# BOARD OF DIRECTORS REGULAR MEETING MINUTES

**Monday, December 15, 2025 at 3:00 PM**

**66575 Second St, Desert Hot Springs, CA AND/OR Via Teleconference**

**CALL TO ORDER**

**ROLL CALL**
**BOARD MEMBERS PRESENT:** President Ivan Sewell, Vice President Robert Griffith, Director Russ Martin Director Amber Duff

**BOARD MEMBERS ABSENT:** Director Ted Mayrhofen

**STAFF MEMBERS PRESENT:** Brian Macy, Marion Champion, Danny Friend, Eric Weck, Amanda Lucas, Oriana Hoffert, David Barazza, Jeff Nutter, Selene Rodriguez, Will Whitten, Dori Petee

**PLEDGE OF ALLEGIANCE**
Led by Director Martin

**RULES OF PROCEDURE**
**Rules of Procedure were read by General Counsel.**
*All noticed meetings are conducted using Rosenberg's Rules of Order as a procedural guideline. Directors should refrain from responding directly to public comments at meetings of the Board. The Board President will refer matters raised during public comment to the General Manager for follow-up when appropriate. Occasionally, a prompt response may be offered when an obvious answer resolution is available provided this is done in compliance with the Brown Act. Directors should refrain from debating or making decisions in response to public comments. 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 person shall be allowed to speak who has 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 about 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 public input

**EMPLOYEE RECOGNITION**

**HUMAN RESOURCES REPORT**
The Board acknowledged the following employees:

**NEW HIRES**

| | |
|---|---|
| Brad Adams | Chief Plant Operator |

| | |
|---|---|
| Zachary Norman | Field Operations Technician I |

**ANNIVERSARIES**

| | | |
|---|---|---|
| Amanda Lucas | Contract Analyst | 9 Years |

**PROMOTIONS**

| | |
|---|---|
| Tim Owens | Lead Water Production Operator (previously Water Production Operator II) |

**CERTIFICATIONS/EDUCATIONAL ACCOMPLISHMENTS**

| | |
|---|---|
| Alex Acevedo | Water Distribution Operator Grade 4 |

## PRESENTATION

**2026 MSWD CONSERVATION AND GROUNDWATER PROTECTION CALENDAR CONTEST WINNERS**
Assistant General Manager Marion Champion and April Scott presented the winners of the 2026 Conservation and Groundwater Protection Community Calendar. Copies are available in the MSWD Administrative Offices, DHS Library, City Hall and various other public locations throughout the City.

## ACTION ITEMS

**PUBLIC HEARING ~ ORDINANCE 2025-03 AMENDING SEWER SERVICE RULES AND REGULATIONS, ARTICLE VII, GREASE/SAND INTERCEPTORS AND ARTICLE XI ENFORCEMENT**
The Board conducted a public hearing and adopted Ordinance No. 2025-03, Amending Ordinance 2008-02, Establishing Rules and Regulations for Sewer Service, Article VII, Grease/Sand Interceptors, and Article XI, Enforcement.

President Sewell proceeded to the public hearing for Ordinance 2025-03, which amends the sewer service rules and regulations, specifically Article 7 (Grease and Sand Interceptors) and Article 11 (Enforcement). This hearing, continued from November 17, 2025, was reopened by the Board President, who invited staff to present updates. Associate Engineer Daniel Virgin summarized the proposed changes, which include clarifying and revising ordinance language for better comprehension, adding "lint" to the FOG (Fats, Oils, Grease) program for transparency, and expanding the waiver process to require permit applications and annual inspections for facilities under waiver status. Enforcement provisions were updated, with non-compliance penalties for industrial waste discharge escalating from $1,000 to $10,000 per day over a 120-day period, after which water and sewer services may be terminated. The changes aim to strengthen regulatory compliance, protect the public sewer system, and promote environmental stewardship. Staff recommended adopting the revised ordinance, and no additional comments were received before moving to public input.

**Speaker 1: George Artillis,** addressed the Board to share concerns from the perspective of an operator working toward compliance with the updated ordinance. George expressed disagreement with the fines timelines and suggested pausing penalties when operators demonstrate active efforts to comply. He described the challenges of acquiring specialized equipment necessary for compliance, noting delays in obtaining parts and scheduling installation, especially during the holiday season. George presented a unique water meter capable of accurately measuring low flow rates, which, when paired with an automated batching system, could facilitate compliance and monitoring. He emphasized that while technological solutions exist, the time required for procurement and installation can be prohibitive, potentially leading to increased costs and jeopardizing business operations. George requested that the Board consider allowing flexibility in enforcement for operators with a clear plan and progress toward compliance, and offered to answer questions about the equipment after the meeting.

**Speaker 2: Micah Bailey**, attorney for Cabot Management, addressed the Board to provide an update on compliance efforts following prior notices of violation. He reported that Cabat Management had installed approximately $170,000 in equipment to address the violations and acknowledged receipt of a revised bill reducing the current fines to $186,000, which was appreciated. Micah suggested that the ordinance language in Section 11.05 should specify exactly how operators must notify the district of compliance, including a clear notification process. He also proposed pausing fines until the district inspects the facility, citing scheduling challenges. Additionally, Micah advocated that the district notify operators in advance of sampling so they can conduct simultaneous testing, and requested that lab results be provided to operators immediately upon receipt, without requiring follow-up requests.

**Speaker 3: Devon Julian,** representing Culture and several cultivation projects, addressed the Board to express appreciation for the opportunity to comment and for the district's efforts to modernize and clarify the ordinance. While acknowledging the district's responsibility to protect wastewater and enforce compliance, Devin raised concerns about the enforcement language in the amended ordinance, noting that it could adversely affect businesses acting in good faith to achieve compliance. Devin highlighted that the mandatory termination of water or wastewater services after 120 days, as currently written, could have catastrophic consequences for businesses, particularly in the cannabis industry, resulting in job losses and lost tax revenue. Devin advocated for changing the ordinance language from "will terminate" to "may terminate" to allow for discretionary enforcement and requested provisions for penalty relief or suspension when compliance efforts are underway, as well as a grace period or phased implementation to provide businesses with realistic timelines to meet requirements. Devin emphasized that these changes would maintain enforcement while ensuring fairness and supporting businesses actively pursuing compliance.

**Speaker 4: Jason Ackerman,** attorney and former partner at Best, Best and Krieger, addressed the Board regarding concerns with the amended ordinance's enforcement provisions. Representing Culture Cannabis, Jason noted that the language mandating termination of water and wastewater services after 120 days of non-compliance may be redundant given that Section 11.06 already outlines due process and procedures for termination. He suggested revising the ordinance to state that projects in violation for more than 120 days could become eligible for termination pursuant to Section 11.06, rather than mandating immediate termination. Jason emphasized the lengthy process required to bring projects into compliance, including sampling, modeling, equipment procurement, and installation, and highlighted the collaborative testing protocols often used by applicants and the district. He respectfully requested that the Board either postpone the matter or implement the suggested revisions to ensure fairness and practicality in enforcement.

President Sewell closed the Public Hearing and invited a staff and Board discussion. General Manager Macy noted most comments have already been addressed. Staff and legal counsel explained the process for handling violations, including the timeline for cease and desist orders, fines, and potential termination of service, emphasizing the board's discretion to negotiate compliance plans and adjust penalties when justified. The ordinance, effective immediately upon adoption, allows flexibility in its implementation, including the option to delay its effective date or grant additional time for compliance. Legal counsel highlighted the financial impact of continued violations on ratepayers and the board's responsibility to enforce regulations to protect the community and ensure fairness. The Board discussed historical challenges with non-compliant operators, noting repeated notices and lack of engagement from property owners and operators since the ordinance update in the Spring of 2024. While the Board prefers collaboration over enforcement, fines have been necessary to prompt action, though some operators view fines as less costly than compliance. The board reiterated its commitment to protecting the city's aquifer and public health, expressing hope for improved cooperation and communication. Staff clarified that notices of violation include contact information for responsible parties, and while the board does not maintain a list of contractors for remediation, it strives to assist operators in finding solutions. The meeting concluded with board members expressing appreciation for public participation and reaffirming the goal of achieving compliance through partnership rather than punitive measures.

**Motion made by Vice President Griffith, Seconded by Director Duff.**
**Voting Yea:** President Sewell, Vice President Griffith, Director Martin, Director Duff

**AWARD OF CONTRACT TO CA LOBBY FOR STATE ADVOCACY SERVICES**
The Board authorized the General Manager to execute a 12-month agreement with CA Lobby, LLC for advocacy services at a rate of $5000 per month, commencing January 1, 2026. The contract may be renewed for up to two additional years, with the total cost not to exceed $180,000.00.

A presentation was given at the Study Session, and staff committed to more live updates at the Federal and State levels.

**Motion made by Director Martin, Seconded by Vice President Griffith.**
**Voting Yea:** President Sewell, Vice President Griffith, Director Martin, Director Duff

**APPROVE CHANGE ORDER NO. 1 WITH SOUTH WEST PUMP AND DRILLING, INC., FOR THE ON-CALL WELL AND BOOSTER MAINTENANCE AND REPAIR SERVICES CONTRACT AND CONTRACT AMENDMENT NO. 1 FOR KYLE GROUNDWATER, INC.**
The Board authorized the General Manager to approve Change Order No. 1 with South West Pump & Drilling, Inc. (SWPD) for the On-Call Well and Booster Maintenance and Repair Services contract to complete the Well 28 Rehabilitation Project. This change order increases the contract amount by $799,045.16 (including a 10% contingency), revising the total from $150,000 to $949,045.16, and amending the contract with Kyle Groundwater, Inc. (KGI) to provide hydrogeological support services for the Well 28 Rehabilitation Project. This amendment adds $71,800.30 (including a 10% contingency), revising the total from $21,387 to $93,187.30.

A presentation was given at the Study Session, Director of Operations provided additional clarification following the previous presentation. Danny emphasized that, despite several wells being offline for Chrome 6 compliance and mechanical issues, the system remains healthy and is actively managed. He clarified that the district maintains approximately 18 million gallons of above-ground storage, providing about three days of supply at current demand levels, which are lower in winter. However, as demand rises in warmer months, storage capacity decreases, underscoring the importance of timely completion of the Well 28 rehabilitation project and bringing other wells back online. Danny reiterated that the system is not in poor health but acknowledged recent operational challenges and highlighted the district's proactive planning to maintain resiliency and meet future water needs.

Motion made by President Sewell, Seconded by Vice President Griffith.
Voting Yea: President Sewell, Vice President Griffith, Director Martin, Director Duff

**RESOLUTION 2025-21 ~ AMENDMENT OF THE CODIFIED MISSION SPRINGS WATER DISTRICT PERSONNEL RULES AND REGULATIONS TITLE 3 - PERSONNEL**
The Board approved Resolution 2025-21 amending the codified Mission Springs Water District (MSWD) Personnel Rules and Regulations, Title 3 - Personnel.

A presentation was provided at the Study Session, there was nothing further to add.

**Motion made by Director Duff, Seconded by Director Martin.**
**Voting Yea:** President Sewell, Vice President Griffith, Director Martin, Director Duff

**ANNUAL REPORT OF CAPACITY FEES AND RELATED CAPITAL EXPENDITURES**
The Board of Directors accepted the annual report of capacity fees and related expenditures as submitted.

A presentation was provided at the Study Session, there was nothing further to add.

**Motion made by Director Martin, Seconded by Director Duff.**
**Voting Yea:** President Sewell, Vice President Griffith, Director Martin, Director Duff

**ACCEPT AUDITED FINANCIAL STATEMENTS FOR YEAR ENDED JUNE 30, 2024**
The audited financial statements were reviewed and accepted as presented by Rogers, Anderson, Malody & Scott, LLP (RAMS), District auditors for the year ended June 30, 2024.

Accounting Manager Skyler Aubrey introduced our auditors who presented the audited financial statements. Brad Weliber of Rogers, Anderson, Malody and Scott, LLC presented. The auditors reported an unmodified opinion, indicating that the financial statements are fairly presented in accordance with generally accepted accounting principles and that no material weaknesses or significant deficiencies were identified in internal controls or compliance. The audit process included a review of internal controls, detailed testing of financial records, and confirmation of balances and transactions. The auditors noted that minor routine items were discussed with management and are being addressed, and that the timing of the audit was affected by personnel changes but did not reflect any anomalies in the accounting records. Both auditors and district staff anticipate a more timely audit process next fiscal year, given increased stability in the finance department. The Board and management expressed appreciation to the auditors and staff for their collaboration and efforts in completing the audit.

**Motion made by Vice President Griffith, Seconded by Director Duff.**
**Voting Yea:** President Sewell, Vice President Griffith, Director Martin, Director Duff

**ELECTION OF MSWD BOARD OFFICERS FOR 2026**
A President and Vice President were nominated and elected for the 2026 year.

President Sewell turned over the proceedings to the District Executive Assistant. There was a call for nominations for President for the term ending December 31, 2026. Director Griffith nominated Director Duff for President, who accepted the nomination. There were no other nominations for this position. The Board voted unanimously to elect Director Duff for President.

There was a call for nominations for Vice President for the term ending December 31, 2026. Director Duff nominated Vice President Griffith, for another term, who accepted the nomination. There were no other nominations for Vice President. The Board voted unanimously to elect Vice President Griffith.

## DISCUSSION ITEMS

**ADMINISTRATION BUILDING UPDATE**
An update was given on Thursday; there is nothing further to add.

**GROUNDWATER PROTECTION PROGRAM UPDATE**
An update was given on Thursday; there is nothing further to add.

## CONSENT AGENDA

**Motion made by Vice President Griffith, Seconded by Director Martin.**
**Voting Yea:** President Sewell, Vice President Griffith, Director Martin, Director Duff

**APPROVAL OF MINUTES**
It is recommended to approve the minutes as follows:

November 4, 2025 - Special Meeting Workshop Minutes
November 13, 2025 - Study Session Minutes
November 17, 2025 - Board Meeting Minutes

**REGISTER OF DEMANDS**
The register of demands totaling $2,447,543.44

**2026 BOARD OF DIRECTORS MEETING SCHEDULE**

## REPORTS

**DIRECTOR'S REPORTS**
President Sewell reported attending the following meetings and events: 11/4 AWWA Webinar, 11/6

DHS State of the City, 11/12 AWWA Webinar, 11/18 CVWD Board Meeting, 11/20 Valley Sanitary District 100$^{th}$ Anniversary.

Director Martin reported attending the following meetings and events: 11/4 DHS City Council Meeting, 11/6 DHS State of the City, 11/6 DVBA Legislative Meeting, 11/6 Coachella Valley Dust Summit, 11/10 DVBA Board Meeting, 11/11 Veteran's Day Memorial, 11/13-14 ACWA Region 8, 9 & 10 Event, 11/17 Cabot's Board Meeting, 11/18 DHS City Council Meeting, 11/20 Valley Sanitary District 100$^{th}$ Anniversary, 11/20 Countywide Oversight Board Meeting.

Vice President Griffith reported attending the following meetings and events: 11/6 DHS State of the City, 11/18 DWA Board Meeting, 11/20 Valley Sanitary District 100$^{th}$ Anniversary.

Director Duff reported attending the following meetings and events: 11/1 DEI Summit (PSUSD), 11/5 AWWA Webinar, 11/6 DHS State of the City, 11/6 Coachella Valley Dust Summit, 11/12 AWWA Webinar, 11/13 CVAG ~ CVCC and CVES Committee Meetings, 11/26 CSDA Webinar.

**GENERAL MANAGER'S REPORT**
Included in this report are the following oral reports:
1. Finance Report
Given on Thursday, nothing further to add.

2. Public Affairs Report
Given on Thursday, nothing further to add.

3. ACWA JPIA - President's Special Recognition Award
At the annual fall conference, ACWA JPIA recognized members with a loss ratio of 20% or less in liability, property, or workers compensation programs. Members meeting this distinction received a President's Special Recognition Award certificate for each qualifying program. The district achieved a loss ratio below 20%, earning this recognition award, and the certificate is displayed at the district office. Staff expressed pride in the accomplishment and credited the system and team efforts for enabling the district to receive this honor.

4. Coachella Valley Conservation Commission Support Letter - Western Burrowing Owl
AGM Champion discussed a support letter from the Coachella Valley Conservation Commission concerning policy and legal issues related to agency authorities. The letter, which has been circulated among cities and water districts, is available for review by board members and the public. The district intends to participate in supporting the Commission, consistent with other agencies in the region. General Manager Macy will sign the letter unless there are objections from the Board, with action expected by Wednesday morning. The letter has been reviewed and approved by legal counsel, and the Board was invited to provide any comments or concerns before proceeding.

General Manager Macy announced that over the weekend the District participated in the DHS Holiday of Lights Parade and walked away with the Mayors Award. This is the fifth year in a row that the District has won a trophy. A video clip from NBC was shown.

## COMMENTS

**DIRECTOR COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS**

1. General Comments
2. Requests for Future Agenda Items
3. Requests for Future Meetings

Director Duff thanked the Staff and our Driver who participated in the parade. She also thanked the Board for their support of her 2026 Presidency.

Vice President Griffith wished everyone a Merry Christmas.

President Sewell said the last two years as President have been fun, but he is looking forward to a year under Director Duff's leadership. He pushed the Blood Drive on Wednesday.

## CLOSED SESSION

**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL INITIATION OF LITIGATION**
pursuant to Government Code Section 54956.9(d)(4). Three potential cases.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**
The board met in closed session to discuss item 24: conference with legal counsel regarding the potential initiation of litigation involving three cases. There was no reportable action.

**ADJOURN**
With no further business, President Sewell adjourned the meeting at 5:34 PM

Respectfully Submitted,

Dori Petee
Executive Assistant