



BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, March 11, 2021 at 3:00 PM
Via Teleconference – No Live Attendance

NOTICE IS HEREBY GIVEN MISSION SPRINGS WATER DISTRICT BOARD MEETINGS WILL BE CONDUCTED PURSUANT TO THE GOVERNOR'S EXECUTIVE ORDER N-29-20 IN AN EFFORT TO PROTECT THE PUBLIC HEALTH AND PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS). THE PUBLIC MAY ATTEND AND PARTICIPATE TELEPHONICALLY AS THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING IN PERSON. THE AUDIO/VIDEO RECORDING OF THESE MEETINGS MAY BE POSTED TO THE MSWD WEBPAGE FOLLOWING THE MEETING.

THE PUBLIC MAY SUBMIT ANY COMMENTS ADDRESSING ITEMS BELOW BY EMAILING DPETEE@MSWD.ORG PRIOR TO THE START OF THE MEETING.

JOIN ZOOM MEETING:

<https://us02web.zoom.us/j/8220655340>

DIAL BY PHONE:

+1 (408) 638-0968

Meeting ID: 822 065 5340

ACTION MAY BE TAKEN ON ANY ITEM LISTED ON THIS AGENDA

CALL TO ORDER

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

ROLL CALL

DIRECTORS PRESENT: President Nancy Wright, Director Randy Duncan, Director Steve Grasha, Vice President Russ Martin, Director Ivan Sewell

STAFF PRESENT: Arden Wallum, Dori Petee, Brian Macy, Matt McCue, Danny Friend, Bassam Alzammam, Victoria Llort, Oriana Hoffert, Lisa Pelton, Amanda Lucas, Arturo Ceja

RULES OF PROCEDURE

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

First all noticed meetings are conducted using Rosenberg's Rules of Order as procedural guidance. Directors should refrain from responding directly to public comment at meetings of the Board. 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 persons 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."

PUBLIC INPUT

Public comment provided by Phillip Bettencourt.

COVID-19 UPDATE

Mr. Wallum gave the COVID-19 Update for MSWD.

HUMAN RESOURCES REPORT - EMPLOYEE RECOGNITION

The Board briefly acknowledged the following employees: more recognition will be given on Monday.

ANNIVERSARIES: Mark Vermeer - WWTP Operator I for 20 Years, Theresa Murphy - Engineering Technician for 13 Years, Carol Morin - Office Specialist II for 19 Years.

CERTIFICATIONS/EDUCATIONAL ACCOMPLISHMENTS

Lisa Pelton Accounting Certificate

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS CALL FOR NOMINATIONS FOR SOUTHERN NETWORK, SEAT A

It is recommended, if so desired, to nominate a candidate for the CSDA Southern Network Board of Directors, Seat A.

There was no interest in nominating a member of the MSWD Board to the CSDA Board of Directors. President Wright directed the Board Secretary to replace this item on Monday's agenda with a concurring nomination for Jo Makenzie.

RESOLUTION 2021-02: ACWA/JPIA EXECUTIVE COMMITTEE ELECTION NOMINATION

It is recommended, if so desired, to adopt Resolution 2021-02, concurring with the nomination of Randall James Reed to the Association of California Water Agencies/Joint Powers Authority Executive Committee.

RESOLUTION 2021-03: ACWA/JPIA EXECUTIVE COMMITTEE ELECTION NOMINATION

It is recommended, if so desired, to adopt Resolution 2021-03, concurring with the nomination of Melody A. McDonald to the Association of California Water Agencies/Joint Powers Authority Executive Committee.

AWARD OF CONTRACT FOR THE CONSTRUCTION OF HORTON WWTP INFLUENT PUMP STATION ODOR CONTROL SYSTEM AND CAPITAL BUDGET AUGMENTATION

It is recommended to authorize the General Manager to award a contract for the construction of Horton WWTP Influent Pump Station Odor Control System Project to AToM Engineering Construction, Inc. the lowest responsible bidder, in the amount of \$497,398.00 plus a 10% contingency (total \$547,137.80), augment the capital improvement budget amount to \$730,000 for Job No. 11456, and authorize the General Manager to do all things necessary to complete the project.

Mr. Wallum noted that odor control can be 30-40% of the capital cost and a large chunk of the operational cost for treatment facilities. This will mask and treat the odor from the influent. Mr. Friend reviewed the staff report and clarified why the capital budget is being augmented. The project was originally established in 2017 with an adopted preliminary budget of \$320,000 to cover design and construction. After further analysis, added soft costs (project and construction management, inspection, labor compliance monitoring and reporting) and all costs associated with the project now has an estimated total cost of \$730,000.

CONTRACT WITH MICHAEL BAKER INTERNATIONAL FOR THE PREPARATION OF WATER AND WASTEWATER SYSTEM MASTER PLAN UPDATES AND CAPITAL BUDGET AUGMENTATION

It is recommended to authorize the General Manager to negotiate and execute a contract with Michael Baker International for an amount not to exceed \$499,027.00 for professional engineering services for the preparation of the Water System and Wastewater System Master Plan Updates, augment the capital improvement budget for the Water Master Plan to \$345,000.00 for Job No. 11347, and to do all things necessary to complete the project.

Mr. Wallum noted that this is one of the most important planning documents. Mr. Friend provided further details, he emphasized that it has been sixteen years since this document has been updated. Both capital improvement budgets were established in 2016. Since that time, costs throughout the construction industry have continued to rise, thus resulting in a higher than planned for cost to complete the master plan updates. Staff continues to find ways to reduce the costs associated with this project.

MSWD REGIONAL WATER RECLAMATION FACILITY UPDATE

Update given by Steve Ledbetter with TKE Engineering.

ADMIN/CORP YARD BUILDING UPDATE

This update will occur on Monday, March 15th at the Board Meeting.

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:

Study Session - February 11, 2021

Board Meeting - February 16, 2021

REGISTER OF DEMANDS

The register of Demands totaling \$ 1,803,604.21.

UPCOMING EVENTS & DIRECTOR REPORTS

Vice President Martin reported he attended the following events: 2/2 DHS City Council Meeting, 2/4 DVBA Legislative Meeting, 2/9 RIVCO Board of Supervisors Meeting, 2/22 Cabot's Board Meeting, 2/24 Tribal Water Authority Meeting.

Director Duncan reported he attended the following events; 2/1 DWA Board Meeting, 2/9 CVWD Board Meeting, 2/23 CVWD Board Meeting, 2/24 ACWA DC Conference

GENERAL MANAGERS' REPORT

General Manager, Arden Wallum, noted an update on the status of the meter replacement project, "I am pleased to report that all of the replacement meters and registers that we contracted out to have installed have been installed. We are waiting on the shape files and expect to receive those files

before the April Board meeting. So our plan is to have an agenda item at the April meeting to accept the work on this project as complete. But I wanted to make you aware the replacement meters and registers have been installed.”

Additionally he announced the MSWD recipient of the Rotary "Big Heart" Award, MSWD Employee of the Year, Mark Vemeer WWTP Operator I.

FINANCIAL REPORT

Matt McCue gave the financial report for the period ending December 31, 2020.

Net Operating Income (Loss) – variance from Budget	\$3,143,790
Net Non-Operating Income (Loss) – variance from Budget	\$(5,149,317)
Net Income (Loss) – variance from Budget	\$(2,005,527)
<i>Cash</i>	
Increase (Decrease) in Cash	\$(322,821)
Balance of Cash at beginning of year (July 1)	\$ 34,708,247
Balance of Cash at end of period	\$ 34,385,426
Unrestricted Cash	\$ 3,336,445
<i>Restricted Cash</i>	
Capital Reserve Fund	\$30,070,185
Other Restricted Cash	\$31,048,981
Cash in Custody of MSWD	\$ 34,385,426

DISTRICT COUNSEL REPORT

Mr. Pinkney announced closed session.

DIRECTOR COMMENTS

Director Grasha requested an agenda item concerning the situation addressed in Public Comment. He also commented on the facts presented at a recent City Council meeting, Mr. Grasha was misinformed about Vice President Martin stating that the Class Action case was dismissed.

Vice President Martin clarified his comments made at the Desert Hot Springs City Council Meeting regarding the Class Action case.

Director Duncan commended he staff on their ability to adjust during the pandemic.

Director Sewell thanked Matt McCue for his finance report.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION

pursuant to Government Code Section 54956.9(d)(1).

One Case: Case No. PSC 1600676

(Mission Springs Water District vs. Desert Water Agency)

CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION

pursuant to Government Code Section 54956.9(d)(1)

One Case: Case No. RIC2003782

(George Padilla and Sharon Moreno vs. Mission Springs Water District).

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

pursuant to Government Code Section 54956.8 (Property: 7.51 acres at 14866 Palm Drive, Desert Hot Springs). Agency Negotiator: General Manager Arden Wallum. Negotiating Parties: MSWD and Lee Woo Keun & Taik Young/Lee Chang Sun. Under Negotiation: Price and Terms

REPORT ON ACTION TAKEN DURING CLOSED SESSION

The Board met in closed session on CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION pursuant to Government Code Section 54956.9(d)(1) One Case: Case No. RIC2003782 (George Padilla and Sharon Moreno vs. Mission Springs Water District) and CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code Section 54956.8 (Property: 7.51 acres at 14866 Palm Drive, Desert Hot Springs). Agency Negotiator: General Manager Arden Wallum. Negotiating Parties: MSWD and Lee Woo Keun & Taik Young/Lee Chang Sun. Under Negotiation: Price and Terms

There was no reportable action taken on either item.

ADJOURN

President Wright adjourned the meeting at 4:31 P.M.

Respectfully,

Arden Wallum
Secretary of the Board of Directors