



BOARD OF DIRECTORS REGULAR MEETING MINUTES

Monday, June 19, 2023 at 3:00 PM

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

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Led by Director Duff, President Martin noted the importance of the Day ~ Juneteenth.

ROLL CALL

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

STAFF MEMBERS PRESENT: Dori Petee, Amanda Lucas, April Scott, Arden Wallum, Arturo Ceja, Brian Macy, Carol Morin, Chad Finch, Claudia Lopez, Danny Friend, Eric Weck, Jeff Nutter, Kurt Kettenacker, Lisa Pelton, Marion Champin, Oriana Hoffert, Rachel Pust.

RULES OF PROCEDURE

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

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 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 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

Philip Bettencourt, Developer and Planner for project on Worsley, presented an update to the Board. On a separate note, he stated he is an at large commissioner for the Coachella Valley Energy Commission, formed by the Imperial Irrigation District to provide a governance structure for electrical service in the IID portion of Riverside County.

EMPLOYEE RECOGNITION

HUMAN RESOURCES REPORT

The Board recognized the following employees:

ANNIVERSARIES

Joseph McElrone
Alexander Nine

Collections Operator II
Field Operations Technician II

2 Year
6 Years

ACTION ITEMS**PUBLIC HEARING (MONDAY 6/19/2023) - RESOLUTION 2023-09 ~ TO ESTABLISH WATER STANDBY ASSESSMENTS**

The Board adopted Resolution No. 2023-09 making determination to fix, levy and collect water service standby assessments for fiscal year 2023-2024.

President Martin opened the Public Hearing; secretaries report was given. Arturo Ceja gave the staff report. There was no public comment on this item.

Motion made by Vice President Sewell, Seconded by Director Griffith.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

PUBLIC HEARING (MONDAY 6/19/2023) - RESOLUTION 2023-10 ~ TO ESTABLISH SEWER STANDBY ASSESSMENTS

The Board adopted Resolution No. 2023-10 making determination to fix, levy and collect sewer service standby assessments for fiscal year 2023-2024.

President Martin opened the Public Hearing; secretaries report was given. Arturo Ceja gave the staff report. There was no public comment on this item.

Motion made by Director Griffith, Seconded by Director Duff.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

RESOLUTION 2023-11 ~ ADDITION OF DELINQUENT ACCOUNTS TO COUNTY TAX ROLLS

The Board adopted Resolution No. 2023-11 requesting Addition of Delinquent Water and Sewer Charges and Other Fees of \$5.00 or more to the 2023-2024 Riverside County Tax Rolls.

Motion made by Director Duff, Seconded by Director Griffith.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

FISCAL YEAR 2023-24 BUDGET

A. The Board adopted Resolution No. 2023-12, adopting the Operating and Capital Budgets FY 2023-24.

Motion made by Director Griffith, Seconded by Vice President Sewell.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff

Voting Nay: Director Mayrhofen

B. The Board adopted Resolution No. 2023-13, adopting its Appropriations Limit for FYE June 30, 2024.

Motion made by Director Griffith, Seconded by Director Duff.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

C. The Board adopted Resolution No. 2023-14, adopting its Employee Classification Plan effective July 1, 2023.

Motion made by Vice President Sewell, Seconded by Director Griffith.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

RESOLUTION 2023-15 ~ AMENDING CLASSIFICATION AND COMPENSTATION PLANS FOR FY 2022-23, FY 2021-22, FY 2020-21 AND FY 2019-20

The Board adopted Resolution 2023-15, which rescinds Resolutions 2022-13, 2021-12, 2020-15, and 2019-17 and amends FY 2022-23, FY 2021-22, FY 2020-21 and FY 2019-2020 Classification and Compensation Plans for its employees.

Motion made by Director Duff, Seconded by Director Mayrhofen.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

CONTRACT AGREEMENT WITH RAFTELIS FINANCIAL CONSULTANTS, INC., FOR A LONG-RANGE FINANCIAL MASTER PLAN AND COST OF SERVICES REVIEW

The Board authorized the General Manager to execute a contract for a not to exceed amount of \$95,000 with Raftelis, for a long-range financial master plan and cost of services review.

Motion made by Vice President Sewell, Seconded by Director Griffith.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

CONTRACT AGREEMENT WITH TKE ENGINEERING, INC. FOR ON-CALL PROFESSIONAL GENERAL ENGINEERING SERVICES

The Board authorized the General Manager to execute a contract for a not to exceed amount of \$250,000 with the option to extend for four (4) additional one (1) year terms not to exceed five (5) years, with TKE Engineering, Inc, for On-Call Professional General Engineering Services.

Motion made by Director Mayrhofen, Seconded by Director Griffith.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Mayrhofen
Voting Nay: Director Duff

CONTRACT AGREEMENT WITH URBAN HABITAT FOR ANNUAL LANDSCAPE MAINTENANCE FOR DISTRICT FACILITIES FOR 2023-2024

The Board authorized the General Manager to approve a one-year contract agreement with Urban Habitat titled Annual Landscape Maintenance for District Facilities for Fiscal Year 2023-2024, with the option to extend the agreement for two additional years and negotiate a revised price, if any. The not to exceed amounts are \$93,115.00 for fiscal year 2023-24, and \$81,730.00 for fiscal years 2024-25 and 2025-26.

Motion made by Vice President Sewell, Seconded by Director Griffith.

Voting Yea: President Martin, Vice President Sewell, Director Griffith

Voting Nay: Director Duff, Director Mayrhofen

ACCEPTANCE OF THE WATER SUPPLY ASSESSMENT (WSA) AND WATER SUPPLY VERIFICATION (WSV) FOR THE GREEN DAY VILLAGE DEVELOPMENT

The Board accepted and approved the Water Supply Assessment (WSA) and Water Supply Verification (WSV) for the Green Day Village Development.

Motion made by Director Duff, Seconded by Director Mayrhofen.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

ACCEPTANCE OF THE WELL 24 ELECTRICAL PANEL REHABILITATION PROJECT

The Board accepted the Well 24 Electrical Panel Rehabilitation Project as complete and authorize the release of retention money held for R.I.C. Construction Co. Inc. in the amount of \$27,792.31, thirty-five days after filing the Notice of Completion (NOC), and approve Amendment No. 5 with Murow Development Consultants for construction management and inspection services in the amount of \$6,312.50.

Motion made by Director Griffith, Seconded by Director Duff.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

DISCUSSION ITEMS

NANCY WRIGHT REGIONAL WATER RECLAMATION FACILITY UPDATE

Steve Ledbetter of TKE presented a construction and grant update to the Board.

CRITICAL SERVICES CENTER AND ADMINISTRATION BUILDING UPDATE

Brian Macy presented a brief update to the Board and reminded the Board of the upcoming tour of East Valley Water District.

SUPPLEMENTAL ENVIROMENTAL PROJECT UPDATE

Eric Weck presented an update. Pursuant to a settlement of an enforcement action with the Colorado River Basin Water Board, a proposal by Mission Springs Water District (MSWD) to develop and complete a Supplemental Environmental Project (SEP) was recently approved.

The SEP is funded by MSWD to provide funding to construct private sanitary service laterals from MSWD sanitary sewers located in public right-of-way, to the on-site sewer plumbing, and abandon septic systems located on private property. This project seeks to enhance groundwater quality protection by removing known point sources of groundwater degradation in high-density, economically disadvantaged areas.

MSWD funding for the SEP includes the preparation of environmental clearance documents, project specifications, and the abandonment of existing septic tanks and construction of up to 28 sanitary service

laterals.

MSWD reached out to 55 property owners that met the criteria to abandon their septic systems and connect their properties to MSWD sanitary sewers, and 31 property owners returned sewer connection applications, showing interest in the program. Staff prepared the project scope, construction specifications and solicited construction bids for the project. On May 18, 2023, two bids were provided and are detailed in the attached Bid Summary.

Both of the bids received exceeded the anticipated project cost of \$175,000. The bids were rejected and currently, staff are reviewing the project scope and seeking to remove unnecessary construction items while fulfilling the essential components of the SEP. Staff anticipate readvertising construction bids by the end of June 2023 and once bids are received, they will be submitted to the Board of Directors for approval. Staff received and publicly opened two bids as described in the attached Bid Summary. The engineer's estimate of construction was \$162,050. Presently, the staff is redeveloping the project plans and specifications for rebidding within the next several weeks.

CONSENT AGENDA

The Register of Demands was pulled for discussion and voted on individually.

Motion made by Director Griffith, Seconded by Vice President Sewell.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

Minutes & Grant Easement

Motion made by Director Griffith, Seconded by Director Mayrhofen.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:

May 15, 2023 - Board Meeting

REGISTER OF DEMANDS

The register of demands totaling \$8,748,542.02

ACCEPTANCE OF AMENDED GRANT OF EASEMENT DEED FOR PUBLIC WATER UTILITIES EASEMENT ~ T.T. GROUP, INC. VINTAGE CAMPER RESORT

It is recommended to authorize the General Manager to sign the Certificate of Acceptance, approving and accepting the Amended Grant Easement Deed from T.T. Group Inc., dated May 24, 2023, for a public water utilities easement, located on APN: 656-050-001, City of Desert Hot Springs, CA.

REPORTS

DIRECTOR'S REPORTS

Director Griffith reported he attended the following events: DWA Board Meeting, 5/9-5/11 ACWA Conference, 5/16 DWA Board Meeting, 5/23 CVWD Board Meeting.

Director Duff reported she attended the following events: 5/9-5/11 ACWA Conference, 5/24 San Gorgonio Pass Regional Water Alliance Meeting, 5/25 CVCAN Meeting, 5/30 DHS Planning Commission Special Meeting, 5/31 PS Chamber Food Week Kick-Off.

Director Mayrhofen reported he attended the following events: 5/4 BIA Leadership Reception, 5/9 DHS Planning Commission Meeting, 5/11 DVBA General Membership Luncheon, 5/17 Joint Chamber Mixer.

Vice President Sewell reported he attended the following events: 5/9-5/11 ACWA Conference, 5/17 Joint Chamber Mixer

President Martin reported he attended the following events: 5/2 DHS City Council Meeting, 5/4 BIA Leadership Reception, 5/4 DVBA Legislative Meeting, 5/9-5/11 ACWA Conference, 5/17 Joint Chamber Mixer, 5/18 County Oversight Board Meeting, 5/18 DVBA Networking Night, 5/22 Cabot's Museum Board Meeting, 5/23 RivCo Board of Supervisors Meeting.

GENERAL MANAGER'S REPORT

Included in this report are the following oral reports:

A. Financial Report

Arturo Ceja gave a brief financial report.

B. Public Affairs Update

Marion Champion gave a public affairs update and presentation.

COMMENTS

DISTRICT COUNSEL COMMENTS

John Pinkney announced that there will be a closed session today.

DIRECTOR COMMENTS

Director Mayrhofen thanked Director Sewell for comments made at the Budget Workshop. He mentioned some diving work being performed on one of our water towers. Lastly, he mentioned Chrome VI and noted it's an interesting topic.

Director Sewell thanked the Board for good discussions at recent meetings and noted they are working very well together.

Director Duff concurred with Director Sewell. She also wanted to remind the public, now that the weather is warming, of the importance of water safety and safety around swimming pools.

Director Griffith joked that nothing forms a bond among colleagues better than a fire alarm at your hotel during a conference.

President Martin joked about the comment made by Director Griffith.

CLOSED SESSION

PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code Section 54957

Title: General Manager

REPORT ON ACTION TAKEN DURING CLOSED SESSION

John Pinkney reported the Board took action on the item above.

Motion made by Director Mayrhofen, Seconded by Director Griffith to appoint Brian Macy as Interim General Manager for a six month term and directed legal counsel to draft a contract to be approved in open session in July.

Voting Yea: President Martin, Vice President Sewell, Director Griffith, Director Duff, Director Mayrhofen

ADJOURN

With no further business, President Martin adjourned the meeting at 5:20 PM.

Respectfully,



Arden Wallum

Secretary of the Board of Directors