



BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, June 17, 2021 at 3:00 PM
Via Teleconference – No Live Attendance

CALL TO ORDER

President Wright called the meeting to order at 3:00 PM

ROLL CALL

BOARD MEMBERS PRESENT: President Nancy Wright, Vice President Russ Martin, Director Randy Duncan, Director Steve Grasha, Director Ivan Sewell

STAFF MEMBERS PRESENT: Arden Wallum, Brian Macy, Danny Friend, Arturo Ceja, Victoria Llort, Dori Petee, Amanda Lucas, April Scott, Bassam Alzammar

DISTRICT COUNSEL PRESENT: John Pinkney

RULES OF PROCEDURE

Rules of Procedure were ready by General Counsel, John Pinkney.

First all noticed meetings are conducted using Rosenberg's Rules of Order as procedural guidance. Directors should refrain from responding directly to public comment at meetings of the Board. The President of the Board presides at all meetings and decides all points of order and procedure during meetings. The President is responsible for maintenance and decorum at all Board meetings. No persons shall be allowed to speak who is not first been recognized by the President. All questions and remarks should be addressed to the President as the presiding officer. No member of the Board should speak more than once upon any one subject until every other member on the Board, wishing to speak on the subject shall have been given the opportunity to speak. No Board member shall interfere with the orderly progress of a Board meeting. In order to ensure the orderly progress of Board meetings the Board President regulates the amount of time to be dedicated to a particular agenda item."

PUBLIC INPUT

No general public input

EMPLOYEE RECOGNITION/HUMAN RESOURCES REPORT

Employees will be recognized on Monday.

ACTION ITEMS

PUBLIC HEARING (MONDAY, JUNE 21, 2021) - RESOLUTION 2021-07 – TO ESTABLISH WATER STANDBY ASSESSMENTS

It is recommended to adopt Resolution No. 2021-07 making determination to fix, levy and collect water service standby assessments for fiscal year 2021-22.

This item and the item below, were addressed together. This is a routine yearly item. The District is required to conduct a public hearing for the purpose of placing water & sewer standby charges on the Riverside County property tax roll. The standby charges apply to certain properties that have not been

disallowed by California Proposition 218. The standby assessment is deleted from the tax rolls when the subject property acquires water and/or sewer service.

PUBLIC HEARING (MONDAY, JUNE 21, 2021) - RESOLUTION 2021-08 – TO ESTABLISH SEWER STANDBY ASSESSMENTS

It is recommended to adopt Resolution No. 2021-08 making determination to fix, levy and collect sewer service standby assessments for fiscal year 2021-22.

PUBLIC HEARING (MONDAY, JUNE 21, 2021) - RESOLUTION 2021-13 - ADOPTION OF THE 2020 COACHELLA VALLEY REGIONAL URBAN WATER MANAGEMENT PLAN, ADOPTION OF THE 2021 WATER SHORTAGE CONTINGENCY PLAN, AND ADOPTION OF THE APPENDIX L ADDENDUM TO THE 2015 URBAN WATER MANAGEMENT PLAN STAFF RECOMMENDATION

It is recommended to adopt Resolution 2021-13 adopting, filing, and implementing the 2020 Coachella Valley Regional Urban Water Management Plan, adopt 2021 Water Shortage Contingency Plan, and adopt Appendix L Addendum to the 2015 Urban Water Management Plan.

Presentation will take place during the public hearing on Monday. Ms. Llort summarized this item.

RESOLUTION 2021-09 - ADDITION OF DELINQUENT ACCOUNTS TO COUNTY TAX ROLLS

It is recommended to adopt Resolution No. 2021-09 requesting Addition of Delinquent Water and Sewer Charges and other fees of \$5.00 or more to the 2021-22 Riverside County Tax Rolls.

Arturo Ceja presented to the Board on the 2021/2022 delinquent accounts. Mr. Ceja noted that Customer Service has been and will continue to work with customers on all delinquent up to the date these accounts need to be sent to the County. This process is a requirement of the California Water Code (section 31701.5). There is a total of 651 accounts that are delinquent which amounts to 5% of the Districts 13,475 accounts. Mr. Ceja highlighted the efforts by the District to notify and work with customers. Ms. Llort briefly covered the grants the District is pursuing to assist customers with delinquent bills.

FISCAL YEAR 2021/2022 BUDGET

A. It is recommended to adopt Resolution No. 2021-10, adopting the Operating and Capital Budgets FY 2021-2022.

B. It is recommended to adopt Resolution No. 2021-11, adopting its Appropriations Limit for FYE June 30, 2022.

C. It is recommended to adopt Resolution No. 2021-12, adopting its Employee Classification Plan effective July 1, 2021.

Arturo Ceja presented to the Board. He noted the key budget assumptions, no rate increase slated for the 2021/22 FY, two (2) new positions and a 3% revenue increase. He highlighted the Budget Summary, including operating revenue, operating expenses, operating income, and Capital Improvement Projects. Mr. Ceja continued by addressing the appropriations limit. Lastly, he reviewed the Employee Classification Plan.

PROFESSIONAL SERVICES CONTRACT WITH TKE ENGINEERING FOR THE DESIGN OF THE HORTON WASTEWATER TREATMENT PLANT TERTIARY EFFLUENT FILTRATION SYSTEM

It is recommended to authorize the General Manager to execute a contract for a not to exceed amount of \$101,200 with TKE Engineering for the design of the Horton Wastewater Treatment Plant Tertiary Effluent Filtration System Project.

This item asks for forgiveness as opposed to permission as this project has already begun. Daily flows to the plant are up substantially. With this design, the facilities are expected to include tertiary effluent filters and an effluent distribution structure for the direct gravity disposal of filtered secondary effluent to the existing percolation ponds.

PROFESSIONAL SERVICES CONTRACT AGREEMENT FOR SO CAL LAND MAINTENANCE, INC.

It is recommended to authorize the General Manager to approve the contract agreement with So Cal Land Maintenance, Inc. for irrigation maintenance and landscaping services for District facilities, for a not to exceed amount of \$74,100.00, plus a 10% contingency (total \$81,510.00), for a period of one year.

The District continues to use contract labor to maintain the landscape and irrigation at 36 facilities throughout our service area which includes the Administration Building Campus, both Wastewater Plants, Dos Palmas Lift Station, Well 33 Solar site, and all Well and Reservoir sites.

PROFESSIONAL SERVICES CONTRACT AGREEMENT FOR SOUTHERN CALIFORNIA FLEET SERVICES INC.

It is recommended to authorize the General Manager to approve the contract agreement with Southern California Fleet Services Inc. to perform maintenance and repairs for all District vehicles and equipment, for a not to exceed amount of \$100,000 for a period of one year.

Mr. Friend presented; on an annual basis this item comes to the Board. Routine maintenance on our fleet in addition to our leased vehicles.

ACCEPTANCE OF GRANT OF EASEMENT DEED FOR PUBLIC WATER UTILITIES EASEMENT – MAGDI RAGHEB HANNA

It is recommended to authorize the General Manager to sign the Certificate of Acceptance, approving and accepting the Grant of Easement Deed from Magdi Ragheb Hanna (Plaza DHS Developer) dated May 18, 2021 for public water utilities easement, located on APN: 666-310-009 on 18th Avenue, City of Desert Hot Springs, CA.

Mr. Friend noted this is the same property for this item and the item below. One easement connects the two cul-de-sacs for better water quality and fire services. The other is the easement for water and sewer utilities along 18th Ave., within the development that is slated to be in a future dedicated public right-of-way

ACCEPTANCE OF GRANT OF EASEMENT DEED FOR PUBLIC SEWER AND WATER UTILITIES EASEMENT – MAGDI RAGHEB HANNA

It is recommended to authorize the General Manager to sign the Certificate of Acceptance, approving and accepting the Grant of Easement Deed from Magdi Ragheb Hanna (Plaza DHS Developer) dated May 18, 2021 for public sewer and water utilities easement, located on APN: 666-310-009 on 18th Avenue, City of Desert Hot Springs, CA.

Addressed with previous item

CONTRACT AGREEMENT WITH B-81 PAVING INC. FOR PAVEMENT REPAIRS FOR WATER AND SEWER PROJECTS

It is recommended to authorize the General Manager to approve a contract agreement with B-81 Paving Inc. for the pavement repairs for water and sewer projects for fiscal year 2021-2022, for a not to exceed amount of \$150,000, and authorize the General Manager to do all things necessary to complete the project.

Mr. Friend noted this is renewal item. Three bids were received, B-81 paving came in as the lowest bidder.

CONTRACT AGREEMENT WITH R.I.C. CONSTRUCTION CO., INC. FOR WELL 24 ELECTRICAL PANEL REHABILITATION

It is recommended to authorize the General Manager to approve a contract agreement with R.I.C. Construction Co., Inc., the lowest responsible bidder, for the construction of the Well 24 Electrical Panel Rehabilitation, in the amount of \$482,777.00, plus a 10% contingency for a total of \$531,054.70, and authorize the General Manager to do all things necessary to complete the project.

Mr. Friend presented. In October of 2020, Well 24 was taken out of service due to electrical panel issues. Staff continued to receive multiple start failure alarms which prevented the well from starting up. Staff evaluated the issue and contacted an electrical contractor to evaluate the situation. There were numerous issues found but the main issue was the bypass contactors not making contact evenly, causing excessive arcing and heat in the panel damaging the aged components. To avoid major damage to the motor and pump, staff determined a rehabilitation to the panel was needed. This project involves the removal and replacement of the electrical panel and all components to bring them up to current electrical code and District standards.

DISCUSSION ITEMS

MSWD REGIONAL WATER RECLAMATION FACILITY UPDATE

Mr. Friend updated the Board. Bid opening is slated for July 15, 2021.

ADMINISTRATION AND CORP YARD BUILDING UPDATE

Staff has issues a Request for Qualifications (RFQ), for architect and engineering services. Interviews have been conducted and staff plans to bring that contract to the Board at a Workshop scheduled for July 1, 2021.

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 to be handled separately, it will be removed from the Consent Agenda for separate action.

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:

Study Session - May 13, 2021
Board Meeting - May 17, 2021

REGISTER OF DEMANDS

The register of demands totaling \$2,899,689.50.

MAKE THE CONNECTION FINANCIAL ASSISTANCE PROGRAM APPROVAL

The following have submitted an application for a non-transferable lien agreement to connect to the sewer system:

65950 Ironwood Drive - \$3,800.00
66862 San Rafael Road - \$4,800.00

DIRECTOR'S REPORTS

UPCOMING EVENTS AND DIRECTOR REPORTS

Directors will give their reports at Monday's Board Meeting.

REPORTS

GENERAL MANAGERS REPORT

Mr. Wallum noted test pumping happening in the Two Bunch Palms area.

Arturo Ceja presented the financial report.

Victoria Llort highlighted the Public Affairs report.

DISTRICT COUNSEL REPORT

Mr. Pinkney reported on items worked on, on behalf of the District. He also announced closed session.

DIRECTOR COMMENTS

Vice President Martin complimented staff on today's presentation.

Director Grasha commented on the budget workshop, he noted the Director stipends and that he doesn't think they are equal amongst the Directors. He is concerned that the public is getting the wrong perception.

CLOSED SESSION

THREAT TO PUBLIC SERVICE OR FACILITIES

(Gov Code Section 54957)
Consultation with Gary Sturdivan, Sturdivan Consulting

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)

CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION

pursuant to Government Code Section 54956.9(d)(1)

One Case: Case No. RIC 2003782

(George Padilla and Sharon Moreno vs. Mission Springs Water District)

CONFERENCE WITH LEGAL COUNSEL REGARDING PENDING LITIGATION

pursuant to Government Code Section 54956.9(d)(1)

One Case: (MSWD vs. Master Meter)

REPORT ON ACTION TAKEN DURING CLOSED SESSION

The Board met in closed session on the following items:

THREAT TO PUBLIC SERVICE OR FACILITIES

(Gov Code Section 54957)

Consultation with Gary Sturdivan, Sturdivan Consulting

CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION

pursuant to Government Code Section 54956.9(d)(1)

One Case: Case No. RIC 2003782

(George Padilla and Sharon Moreno vs. Mission Springs Water District)

There was reportable action taken.

ADJOURN

President Wright adjourned the meeting at 6:10 PM



Arden Wallum

Secretary of the Board of Directors