



BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, July 11, 2024 at 3:00 PM

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

CALL TO ORDER

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

ROLL CALL

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

STAFF MEMBER PRESENT: Brian Macy, Marion Champion, Arturo Ceja, Danny Friend, Kurt Kettenacker, Dori Petee, Arthur Cabrera, Cynthia Acosta, Ryan Goodner-Belli, Will Whitten, Amanda Lucas, Eric Weck, April Scott

General Counsel announced that the Board desired to move the closed session to the top of the meeting. He noted that a motion, second, and vote were needed to do so.

President Sewell mentioned the item regarding amending the classification and compensation plan required action be taken today.

President Sewell called for a motion to move the closed session.

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

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

PUBLIC INPUT

No public input

The Board went into closed session.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION - SIGNIFICANT EXPOSURE TO LITIGATION
pursuant to Government Code Section 54956.9 (d)(1) and/or (2) and/or (3). One Case.

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL INITIATION OF LITIGATION
pursuant to Government Code 54956.9(d)(4). One potential case.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

The Board met in closed session on the two items listed above, there was no reportable action taken.

EMPLOYEE RECOGNITION

HUMAN RESOURCES REPORT

This item will be fully acknowledged on Monday.

ACTION ITEMS**RESOLUTION 2024-20 ~ CONFLICT OF INTEREST CODE UPDATE**

It is recommended that Resolution 2024-20, amending the Mission Springs Water District Conflict of Interest Code, be adopted.

Assistant General Manager Marion Champion explained that the Conflict-of-Interest Code designates which individuals must file a disclosure statement, commonly known as Form 700 or Statement of Economic Interests.

Because of a recent change in the District's organizational structure and classification plan, staff recommends updating the list of positions in the District's Conflict of Interest Code, removing the Government & Public Affairs Manager position.

RESOLUTION 2024-21 ~ AMENDING THE CLASSIFICATION AND COMPENSATION PLAN FOR FY 2024-2025

It is recommended to adopt Resolution 2024-21 amending the employee Classification and Compensation Plan for FY 2024-2025.

GM Macy noted that the Board needs to take action on this item today. Oriana Hoffert, HR Manager, presented and explained that the reason for the change was minor rounding errors embedded in the way Excel rounds up or down.

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

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

RESOLUTION 2024-22 ~ ADOPTING AN ADMINISTRATIVE CODE

It is recommended to approve Resolution 2024-22 adopting an Administrative Code.

Assistant General Manager Marion Champion presented. She noted that the purpose of this document is to bring order and organization to the District's policies and procedures. It does not create anything new or change any prior actions. She noted that the benefits of the Codification include, but are not limited to, accessibility, consistency, legal certainty, efficiency, and transparency.

CONTRACT AMENDMENT NO. 1 WITH LAYNE CHRISTENSEN COMPANY FOR THE DOWNHOLE REHABILITATION OF WELL 42

It is recommended to authorize the General Manager to execute Contract Amendment No. 1 with Layne Christensen Company for site work and well fitting for new Well 42 in the amount of \$234,000.00 from \$3,843,867.89 to \$4,077,867.89, augment the capital improvement budget for Job No. 11147 in the amount of \$234,000.00 from \$4,739,000.00 to \$4,973,000.00, and do all things necessary to complete the project.

Engineering Manager Eric Weck presented. He gave a project background and addressed a previous delay and its solution. Construction of Well 42 was delayed in September 2021 due to modifications proposed to the pumping and electrical equipment. Following approval of the modification and material procurement, MSWD initiated the steps to resume construction. As part of the process, the hydrogeologist and contractor recommended a video of the well and brush and bail of the well, which revealed additional tasks necessary to bring Well 42 into service.

CONTRACT AMENDMENT NO. 2 WITH KYLE GROUNDWATER INC. TO DEVELOP A WELL-REHABILITATION PRIORITIZATION PROGRAM

It is recommended to authorize the General Manager to execute Contract Amendment No. 2 with Kyle Groundwater, Inc. to Develop a Well Rehabilitation Prioritization Program in the amount of \$17,070.00 from \$73,206.00 to \$90,276.00, and do all things necessary to complete the project.

Danny Friend, Director of Operations, presented on this item. To proactively address well maintenance, the District engaged Kyle Groundwater in July 2022 to develop a comprehensive well rehabilitation program. This strategic document will guide staff in decision making for future well maintenance and well replacement projects designed to optimize and maintain production capacity and will identify those wells that are in most need of rehabilitation and that stand the best chance for success at the lowest cost. Additionally, it will also identify wells that should be operated to failure while planning for replacement. Mr. Friend shared an MSWD Production Well Status on all wells.

CONTRACT AMENDMENT NO. 1 WITH LEGEND PUMP AND WELL SERVICE INC. AND CAPITAL PROJECT BUDGET AUGMENTATION FOR WELL 34 REHABILITATION

It is recommended to authorize the General manager to execute Contract Amendment No. 1 with Legend Pump and Well Service Inc. for well 34 in the amount of \$30,000.00 from \$622,228.20 to \$652,228.20, augment the capital improvement budget for Job No. 11742 in the amount of \$50,000.00 from \$694,000.00 to \$744,000.00, and do all things necessary to complete the project.

Eric Weck, Engineering Manager, presented this item. He gave a brief background on the project's original scope and noted that, to date, much of the work has been completed. Following the Well 34 test pumping, it was determined that Booster Pumps No. 1 and No. 2 were non-operational and subsequently were pulled and inspected to identify repairs needed. It was determined that Booster Pumps No. 1 and No. 2 required new downhole equipment, including new pump bowl assemblies, line shafts, column pipe, and a motor rebuild was also recommended. The contractor provided a change order request to complete the rehabilitation work for Booster No. 1 and No. 2. Given that said work is out of scope and the amount exceeds the available contingency; a contract amendment is required to complete the booster rehabilitation work prior to completing the remaining contract work.

CALIFORNIA SPECIAL DISTRICT ASSOCIATION BOARD OF DIRECTORS, SEAT A TERM 2025 - 2027 SOUTHERN NETWORK

It is recommended that the Board review, consider, and select one (1) of the three (3) candidates nominated for Seat A - Southern Network and direct the General Manager to vote for the candidate of their choice.

General Manager Macy explained how this process has worked previously. The Board was directed to review the selection, and a discussion will take place on Monday.

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

It is recommended to authorize the General Manager to execute a Contract Agreement with TKE Engineering, Inc. for On-Call Professional General Engineering Services in the amount of \$350,000.00 for FY 2024-25.

Eric Weck, Engineering Manager, presented. He noted This item pertains to executing a contract agreement with TK Engineering for professional General Engineering Services. TKE Engineering provides experienced Engineers to supplement MSWD staff on an as-needed basis to development to develop project plans and perform inspections on Capital Improvements, as well as privately funded development projects, and plays a very important role in completing needed Water Resource activities under their General Engineering Services. This includes representing the district at the Coachella Valley Water Management Group, managing the salt nutrient management plan and managing the groundwater quality management plan for the district, as well as inspecting privately developed and privately funded development projects such as the Viento project, the Rancho Descanso project and now the Pods storage project off 19th Avenue. TKE is actively managing many projects for MSWD under their on-call General engineering contract. Mr. Weck reviewed the new/proposed task orders related to this contract.

Mike Thornton, President of TKE, addressed the Board. He addressed some comments brought up by the Board and assured them they have the resources to meet all the district's needs. He relied heavily on their prior track record with MSWD.

Director Duff expressed concerns over projects with their own scope being included in an "on-call" contract and noted she would like to see those projects have their own contract, leaving the on-call contract for exactly that: on-call projects as they arise. General Manager Macy concurred, stating this item would be broken down into three contracts.

DISCUSSION ITEMS

NANCY WRIGHT REGIONAL WATER RECLAMATION FACILITY UPDATE

Terry Renner of TKE presented a construction and grant funding update to the Board.

CRITICAL SERVICES CENTER AND ADMINISTRATION BUILDING UPDATE

This presentation will take place on Monday

FRONT LOBBY DISCUSSION

Arturo Ceja, Director of Finance, who also oversees Customer Service, explained that it is often difficult to send Customer Service Representatives for training due to decreased staff and District hours. He expressed the need to close the Customer Service window on Fridays so the staff may receive the training they need. He noted the District would still be open by appointment if needed. He noted that customers have complained in the past that our hours are reduced on Fridays. The Board will give this consideration and discuss it again on Monday.

CONSENT AGENDA

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:

June 5, 2024 - Special Meeting Workshop

June 13, 2024 - Study Session

June 17, 2024 - Board Meeting

REGISTER OF DEMANDS

The register of demands totaling \$3,057,299.09

Vice President Griffith pulled the register of demands for further discussion.

REPORTS

GENERAL MANAGER'S REPORT

Included in this report are the following oral reports:

A. Finance Report

B. Public Affairs Report

Marion Champion presented the Public Affairs report, which highlighted some of the department's activities this past month.

COMMENTS

DISTRICT COUNSEL COMMENTS

No comments at this time.

DIRECTOR COMMENTS & REQUESTS

A. Director General Comments

B. Director Requests for Future Agenda Items

C. Director Requests for Future Meeting

Director Martin complimented the CCR.

Director Mayrhofen noted he sent an email to the President and the GM regarding ethics training and the Board's relationship with the General Counsel. He expressed his desire to see this come back as a workshop.

President Sewell expressed his appreciation to the staff and community for rallying around a previous employee who was in a terrible car accident.

ADJOURN

With no further business, President Sewell adjourned the meeting at 6:00 PM

Respectfully submitted,

Dori Petee
Executive Assistant