

**Mission Springs Water District Board of Directors
Regular Meeting Minutes
Thursday, June 13, 2019 – 3 p.m. – Study Session**

CALL TO ORDER: 3:01 P.M.

ROLL CALL

Directors Present: Wright, Sewell, Grasha, Martin, Duncan

Directors Absent:

Staff Present: Wallum, Friend, Petee, Soulliere, Alzammar, McCue, Llort

Legal Counsel: John Pinkney

PUBLIC INPUT

No public input

PUBLIC HEARING - RESOLUTION 2019-12 – TO ESTABLISH WATER STANDBY ASSESSMENTS (MONDAY)

It is recommended to adopt Resolution No. 2019-12 making determination to fix, levy and collect water service standby assessments for fiscal year 2019-2020.

PUBLIC HEARING - RESOLUTION 2019-13 – TO ESTABLISH SEWER STANDBY ASSESSMENTS (MONDAY)

It is recommended to adopt Resolution No. 2019-13 making determination to fix, levy and collect sewer service standby assessments for fiscal year 2019-2020.

RESOLUTION 2019-14 – ADDITION OF DELINQUENT ACCOUNTS TO COUNTY TAX ROLLS

It is recommended to adopt Resolution No. 2019-14 requesting Addition of Delinquent Water and Sewer Charges and Other Fees of \$5.00 or more to the 2019-2020 Riverside County Tax Rolls.

Mr. Wallum stated this is a yearly routine process to add accounts delinquent more than \$5.00 and over sixty days past due to the County Tax Roll.

Mr. McCue added that when MSWD adopted the five-year rate action in 2015, staff implemented a policy already in place that stated properties, whether there is consumption or not be charged a monthly fixed fee. This resulted in quite a few accounts that incurred those charges that also incurred delinquent fees.

FISCAL YEAR 2019/2020 BUDGET

It is recommended to adopt Resolution No. 2019-15, adopting the Operating and Capital Budgets FY 2019-2020.

It is recommended to adopt Resolution No. 2019-16, adopting its Appropriations Limit for FYE June 30, 2020.

It is recommended to adopt Resolution No. 2019-17, adopting its Employee Classification Plan effective July 1, 2019.

Mr. McCue noted that he has nothing further to add from yesterday's workshop. There was a question about a new fleet lease program with Enterprise that is being adopted. There was an

Enterprise rep present at today's meeting, he addressed this program and fielded questions from the Board.

Mr. McCue fielded additional questions from the Board.

PROFESSIONAL SERVICES CONTRACT WITH TKE ENGINEERING FOR THE DESIGN OF THE GROUNDWATER QUALITY PROTECTION PROGRAM AREAS H AND I SEWER CONSTRUCTION PROJECTS

It is recommended to authorize the General Manager to execute a contract for a not to exceed amount of \$285,969 with TKE Engineering for the design of the Groundwater Quality Protection Program, Areas H and I Sewer Construction Projects.

Mr. Wallum noted in 1996 we did a groundwater study regarding septic tanks. From this study the Groundwater protection program was formed. This project consists of preparation of a complete set of plans and specifications for sewer mainlines and lateral for both areas. MSWD received a Prop 1 planning grant for this project and will submit all eligible costs related to this project for reimbursement. Design of these two areas will allow the projects to be "shovel-ready" in anticipation AD-18 formation and future implementation grant opportunities.

HORTON WWTP INFILTRATION PONDS EXPANSION PROJECT ACCEPTANCE

It is recommended to accept the Horton WWTP Infiltration Ponds Expansion Project as complete and authorize the release of retention money held for Tryco General Engineering in the amount of 5% of the approved contract amount, thirty-five days after filing the Notice of Completion.

Mr. Friend noted this is a routine program. Project is expansion of the ponds at the Horton plant. This process marks the program as complete and authorizes the release of retention money held for Tyco General Engineering.

MISSION SPRINGS WATER DISTRICT WEST VALLEY WATER RECLAMATION FACILITY

Update and discussion. Mr. Friend noted 60% design plans will be presented next week. Project is tracking on schedule. Project schedule states this gets reviewed at 30, 60, 90% then final review.

I-10 INDIAN SEWER COLLECTION SYSTEM FINANCING DISTRICT

Update and discussion. This item will be discussed on Monday.

CONSENT AGENDA

It is recommended the Board approve the following Consent Agenda item(s):

Director Grasha stated the minutes look like they were written by President Duncan and asked that the minutes get pulled for discussion. He then stated he thinks the Chairman is aware of his concerns if he doesn't wish to make the changes he is welcome to leave them. President Duncan asked if he wanted to discuss this today or Monday, Director Grasha stated Monday.

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:
Study Session – May 16, 2019

Regular Board Meeting – May 20, 2019
Special Board Meeting – May 22, 2019

REGISTER OF DEMANDS

The Register of Demands totaling \$1,239,528.78

RENEWAL OF CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES FOR HEITEC CONSULTING

It is recommended to approve the Scope of Work and proposed contract for General Engineering, Survey and Inspection Services, authorizing the General Manager to renew the agreement with HEITEC Consulting, for as-needed services on a time and materials basis, for a not to exceed amount of \$150,000 for a period of one year.

CONTRACT AGREEMENT RENEWAL FOR K.S.M. ELECTRIC, INC.

It is recommended to authorize the General Manager to renew the contract with K.S.M. Electric, Inc. for general electrical services for 2019-2020, for a not to exceed amount of \$150,000, for a period of one year.

(END OF CONSENT AGENDA)

FINANCIAL REPORT

Financial report will take place on Monday.

MONTHLY REPORTS

No questions or comments from the Board.

UPCOMING EVENTS & DIRECTORS' REPORTS

No reports given today.

CORRESPONDENCE

No questions or comments from the Board.

DISTRICT COUNSEL COMMENTS

Mr. Pinkney noted he will address his comments in closed session.

GENERAL MANAGER'S REPORT

Mr. Wallum noted the audit will be starting shortly. Additionally, he announced that John Soulliere will give a report on AD18 on Monday. Lastly, he stated staff would like to set up a workshop for the rate study, he presented a date to the Board.

DIRECTORS' COMMENTS

Director Grasha stated he thinks the General Managers review should be postponed as he doesn't feel it needs to be done right now. President Duncan explained this is a yearly process and is months behind schedule and will move forward as scheduled.

RECESS: 3:54 P.M.

ADJOURN TO CLOSED SESSION: 4:00 P.M.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION
pursuant to Government Code Section 54956.9(d)(1).

One Case: Case No. PSC 1600676
(Mission Springs Water District vs. Desert Water Agency)

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957
Title: General Manager

RECONVENE TO OPEN SESSION: 5:00 P.M.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

No reportable action

ADJOURN: 5:01 P.M.

Respectfully submitted,



Arden Wallum, District Secretary

**Mission Spring Water District Board of Directors
Regular Meeting Minutes
Monday, June 17, 2019 – 3 p.m. – Regular Meeting**

CALL TO ORDER: 3:00 P.M.

ROLL CALL

Directors Present: Wright, Sewell, Grasha, Martin, Duncan

Directors Absent:

Staff Present: Wallum, Friend, Petee, Soulliere, Alzammar, McCue, Llort

Legal Counsel: John Pinkney

PLEDGE OF ALLEGIANCE

Led by President Duncan, led in prayer by Director Wright

EMPLOYEE RECOGNITION (ACHIEVEMENTS/CERTIFICATIONS)

President Duncan and the Board recognized new hire(s) Victoria Llort and Monica Idnani. Also acknowledged were the anniversaries of Delphia Wright, Accounting Technician of 2 years and Alexander Nine, Field Operations Technician I of 2 years. Additionally, Andy Grunnet was acknowledged for his promotion to Interim Lead Wastewater Treatment Plant Operator. Certificate earners were acknowledged as well, Andy Grunnet received his Grade II certificate in CWEA Collection System Maintenance as was Greg Chapman. Lastly, Mark Vermeer was acknowledged for earning his Grade I in CWEA Collection System Maintenance.

PUBLIC INPUT

No public input

PUBLIC HEARING RESOLUTION 2019-12 – TO ESTABLISH WATER STANDBY ASSESSMENTS

The Board adopted Resolution No. 2019-12 making determination to fix, levy and collect water service standby assessments for fiscal year 2019-2020.

President Duncan announced the Public Hearing and described the procedure. He declared the Public Hearing open, secretaries report was given.

Jo-Anne Bogias from Wildan Stats gave the staff report. She announced that there were no changes or increases and stated the current charges.

President Duncan gave instructions for Public Comments. He then called for public comments – there were no members of the public present wishing to speak.

Roll Call vote was taken:

Motion: Martin Second: Grasha

Ayes:	Wright, Martin, Sewell, Grasha, Duncan
Noes:	
Abstain:	
Absent:	

PUBLIC HEARING RESOLUTION 2019-13 – TO ESTABLISH SEWER STANDBY ASSESSMENTS

The Board adopted Resolution No. 2019-13 making determination to fix, levy and collect sewer service standby assessments for fiscal year 2019-2020.

President Duncan announced the Public Hearing and described the procedure. He declared the Public Hearing open, secretaries report was given.

Jo-Anne Bogias from Wildan Stats gave the staff report. She announced that there were no changes or increases and stated the current charges.

President Duncan gave instructions for Public Comments. He then called for public comments – there were no members of the public present wishing to speak.

Roll Call vote was taken:

Motion: Wright Second: Sewell

Ayes:	Wright, Martin, Sewell, Grasha, Duncan
Noes:	
Abstain:	
Absent:	

RESOLUTION 2019-14 – ADDITION OF DELINQUENT ACCOUNTS TO COUNTY TAX ROLLS

The Board adopted Resolution No. 2019-14 requesting Addition of Delinquent Water and Sewer Charges and Other Fees of \$5.00 or more to the 2019-2020 Riverside County Tax Rolls.

Motion: Martin Second: Sewell

Ayes:	Wright, Martin, Sewell, Grasha, Duncan
Noes:	
Abstain:	
Absent:	

FISCAL YEAR 2019/2020 BUDGET

The Board adopted Resolution No. 2019-15, adopting the Operating and Capital Budgets FY 2019-2020.

Motion: Martin Second: Sewell

Ayes:	Wright, Martin, Sewell, Duncan
Noes:	Grasha
Abstain:	
Absent:	

The Board adopted Resolution No. 2019-16, adopting its Appropriations Limit for FYE June 30, 2020.

Motion: Wright Second: Martin

Ayes:	Wright, Martin, Sewell, Grasha, Duncan
Noes:	
Abstain:	
Absent:	

The Board adopted Resolution No. 2019-17, adopting its Employee Classification Plan effective July 1, 2019.

Motion: Martin Second: Duncan

Ayes:	Wright, Martin, Sewell, Duncan
Noes:	Grasha
Abstain:	
Absent:	

PROFESSIONAL SERVICES CONTRACT WITH TKE ENGINEERING FOR THE DESIGN OF THE GROUNDWATER QUALITY PROTECTION PROGRAM AREAS H AND I SEWER CONSTRUCTION PROJECTS

The Board authorized the General Manager to execute a contract for a not to exceed amount of \$285,969 with TKE Engineering for the design of the Groundwater Quality Protection Program, Areas H and I Sewer Construction Projects.

Mr. Wallum noted this is separate and distinct from their general contract. Mr. Friend noted a portion of the costs are reimbursable.

Motion: Wright Second: Martin

Ayes:	Wright, Martin, Sewell, Duncan, Grasha
Noes:	
Abstain:	
Absent:	

HORTON WWTP INFILTRATION PONDS EXPANSION PROJECT ACCEPTANCE

The Board accepted the Horton WWTP Infiltration Ponds Expansion Project as complete and authorized the release of retention money held for Tryco General Engineering in the amount of 5% of the approved contract amount, thirty-five days after filing the Notice of Completion.

Final amount came to \$9300.00

Motion: Sewell Second: Wright

Ayes:	Wright, Martin, Sewell, Duncan, Grasha
Noes:	
Abstain:	
Absent:	

MISSION SPRINGS WATER DISTRICT WEST VALLEY WATER RECLAMATION FACILITY

Nothing further to add

I-10 INDIAN SEWER COLLECTION SYSTEM FINANCING DISTRICT

John Soulliere with JSA Consulting presented to the Board. Staff is in contact with the southside property owners' group to discuss issues surrounding this project.

CONSENT AGENDA

Consent agenda items are expected to be routine and non-controversial, to be acted upon by the Board at one time, without discussion. If a member would like an item handled separately, it will be removed from the Consent Agenda for separate action.

It is recommended the Board approve the following Consent Agenda item(s):

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:

- Study Session – May 16, 2019
- Regular Board Meeting – May 20, 2019
- Special Board Meeting – May 22, 2019

Item A – Approval of Minutes were pulled for discussion. The Board approved Item B – Register of Demands and Item C – Renewal of Contract for Professional Engineering Services for Heitec Consulting and Item D - Contract Agreement Renewal for K.S.M. Electric, Inc.

Motion: Martin Second: Sewell

Ayes:	Wright, Martin, Sewell, Duncan, Grasha
Noes:	
Abstain:	
Absent:	

REGISTER OF DEMANDS

The Register of Demands totaling \$1,239,528.78

RENEWAL OF CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES FOR HEITEC CONSULTING

It is recommended to approve the Scope of Work and proposed contract for General Engineering, Survey and Inspection Services, authorizing the General Manager to renew the agreement with HEITEC Consulting, for as-needed services on a time and materials basis, for a not to exceed amount of \$150,000 for a period of one year.

CONTRACT AGREEMENT RENEWAL FOR K.S.M. ELECTRIC, INC.

It is recommended to authorize the General Manager to renew the contract with K.S.M. Electric, Inc. for general electrical services for 2019-2020, for a not to exceed amount of \$150,000, for a period of one year.

Discussion regarding Item A – Approval of Minutes. Director Grasha noted he objected to the minutes of May 16, 2019, specifically President Duncan’s comments made during Director Reports.

The Board approved Item A – Approval of Minutes

Motion: Wright Second: Duncan

Ayes:	Wright, Martin, Sewell, Duncan
Noes:	Grasha
Abstain:	
Absent:	

(END OF CONSENT AGENDA)

FINANCIAL REPORT

Mr. McCue gave the financial report for the period ending April 30, 2019

Net Operating Income (Loss) – variance from Budget	\$944,099
Net Non-Operating Income (Loss) – variance from Budget	\$921,664
Net Income (Loss) – variance from Budget	\$ 1,865,763

Cash	
Increase (Decrease) in Cash	\$ 1,975,904
Balance of Cash at Beginning of Year	\$ 29,232,630
Balance of Cash at April 30, 2017	\$ 31,208,534

Unrestricted Cash	\$ 750,212
Restricted Cash	
Capital Reserve Fund	\$29,475,766
Other Restricted Cash	\$ 982,557
Cash in Custody of MSWD	\$ 31,208,534

MONTHLY REPORTS

There was a brief conversation about sewer flows.

UPCOMING EVENTS & DIRECTORS' REPORTS

President Duncan reported he attended the following events; 5/21 DWA Board Meeting, 5/28 CVWD Board Meeting, 6/4 DWA Board Meeting, 6/11 CVWD Board Meeting, 6/13 CVAG CVCC and E&E meetings.

Vice President Martin reported he attended the following events; 5/21 DHS City Council Meeting, 5/22 BIA Insight Luncheon, 5/23 Reception Jeff Hewitt, 5/23 DHS State of the City, 5/29 CVB Reception, 5/29 Cabot's Board Meeting, 5/29 Executive Committee Meeting, 5/30 John Soulliere's Retirement Luncheon, Meeting with DWA, 6/2 Little League Closing Ceremony, 6/4 DHS City Council Meeting, 6/6 BIA Legislative Meeting, 6/10 BIA Board Meeting, 6/11 PS CVB Oasis Awards, 6/13 DVBA Membership Appreciation, 6/14 BIA Legislative Affairs Luncheon

Director Grasha reported he attended the following events; 5/21 DHS State of the City, 6/13 DVBA Membership Appreciation

Director Wright reported she attended the following events; 5/22 BIA Luncheon

DISTRICT COUNSEL COMMENTS

Mr. Pinkney commented on ongoing litigation which was addressed in closed session last week.

GENERAL MANAGER’S REPORT

No additional comments.

DIRECTORS’ COMMENTS

President Duncan asked if the two new positions could report out at Board meetings monthly.

Director Grasha noted he has a problem with the lobbying firm Brownstein Hyatt Farber Schreck due to a stock position they have locally, he feels the Board needs to discuss this relationship at a future meeting.

Director Wright noted a discussion about outdoor vs indoor water conservation. Jared Blumenfeld, Secretary for Environmental Protection at CalEPA, created a comment section about the future of water in California.

RECESS: 4:16 P.M.

ADJOURN TO CLOSED SESSION: 4:21 P.M.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION pursuant to Government Code Section 54956.9(d)(1).

One Case: Case No. PSC 1600676
(Mission Springs Water District vs. Desert Water Agency)

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957
Title: General Manager

ADJOURN TO OPEN SESSION: 5:00 P.M.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

No reportable action

ADJOURN: 5:01 P.M.

Respectfully submitted,



Arden Wallum, District Secretary