



BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, September 11, 2025 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 MEMBERS PRESENT: Brian Macy, Marion Champion, Arturo Ceja, Eric Weck, Oriana Hoffert, Daniel Virgen, Amanda Lucas, Selene Rodriguez, Dori Petee

President Sewell and members of the Board and Staff observed a moment of silence in remembrance of 9/11.

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

PRESENTATIONS

DESERT HOT SPRINGS HIGH SCHOOL REAL ACADEMY INTERNSHIP PROGRAM

Assistant General Manager Marion Champion introduced the new round of interns from the Desert Hot Springs Real Academy.

CLOSED SESSION**CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION**

Pursuant to Government Code Section 54956.9(d)(4). One potential case.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

The Board met in closed session on the above-referenced item; no reportable action was taken.

EMPLOYEE RECOGNITION**HUMAN RESOURCES REPORT**

This item will be acknowledged on Monday.

ACTION ITEMS**PUBLIC HEARING ~ ORDINANCE 2025-03 ~ UPDATING RULES AND REGULATIONS FOR SEWER SERVICE**

It is recommended that the public hearing be conducted, and Ordinance 2025-03 be adopted, amending Ordinance 2008-02, Establishing Rules and Regulations for Sewer Service, Article XI, Enforcement.

General Manager Brian Macy provided updates and enforcement actions related to Ordinance 2025-03, which amends previous regulations for sewer service. The board discussed the upcoming public hearing, scheduled for Monday, at which the ordinance will be presented. Key changes include modifications to the penalty structure for non-compliance, with fines increasing incrementally based on the duration of the violation—starting at \$1,000 per day for the first 30 days, \$5,000 for the next 30 days, and up to \$10,000 or more for extended violations. The board clarified the process for second readings and consent calendar approvals, emphasizing the importance of due process, proper notice, and fairness in enforcement. Staff shared experiences from previous enforcement actions, highlighting the need for clear communication, documentation, and opportunities for affected parties to comply or protect their products, particularly in cases involving cannabis operations. The board also discussed the responsibilities of permit holders to notify the district upon achieving compliance and the district's procedures for terminating service when necessary. Questions from directors addressed risk mitigation, legal liability, and the practical steps taken to ensure compliance and minimize potential damages. The discussion concluded with appreciation for staff efforts and confirmation of next steps, including bringing the ordinance back for further review and approval as needed.

AWARD OF CONTRACT FOR THE CONSTRUCTION OF THE HORTON MONITORING WELL 1A PROJECT

It is recommended to authorize the General Manager to award a contract for the construction of the Horton Monitoring Well 1A Project to ABC Liovin Drilling, Inc., the lowest responsible and responsive bidder, in the amount of \$156,050.00 plus a 10% contingency of \$15,605.00 for a total of \$171,655.00, and augment Capital Job No. 11885 by \$78,300 for a total project budget of \$222,970.00 and to do all things necessary to complete the project.

Engineering Manager Eric Weck presented details regarding the construction of the Horton Monitoring Well 1A project. The existing monitoring well, located at the district's corporate yard, was found to be unusable due to its shallow depth and periodic dryness, which limits its ability to represent ambient groundwater conditions accurately. As a result, the district solicited and received three bids for the construction of a new monitoring well to replace the existing one. After reviewing the bids, the lowest bid did not submit the required documents; therefore, ABC Liovin Drilling Incorporated was identified as the next lowest responsible bidder, and staff recommended awarding the contract to them. The project budget was discussed, including a total amount of \$222,970, with an augmentation of capital job number 11885 by \$78,300 and a 10% contingency for a total of \$171,655. The contract time is expected to be 45 calendar days, with the contractor working hours set from 7:00 a.m. to 3:30 p.m., Monday through Friday, in accordance with city requirements. Surrounding property owners will be notified of the work, and the scope of services includes abandonment of the existing well and the ability to take groundwater samples.

AWARD OF CONTRACT TO KYLE GROUNDWATER, INC. FOR PROFESSIONAL HYDROGEOLOGICAL SUPPORT SERVICES

It is recommended to authorize the General Manager to execute an agreement with KYLE Groundwater, Inc. for Professional Hydrogeological Support Services related to the assessment and rehabilitation of Wells 28 and 30, and the preparation of a Drinking Water Source Assessment and Protection (DWSAP) document for Well 42, for a not to exceed amount of \$21,387.00, and to do all things necessary to complete the project.

Director of Operations Danny Friend presented updates and actions related to groundwater well rehabilitation projects. He discussed contracts for professional hydrogeological support services, specifically with Kyle Groundwater Incorporated, to assess and rehabilitate wells 28 and 30, as well as the preparation of a Drinking Water Source Assessment and Protection Plan (DWSAP). Updates included the status of well 35 near the Skyborne development, which is nearing completion and incorporates a source water assessment. The team is also monitoring the rehabilitation of well 35 and preparing bid documents for future work. It was noted that wells 28 and 30 have been offline for several years due to mechanical failure, and their rehabilitation is part of a broader compliance plan. The board reviewed budget approvals for these capital items and confirmed that contract amounts do not exceed the general manager's approval limit. Additional discussion covered operational flexibility gained from these projects, the importance of monitoring groundwater, and the integration of assessment results into future design documents. The discussion concluded with expressions of optimism about the progress and anticipated completion of key projects by February or March 2026.

DISCUSSION ITEMS

ADMINISTRATION BUILDING UPDATE

General Manager Brian Macy noted that staff is still working with the City to go through the final review comments.

GROUNDWATER PROTECTION PROGRAM UPDATE

Engineering Manager Eric Weck presented an update for the groundwater quality protection program, highlighting ongoing efforts and recent developments. Staff reported that the Nancy Wright Regional Wastewater Reclamation Facility continues to operate as designed, with the conveyance line functioning well. Coordination with contractors is ongoing to begin work on the diversion structure, although some delays have occurred due to long lead items. Staff is actively working with legal counsel to select a contractor and is also seeking additional funding from the state to support the project. Recent progress includes the official groundbreaking for a \$13 million expansion, made possible by a grant from the State Water Resources Control Board's Clean Water State Revolving Fund. The project management team has been assembled quickly to meet tight deadlines, with multiple crews working in different directions to stay on schedule. Challenges have arisen, particularly with Joshua tree requirements, but efficiencies have been incorporated to address these issues. The committee continues to pursue grants and legislative support, including potential funding from the climate resiliency bond. Updates from Sacramento indicate ongoing efforts to secure resources and resolve legal matters related to the 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:

August 6, 2025 - Special Meeting Workshop Minutes

August 14, 2025 - Study Session Minutes

August 18, 2025 - Board Meeting Minutes

REGISTER OF DEMANDS

The register of demands totaling \$2,470,819.22

REPORTS**DIRECTOR'S REPORTS****GENERAL MANAGER'S REPORT**

Included in this report are the following oral reports:

1. Finance Report
2. Public Affairs Report

During the general manager's report, several updates and discussions were presented regarding ongoing projects and operational matters. The board reviewed amendments to project contracts, specifically noting that changes were primarily aimed at reducing the scope of certain initiatives, such as scaling down from six NIM 2.0 systems to two, and expanding the RESTBC solar field. It was clarified that the project sizes have not changed since the public notification process began, and any

adjustments are formalizing previous discussions. The board also discussed the preservation of endangered flora species, with plans to transfer them to a seed bank as part of the mountain conservancy efforts. Questions were raised about the grading and preparation of property near the existing solar field.

COMMENTS

DISTRICT COUNSEL COMMENTS

General Counsel noted this item will be removed from future agendas, as any comments are privileged in nature.

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 business, President Sewell adjourned the meeting at 4:32 PM.

Respectfully Submitted,

Dori Petee
Executive Assistant