixers, legislative updates/breakfasts
- MSWD, along with other local water agencies, partakes in a billing assistance program, Help2Others, which is administered by UWD. UWD's mission to break the cycle of poverty in the Coachella Valley. UWD also has an inhouse program, Raising a Reader, that partners with the local school district to promote literacy. As a board member of UWD, the benefit assures that our greater Desert Hot Springs community has a voice to ensure programs are executed in the most northern city of the Coachella Valley. This is a great benefit to both MSWD's customer base as well as the agency, as increasing literacy and financial assistance may translate into increase self-sufficiency and assist in bill payments. As of May 1, 2020, MSWD doubled the amount a customer can request for assistance, previously a one-time \$50 credit in a 12-month period. Now customers, can request up to a one-time \$100 credit in a 12-month period.

Human Resources

- Passage of the Board Handbook
- Passage of the Employee Handbook
- Implementation of the Employee Recognition Program
- Continued completion and tracking of Employee Performance Evaluations
- Implementation of staff-wide Sexual Harassment Training, Defensive Driving Training, and First Aid/ CPR certification
- Department of Transportation Clearinghouse Complaint
- Successful Onboarding of 12 new employees which equates to just less than 25% of MSWD staff

Engineering

This past year has been very busy for the Engineering Department maintaining the programs they administer and managing multiple capital and development projects. Engineering gained a new staff member, Marco Perez, Engineering Technician I. Marco is proving the right decision was made as he continues to excel and take on more responsibilities.

Below is a report of the multiple achievements of goals and objects including status of several projects and some highlights of what Engineering is working on. This list is nowhere near all-inclusive of the tasks that are completed each year.

Completion of the AD-12 Area D-1 Sewer Construction Project (Prop 84)

This project was completed in March 2014. Staff is preparing the fifth of ten annual Project Performance Reports to be submitted to DWR on or before June 1, 2020. Staff continues to maintain the monitoring log as a requirement of the grant.

AD-12 Area J-1 (Base bid and J-1-3) Sewer Construction Project (Prop 84)

This project was completed on September 21, 2016. Prop 84 requires annual performance monitoring for ten years after the completion of the project. The third of ten annual Project Performance Reports was submitted to DWR on October 1, 2019. Staff continues to maintain the monitoring log as a requirement of the grant.

AD-12 Area D-2 Sewer Construction Project (Prop 84)

This project completed on February 8, 2017. Prop 84 requires annual performance monitoring for ten years after the completion of the project. The third of ten annual Project Performance Reports will be submitted to DWR on or before May 1, 2020. Staff continues to maintain the monitoring log as a requirement of the grant.

Sewer Line Design for Areas H and I (Prop 1)

The District was awarded \$372,000 for the design of Areas H and I through the Prop 1 DAC Involvement Funds. Staff has selected a design consultant through a competitive procurement process. Preliminary design is underway. Additionally, Staff continues to prepare quarterly reports and invoicing as required for grant funding.

Sewer Line Design for Areas A and G (USACE Section 219 Funds)

The District was awarded \$1.2M towards the \$1.6M design costs to design Areas A and G. Staff continues to work closely with the USACE to ensure the obligated funds are implemented on schedule.

Notice to Connect “Make the Connection” Program

Staff continues to monitor all properties that have not connected in the assessment areas constructed to date.

Below are the sewer connection statistics as of March 2020:

- Area F: 783 connections out of 821 total parcels
- Area M-1: 201 connections out of 215 total parcels
- Area D-1: 168 connections out of 179 total parcels
- Area F-1: 64 connections out of 69 total parcels
- Area L: 438 connections out of 443 total parcels
- Area J-1: 125 connections out of 157 total parcels
- Area D-2: 288 connections out of 362 total parcels
- Area J-1-2: 15 connections out of 37 total parcels

Strategic Planning 2017

The District is in the third year of the implementation of the strategic planning process. Priorities, budgets and goals will be set based on the strategic plan to proactively pursue the vision of the District.

AQMD Solar Project

The District worked closely with SunPower to complete punch list items and, subsequently, the Board accepted the Project in October 2019. Thereafter, Staff worked out the details for an operations and maintenance contract with SunPower which went into effect January 2020. Staff completed and submitted all required AQMD grant reporting, reimbursement request, and project deliverables in January 2020. Staff continues to monitor the grant closeout with AQMD. In addition, Staff continues to track project performance (via SunPower’s Project Portal), and electrical generation and bill credits (via SCE) to ensure performance requirements are met and bill credits are applied correctly.

Chromium 6

In March 2020, the State Water Resources Control Board (SWRCB) issued a Notice of Opportunity for Public Comment on their White Paper Discussion on Economic Feasibility Analysis in Consideration of a Hexavalent Chromium MCL. Staff is in the process of reviewing the White Paper and evaluating a potential comment letter response. Further, the District received an Integrated Regional Water Management Implementation grant for a Chrome 6 wellhead treatment project. Due to the repealed Chromium 6 MCL and delay in issuing a

new MCL, Staff completed a grant amendment with the Department of Water Resources (DWR) to repurpose said grant funding for the Well 42 project.

Well 42 Project (Prop 84)

The Project was approved by the DWR as an alternative project for the \$920K grant funding for the Chromium 6 Wellhead Treatment Project. The Project CEQA was completed in November 2019 and design updates were completed in March 2020. The Project is currently in the Bidding phase, with bid award expected in May 2020. Additionally, Staff has contracted with RollApart to fabricate the well building and has retained consultants for construction management and inspection of well drilling and construction, and associated site improvements. Construction is expected to begin in July 2020. Finally, Staff continues to prepare quarterly reports and invoicing as required for grant funding.

Mission Springs Water District West Valley Wastewater Reclamation Facility

Staff continued working closely with the consultant to move the design forward; key dates include completion of 60% design in June 2019 and 90% design November 2019. Staff recently complete a comprehensive review and comment on the 90% design and the consultant is working toward final design. Staff and consultant completed CEQA in August 2019. Thereafter, Staff completed and submitted the State Revolving Loan Fund (SRF) application with the SWRCB in September 2019. Staff continues to closely monitor progress toward securing a combination of grant and SRF funding. Additionally, Staff worked closely with the Regional Water Quality Control Board (RWCQB) and received a draft Waste Discharge Requirements (WDR) permit notification in February 2020; the final WDR is on schedule for RWQCB approval in June 2020. The Project is expected to be ready for construction in Summer 2020. Finally, Staff submitted a Tentative Parcel Map application to the City of Desert Hot Springs in February 2020 to convert all 37 parcels into three properties; one for the WVVWRF, one for the solar field, and one for Well 33.

West Valley Wastewater Reclamation Force Main and Trunk Sewer

Staff worked closely with the consultant and received the 60% design in August 2019. Thereafter, progress has been delayed due to evaluating easement required of the proposed truck sewer. Staff is working with the City of Desert Hot Springs to obtain public right-of-way along Little Morongo Road, between Dillon Road and 18th Avenue, the would be mutually beneficial to both agencies. Staff expects to know more about these issues in the coming months and will reevaluate initiating 90% design at that time.

Willow Hole Groundwater Monitoring Wells (Prop 1)

Staff continues to maintain the monitoring log for a comparison on groundwater levels prior to and after tamarisk removal by CVCC. Initial tamarisk removal by

CVCC was completed in March 2018 and additional removals are completed as CVCC funding allows. Staff completed the final hydrogeological study in September 2019. The study concluded that, with the limited data set (i.e. 1 year) there was no correlation between the water levels and recent removal of tamarisk, and that continued monitoring was required. In addition, grant completion reporting, invoicing, and deliverables were completed with the CVMC in November 2019. The grant was subsequently closed out in February 2020.

N. Indian Canyon Drive Sewer Construction Project

The construction contract was executed in May 2019 with Tri Star Contracting II, Inc. Thereafter, the preconstruction meeting was held in August 2019. Staff was notified thereafter that several utilities marked by USA were not shown on the design plans, which impacted the project alignment. Staff evaluated the issues and determined that a shift in the proposed alignment was required. Subsequent negotiations with the contractor to accommodate the alignment shift failed and Staff issued a Notice of Termination to the contractor in February 2020. Staff is in the process of contracting with a consultant to update the design, then will rebid the project. Staff continues to work closely with the County of Riverside and is monitoring progress on the North Indian Canyon Widening Project. The widening project is not set to go to construction until late 2020, allowing the District sufficient time to redesign and construct the sewer project.

Automated Meter Infrastructure Replacement Program

In August 2019, Staff received five bids for the project. Staff evaluated the bids and the Board awarded the project to the lowest responsive bidder in September 2019. Construction began in December 2019 and is expected to be complete in July 2020.

Horton WWTP Infiltration Pond Expansion Project

November 16, 2018 the construction contract was awarded to TryCo General Contracting for a contract price of \$170,669. Construction was completed on May 9, 2019.

Water and Sewer Master Plans Update

Staff prepared the RFP and is requesting proposals for submittal in May 2020.

Horton WWTP Influent Pump Station Odor Control System

Staff completed design in November 2019. In January 2020, Staff received seven bids for the construction. Staff has evaluated the bids and expects to award the project to the lowest responsive bidder in April 2020.

Horton WWTP Activated Sludge Unit Demolition

Staff completed design in September 2019. In January 2020, Staff received three bids for the construction. Staff has evaluated the bids and determined that bid prices are substantially higher than expected. As such, Staff has elected to defer the project construction until a greater need exists.

Wells 27 & 31 Drywells

Staff completed design in September 2019. In November 2019, Staff received ten bids for the construction. Staff evaluated the bids and awarded the project to the lowest responsive bidder in February 2020. Construction is expected to begin in April 2020.

MSWD Corporate Yard Repairs and Block Wall Project

Staff has contracted with a consultant to complete design, reaching 90% at this time. Staff has decided to prioritize the completion of wall design, deferring the pavement completion to be evaluated at later time.

Terrace Reservoirs Rehabilitation and Site Improvements

Staff completed 60% design in January 2020. However, design was put on hold to complete a full seismic and structural evaluation of the three tanks as they are critical to the District's water supply system. Staff is currently contracting with a consultant to complete the seismic and structural evaluation. Design will resume thereafter, incorporating recommendations from the seismic evaluation, if warranted.

Vista Reservoir No. 2

Staff has contracted with a consultant to complete design of the second Vista reservoir. The additional reservoir will ensure greater operational flexibility and allow the existing tank to be taken out of service for a full rehabilitation. Staff expects receiving the preliminary design in April 2020.

Desert Willows Waterline Replacement Project

Staff has contracted with a consultant to complete design for replacing aging PVC waterlines within and surrounding the Desert Willows community off of Pierson Avenue, south of the High School. Staff completed 60% design in March 2020 and expects to receive final design in April 2020. In coordination with the City, Staff have fast-tracked the project to complete construction prior to the High School 2020/21 school year in August 2020.

Pending and Approved Development Projects

Staff has been very busy addressing inquiries for several new development projects during this past year. The following projects are currently in various stages ranging from plan check to beginning construction to project completion:

- Two Springs RV Resort
- Vista Rosa
- N. Indian Canyon Widening Project
- Multiple marijuana cultivation facilities and dispensaries
- DHS 109 Industrial Park
- Tuscan Hill/Walton Group
- Highland Falls/Walton Group
- Grocery Outlet
- United Pentecostal Church
- Rolling Hills Watermarke
- Tyson Ranch
- Desert Hot Springs Library

Fats, Oils, and Grease (FOG) Program

The end of 2019 completed the FOG Program's ninth year and it continues to run smoothly. Since the program was implemented in 2010, 74 facilities have been either permitted or waived. Time is spent tracking compliance, assuring permit renewals are sent, doing routine site inspections, and monitoring pumping events. Staff diligently helps program participants maintain compliance with the District's FOG Ordinance. Staff continues to educate customers of the importance in complying with the program by handing out best management practices posters. Staff remains confident that continuous efforts will be successful in reaching a 100 percent compliance rate. Staff continues to utilize the specialty FOG Program software, LinkoFOG, to increase the efficiency of monitoring and reporting.

Geographical Information System (GIS)

Staff along with GIS consultant, Nobel Systems, has worked diligently to update the water and sewer facilities mapping. Changes to our existing GeoViewer Online and GeoViewer Mobile platforms have added increased functionality, including standardized reporting for all our maintenance functions and more analytics. Staff will launch the Public Viewer platform to our customers and outside agencies (utilities, engineering firms, realtors, etc.) in April 2020. This platform will assist customers and outside agencies with general water and sewer availability inquiries and limit their need to visit the District office or call in.

PlanetBids eProcurement

Staff continues to utilize the new procurement process, PlanetBids. The web-based company provides solutions to help public agencies better manage bids, contracts, insurance certificates, and emergency operations in an easy to use system. This is streamlining outreach efforts to suppliers while gaining greater

control of traditional time-consuming procurement practices. Procurement has become more strategic as reports are readily available and manual tasks are automated. The recognized benefits of time and money savings managing RFQs, RFIs, RFPs, and electronic bids for purchase of commodities and professional and construction services.

Assistance to other departments on District projects

- Engineering assisted in the following projects during 2018:
- AD-18 assessment district formation
- Potential I-10 and Indian sewer assessment district (AD-16)
- Preparation of exhibits for SGMA
- CVRWMG Plan Update
- AMI Meter Replacement Program

Operational highlights

During 2019 the Engineering Department processed the following (approximate):

| | | | |
|-----|--|-----|---|
| 248 | Incoming and outgoing transmittals for development and CIP project plan checks, material submittals, project deliverables, etc. | 1 | Received and reviewed applications for Financial Assistance |
| 74 | Incoming and outgoing transmittals for landscape plan checks. | 29 | Received, reviewed and processed Requests for Information |
| 230 | Prepared, processed, notarized and recorded Non-Transferable Lien Agreements for Financing Sewer Connection Costs (Financial Assistance), lien releases for FA and Notice to Connect to Sewer, and demands for lien release. | 296 | FOG Program correspondences, including: <ul style="list-style-type: none"> • Annual Maintenance Reports • Annual Fee Renewal • Annual Fee Renewal Receipts |
| 118 | Received, reviewed and processed Fire Flow test requests | 31 | Conditions of Approval |
| 45 | Requests for Agency Comment | 87 | Processed new water services |
| 50 | Processed sewer connections | 19 | Will Serve Letters |
| 260 | Average department telephone calls or other Engineering inquiries per month (approx. 3,120 per year). | | |

Operations

The District's Operations Department is committed to protecting our most valuable resource, our water. This past year has been both exciting and challenging. In the Operations Department we have focused this past year on promoting our Mission, Vision and Values. Staff has shown these values by helping each other, helping other departments, participating in community events, and assisting the public when questions or concerns arise.

This past year we have gained new staff across all three departments and promoted staff from within. We have added some new positions to our organization this year, Water Production & Maintenance Foreperson, Facilities Maintenance Lead, Water Production Operator I/II, Wastewater Collections System Lead and a Wastewater Collections Operator I/II. In the Water Production Department, a complete revamp took place in 2019/2020, Juan Hernandez, Water Production & Maintenance Foreperson was hired on to help take the department down a new path. His experience and knowledge of the water industry will be a great asset to the District. We also created a new Facilities Maintenance Lead position which will give us a better opportunity to troubleshoot wells, pumps, boosters and electrical issues amongst other things. Manny Rodriguez has the experience needed to fill this position and has been doing a fantastic job. The Water Production team at one point only consisted of two operators and a Supervisor. With only two operators, a lot of maintenance programs were getting put on hold until time permitted, and staff was getting burnt out being on standby every other week. The addition of these positions is to alleviate some of the stresses of everyday work and to get a better handle on the maintenance of our facilities. The Production Department currently has three operators, a Facilities Maintenance Lead and a Water Production & Maintenance Foreperson.

The Wastewater Department added two brand new positions to our organization. Collections System Lead Operator and a Collections System Operator I/II. David Weaver was hired on as the Collections System Lead Operator and we could not be happier. His experience working in the Wastewater Collections System industry has already shown how it's going to benefit Mission Springs Water District (MSWD). Most recently the Collections System Operator I/II was filled by Carlos Napoles. Carlos comes to MSWD with experience and we look forward to watching how this team develops. With 120 miles of sewer main and our Dos Palmas Lift station, this crew will be busy in the streets of Desert Hot Springs.

Construction & Maintenance (C&M) lost two valuable team members to Water Production due to internal promotions, Tim Owens and Colton Gerdes. Tim and Colton promoted to Water Production as Water Production Operators, which created two openings in C&M. After thorough interviews, staff hired two experienced candidates to the C&M team, Chris Shanahan and Jason Weekly. Jason Weekly is anticipated to start mid-April 2020.

Below are some more highlights from each department within Operations.

Water Production Department

- Staff has ramped up site inspections and began planning necessary modifications and improvements that will benefit the department and MSWD. Some ideas that the staff brought to light were:
 - Well and Booster Rehabilitation Program
 - Reservoir Rehabilitation Program
 - Preventative Maintenance Program
- The Production Department oversaw the Well 24 Rehab project.
- Due to a power surge at Terrace Reservoir, boosters 2 and 5 caught fire and damaged the motors. Staff brought in an emergency contractor and started the rehabilitation of these booster pumps. Staff worked alongside the contractor to get these boosters up and running. This process required our staff to work long hours to meet deadlines and to ensure that the work was being finished in a timely manner.
- Water quality is one of the main duties of the Production Department throughout the year. Production staff collected close to 700 water quality samples that are required by the State Water Resources Control Board. The Production staff continues to ensure that we follow our sampling schedule very closely on a weekly basis. The Production staff has developed a great relationship with several labs that we conduct business with.
- Staff has continued to have a good relationship with Southern California Edison. Edison has notified MSWD of possible PSPS events and the Production Department has prepared for those situations throughout the year and continue to do so. There were also situations where we had no notification and staff would execute a plan to provide power to the affected sites.
- The Production Department oversaw the installation of seismic valves at various sites that were installed by AES Water Inc. We continue to monitor these valves through SCADA and in person during our normal routine checks. Staff communicates with the contractor for maintenance and any other related issues. Staff is also working on finalizing the remaining seven sites and we are anticipating on having them completed by the end of this fiscal year.
- The Production Department has carried a great relationship with Forshock, our SCADA integrator. The department considers SCADA a very important part of our daily job, and any issues that come up related to our SCADA system are addressed with Forshock immediately. Currently, staff is working with Forshock and an outside vendor to look at all avenues for possible grants or rebates to help offset costs for our next

- upgrade to the SCADA system. Staff hopes to have something in place in the next couple months.
- The Production Department added a Facilities Maintenance Lead position in 2019. This position will be tasked with developing certain preventative maintenance schedules and programs that will positively impact the District. The purpose of these programs is to continue to serve the district and our employee needs to the best of our abilities in the facilities section of MSWD.

Operational highlights

- Completed the 2019 annual CCR report for 2018
- Completed the annual well extraction reports for our three public water systems
- Completed annual CASGEM reporting
- Completed the Electronic Annual Report (EAR)
- Completed one of the three tri-annual Sanitary Surveys
- Completed the Annual Water Loss Audit
- Completed the Rehabilitation and Installation of Boosters 2 & 5 at Terrace Reservoir site

Wastewater Treatment Plant Department

- Due to increasing flows to the Horton WWTP, the Wastewater Department along with the Engineering Department found it necessary to construct three additional percolation ponds which were part of the plans in the expansion no. 5 design. Tryco General Engineering was awarded the contract to construct the additional percolation ponds as a CIP. The new ponds were completed and in service by April 2019.
- Design work continues on the new West Valley Water Reclamation Facility (WVWRF). We are currently between the 90% design with our 100% design to be completed in the next few months. Staff has visited other treatment plants that are using the SBR technology currently being designed for the WVWRF to better understand the new treatment process and give better input on the design of the facility.
- Capital improvements to the Horton WWTP included the installation of a new influent pump at the treatment plant pump station, replacing a worn out non efficient pump. The C&M Department installed a culvert outside of the treatment plant east access gate allowing stormwater and run off to safely bypass the entrance road and not wash it out, providing safe entry and exit of the treatment plant.
- Improvements to the Dos Palmas Lift Station included the replacement of both soft starters that control the pumps at the station. This replacement was necessary for smoother starting of the pumps.

Operational highlights

- CCTV Operations: Inspected over one miles of main line pipe. 40 inspections were completed in main service areas by District staff. The inspections completed by District staff were routine inspections. Each inspection is for the mainline pipe connecting from manhole to manhole.
- Sewer mainline jetting and cleaning: 2.8 miles completed. The mainline jetting and cleaning program are routine maintenance programs to prevent sewer overflows. The normal yearly expectation of footage cleaned is 20 miles. Our milestone was not met due to increased maintenance in the treatment plants due to higher flows and getting new operators properly trained. Since the addition of a Collections crew was approved in the budget, we have been able to surpass the number of sewer lines cleaned and inspected in the first two months of 2020 than what was completed in all of 2019, by 300%. Additionally, the crew has located and identified critical mainline infrastructure defects, and slated for repair, leading to a CIP budget request in the new fiscal year budget.
- An emergency sewer mainline repair was completed on 8th Street, due to roots crushing the pipe. About 60 feet of 8-inch VCP pipe and one wye connection was replaced due to damage. The work was completed by Tri-Star Contracting, Inc. with staff onsite as well.
- Two new gator utility vehicles were added to the treatment plant fleet, allowing the operators to be more efficient while getting samples and readings. Additional benefits of the use of the gator utility vehicles is the ability to get into areas around the plant that trucks are not able to, such as between the tanks. This allows the operators to get their work materials closer to the work area instead of having to carry these items to the work area. Being able to use the gators during windy days prevent any possible damages to the truck doors while the operators are getting samples.
- Continuing with staff enrichment, certifications were achieved by the following operators:
 - Andy Grunnet – Collections System Maintenance Grade 2 & Laboratory Analyst Grade 1
 - Greg Chapman – Collection System Maintenance Grade 2
 - Mark Vermeer – Wastewater Operator Grade 1 & Collection System Maintenance Grade 1

Construction and Maintenance Department

- For the last several years, staff has implemented a GPS tracking device to help minimize theft of the Districts fire hydrants. Over the past year staff has noticed reduction in theft from nine in 2018 to four in 2019. Staff has replaced and/or repaired 11 damaged fire hydrants resulting from vehicle accidents or vandalism.

- Staff continued assisting the Customer Service Department with the meter change out program by changing out broken or frozen AMS's.
- Staff worked with the Wastewater Department staff to rehab several ponds at the Horton Plant.
- Staff continues the use of the new Computerized Maintenance Management System (CMMS) which allows paperless tracking of all work orders. This allows staff to manage work orders much more efficiently, eliminate paperwork, and enhance productivity. More importantly, the program allows staff to track all work, run analytical reports for labor and costs associated with repairs, allowing focus on planned preventative maintenance, thus facility downtime is minimized.
- Staff helped with the rehab of Well 24 by modifying the wash to help reduce flooding of public roadways.
- Staff constructed a storm drain at the Horton Plant main gate to ensure entering and exiting was safe during heavy rains.
- Staff removed a section of header pipe at Well 30 and Well 28 to make a true physical separation which is a requirement from the state due the status of these wells.
- Staff worked with a contractor with main line modifications on Indian Avenue for the road widening project.
- Staff relocated a 12-inch water main on 8th Street and West due to city storm drain project.

Operational highlights

- Staff flushed 263 blow-offs as part of the blow-off maintenance program. This program is a requirement of the state health department and a good water quality measure for dead end mains and areas that are known for low flows or minimal water consumption.
- Staff exercised 2,713 ground valves as part of the ground valve maintenance program which put us completely through the water system. We expect this number to double next year.
- Staff serviced/maintained 491 fire hydrants as part of the fire hydrant maintenance program.
- Staff replaced 126 poly service lines with copper this number is down from last year to the aggressive replacement program though out the last several years.
- Staff serviced 175 air-vac valves under the air-vac program.
- Staff installed 64 new water services.
- Staff completed the Cla-Val annual maintenance program.
- Staff completed 2,197 underground service alert line locations.