



BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, January 12, 2023 at 3:00 PM

Via Teleconference – No Live Attendance

CALL TO ORDER

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

ROLL CALL

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

STAFF MEMBERS PRESENT: Amanda Lucas, Arturo Ceja, April Scott, Danny Friend, Eric Weck, Jeannie Bayer, Jeff Nutter, Lisa Pelton, Mike Platt, Oriana Hoffert, Rachel Pust, Theresa Murphy, Rita Huber, Chad Finch, Marion Champion, Dori Petee, Arden Wallum, Brian Macy, Kurt Kettenacker.

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 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.”

PRESENTATION

2023 CALENDAR DRAWING CONTEST - PRESENTATION OF AWARDS (TUESDAY 1/17)

EMPLOYEE RECOGNITION

HUMAN RESOURCES REPORT

This item will be fully recognized on Tuesday, January 17th.

ACTION ITEMS

RESOLUTION 2023-01 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MISSION SPRINGS WATER DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY EXECUTIVE ORDER N-09-21, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE MISSION SPRINGS WATER DISTRICT FOR THE PERIOD JANUARY 23, 2023 - FEBRUARY 22, 2023, PURSUANT TO PROVISIONS OF THE RALPH M. BROWN ACT

It is recommended to approve Resolution 2023-01, continuing teleconferencing meetings for the period of January 23, 2023 - February 22, 2023.

Routine monthly item, this will be the last Resolution of this nature, AB 361 expires at the end of February.

APPOINTMENTS TO BOARD STANDING COMMITTEES

President Martin may appoint members to the District's standing committees.

President Martin presented a proposed list of appointments. He requested Board members review this list and either email questions or concerns or bring them up on Tuesday. If there are no changes this proposed list, it will stand as written.

AFFILIATION LISTING

It is recommended to review, update if necessary and approve the current Board Affiliation Listing.

President Martin gave a brief explanation of this list and asked that any proposed changes be brought to his attention at Tuesday's meeting.

FEDERAL ADVOCACY SERVICES – CARPI & CLAY, INC.

It is recommended to authorize the General Manager to execute an Agreement for Services with Carpi & Clay Government Relations in the amount of \$4000/month for the term February 1, 2023, to January 31, 2024.

Laura Morgan-Kessler of Carpi & Clay presented a brief legislative update to the Board. Laura is the District legislative representative from Washington D.C.

MID-YEAR OPERATING BUDGET REPORT AND FY 2022/23 CAPITAL BUDGET AND CONTINUING APPROPRIATIONS

It is recommended to approve the Mid-Year Operating Budget Report and FY 2022/23 Capital Budget and Continuing Appropriations.

Arturo Ceja presented the mid-year changes to the Board. Mid-year changes include a net operating loss of \$205,740, solar credits of \$225,000 and grants totaling \$17,771,042.00.

RESOLUTION 2023-02 - MSWD REGIONAL WATER RECLAMATION FACILITY - INSTALLMENT PURCHASE AGREEMENT

It is recommended to approve Resolution 2023-02 authorizing the General Manager to execute an Agreement for a Line of Credit with Wells Fargo National Association in the amount of \$15,000,000

with a not to exceed fixed interest rate of 4.5%.

In August 2022, the District, and the State Water Resources Control Board (Water Board) executed Funding Agreement No. D2101054, to fund the construction of the Reclamation Facility. This is an expense reimbursement agreement that will cover 100% of the Reclamation Facility's costs. Construction began in January of 2022, with a current accumulated cost of approximately \$17.7 million.

The District analyzed cashflows and requested proposals for a \$15,000,000 loan that would provide cashflow funds during the reimbursement delay. Jamie O'Connell, Relationship Manager with Wells Fargo, and John Self, Public Finance Director, presented more detail on this agreement. Mr. Self noted the structure of this loan and the rate we are receiving is lower than the reinvestment rate associated with the proceeds. This is an opportunity for the District, through very conservative investments, to be able to facilitate extra funds.

DISCUSSION ITEMS

MSWD REGIONAL WATER RECLAMATION FACILITY UPDATE

Steve Ledbetter updated the Board on the construction progress of the MSWD Regional Water Reclamation Facility. He noted we are still waiting on the final budget approval for the construction grant. It is in the review process now and the State confirmed approval will happen by the end of the month.

CRITICAL SERVICES CENTER AND ADMINISTRATIVE BUILDING UPDATE

Brian Macy noted we are very close to finalizing the design and preparing to go to bid on this project.

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:

December 15, 2022 - Study Session

December 19, 2022 - Board Meeting

REGISTER OF DEMANDS

The register of demands totaling \$4,706,351.85

REPORTS

DIRECTOR'S REPORTS

Vice President Sewell reported he attended the following event: 12/16 DVBA Charity Luncheon

GENERAL MANAGER'S REPORT

Included in this report are the following oral reports:

- A. Financial Report
- B. Public Affairs Report

Marion Champion presented a Public Affairs Update

COMMENTS

DISTRICT COUNSEL COMMENTS

General Counsel announced there will be no closed session today or Tuesday. His desire is to meet with the new Directors prior to a closed session to brief them on the history of litigation.

DIRECTOR COMMENTS

Director Duff thanked the Board and staff for the budget workshop and for allowing her all the time she needed to ask her questions.

ADJOURN

With no further business, President Martin adjourned the meeting at 4:27 PM.

Respectfully,

Arden Wallum
Secretary of the Board of Directors