



BOARD OF DIRECTORS SPECIAL MEETING (WORKSHOP) MINUTES

Tuesday, April 08, 2025 at 9:00 AM

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

CALL TO ORDER

President Sewell called the meeting to order at 9:00 AM

ROLL CALL

BOARD MEMBERS PRESENT: President Ivan Sewell, Vice President Robert Griffith, Director Russ Martin, Director Amber Duff, Director Ted Mayrhofen

STAFF MEMBERS PRESENT: Brian Macy, Marion Champion, Danny Friend, Kurt Kettenacker, Arturo Ceja, Oriana Hoffert, April Scott, Will Whitten, Amanda Lucas, Theresa Murphy, Dori Petee

PUBLIC INPUT

No public input.

ITEMS FOR DISCUSSION

SOLAR PROJECT UPDATE

General Manager Brian Macy and Director of Operations Danny Friend provided updates on the larger project from a design and construction perspective, including the NEM 2.0 sites and the existing facility. They discussed the financial benefits of the net metering project and the constraints faced, such as habitat constraints and flood zones. The decision was made to reduce the number of sites from six to two, with the Horton plant and the Nancy Wright Regional Facility remaining. The project will still generate 4.8 megawatts, with the energy generation being consolidated at the RESBCT site. The board was informed about the parcel map going in front of the city council for approval, which will consolidate multiple parcels into three properties. The discussion also covered the insurance issues and the challenges faced during the project. The board members asked questions and provided comments, expressing concerns about the changes and the reasons behind them. The meeting concluded with a transition to the existing solar site, where issues with SunPower and Total Energies were discussed. The board was informed about the upcoming evaluation and maintenance by PBCA.

GROUNDWATER QUALITY PROTECTION PROJECT UPDATE

General Manager Brian Macy provided an update on the groundwater quality production project, specifically focusing on the D3 assessment district project. The board had requested a comprehensive overview of the costs associated with various Assessment Districts, their expiration dates, and the overall program. Engineering Manager, Eric Wick, presented detailed information on Assessment District number 18, which encompasses 2,419 parcels and was formed in December 2019 with a sunset date in 2029 1. The estimated project costs have significantly increased to \$91 million due to economic factors and a smaller sample size. The approved single-family assessment amount is \$8,087, and the vacant lot assessment amount is \$6,764 1. The construction cost for area D3 is \$2.6 million, with an estimated assessment district contribution of \$815,000. The discussion also covered the costs for other areas, including areas A and G, which are tied together and have an estimated project cost of \$32 million. The Army Corps of Engineers' involvement and the need for Mission Springs to take over the design completion were highlighted. The priorities for the various areas were discussed, with area J2 identified as the top priority due to factors such as income and the age of existing septic systems. The meeting

concluded with a discussion on the feasibility of completing the projects by the sunset date and the potential need to revise priorities and strategies.

COMMENTS

GENERAL MANAGER'S COMMENTS

General Manager Macy provided updates on several key items. The production staff completed the first quarterly samples for hexavalent chromium, and the testing results will be presented at the upcoming study session/board meeting. The MSWD staff have prepared and submitted community project request letters for both Senator Schiff and Padilla, and they are currently working with Raul Ruiz's office on their community project request. The staff and board met with several federal staff members last week to secure additional funding for the groundwater protection project. The meetings went well, but the mood in DC was somewhat somber. Feedback was received on the terminology to be used, such as "California Water Management." The annual budget process has started, and employee requests will be discussed further this month.

DIRECTOR COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

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

ADJOURN

With no further discussion, President Sewell adjourned the meeting at 10:18 AM.

Respectfully submitted,



Dori Petee
Executive Assistant