



BOARD OF DIRECTORS REGULAR MEETING STUDY SESSION MINUTES

Thursday, October 17, 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 MEMBERS PRESENT: Brian Macy, Marion Champion, Arturo Ceja, Kurt Kettenacker, Amanda Lucas, April Scott, Eric Weck, Arthur Cabrera, David Barraza, Oriana Hoffert, Theresa Murphy, Will Whitten, Dori Petee

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 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 comment.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9 (d)(2) and/or (3). One potential case.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

The Board met in a closed session on the above noted, and there was no reportable action.

PRESENTATIONS

DESERT HOT SPRINGS HIGH SCHOOL REAL ACADEMY INTERNSHIP PROGRAM

The presentation will take place at the Monday meeting.

EMPLOYEE RECOGNITION

HUMAN RESOURCES REPORT

The Board will fully acknowledge this item at the Monday meeting.

ACTION ITEMS

AMENDMENTS TO POWER PURCHASE AND LEASE AGREEMENTS WITH TRIDENT MISSION SPRINGS LLC

It is recommended that the Board approve Amendment No. 1 for the Power Purchase Agreement (PPA) and Amendment No. 1 for the Solar Facility Lease Agreement with Trident Mission Springs LLC, to design, build, and construct approximately 4 MW of renewable solar energy at seven MSWD sites.

General Manager Macy explained that following subsequent discussions about the construction and operation of the solar facilities, MSWD and Trident Mission Springs LLC have decided to amend the PPA and Lease Agreement. The amendments include clarifying language that permits each solar facility to commence operations once Southern California Edison grants Permission to Operate (PTO). Additionally, the amendments ensure that each solar facility is treated independently under the PPA and Lease Agreement.

ACCEPTANCE OF THE 13TH AVE., MISSION LAKES BLVD., AND THOMAS AVE. TROPICAL STORM HILARY WATER LINE REPLACEMENT PROJECT

It is recommended that the 13th Ave. Mission Lakes Blvd. and Thomas Ave. Tropical Storm Hilary Water Line Replacement Project be accepted and that the release of retention money held for Tri-Star Contracting II in the amount of \$37,266.97 is authorized thirty-five days after filing the Notice of Completion.

Engineering Manager Eric Weck presented. He stated that impacts from Tropical Storm Hilary, specifically excessive stormwater flows in Mission Creek, left waterlines along 13th Avenue, Thomas Avenue, and Mission Lakes Boulevard damaged or vulnerable to future rain events. 327 LF of the 13th Avenue waterline was washed away by the storm event and replaced. While the Thomas Avenue waterline was not damaged, the scour from flowing water reduced the depth of approximately 490 LF waterline, which was replaced at a deeper depth. Lastly, the protective casing of the Mission Lakes Boulevard waterline was fully exposed; therefore, 355 LF of the waterline was replaced at a deeper depth.

UPDATES TO THE DEVELOPER/CONTRACTOR HANDBOOK & GUIDELINES FOR DESIGN AND CONSTRUCTION OF WATER AND SEWER FACILITIES

It is recommended that the Board approve the updates to the Developer/Contractor Handbook & Guidelines for Design and Construction of Water and Sewer Facilities (Developer Handbook) (October 2024 Edition).

Engineering Manager Eric Weck presented. He noted the updated language to the Development Handbook includes more precise language regarding the requirements which must be fulfilled before obtaining water meters or connects to a sanitary sewer. Specifically, it mandates the Developer must execute a Bill of Sale to formally transfer the title of the water and sanitary sewer systems and their appurtenances to the District prior to the installation of any meters or sewer lateral connections. This transfer is crucial for establishing ownership and responsibility for maintenance, and ensuring the District has the legal authority to manage and operate these systems effectively. Overall, these updates are designed to enhance clarity and enforce compliance, safeguarding that the District can adequately oversee utility services and maintain the integrity of the water and sewer systems.

ACCEPTANCE OF FINAL TRACT MAP FOR TRACT NO. 38816 – AVENTURA PALMS

It is recommended that the Final Tract Map for Tract No. 38816—Aventura Palms be accepted and that the General Manager be authorized to execute the map to finalize the approval.

Engineering Manager Eric Weck presented. The Board's acceptance of this map is the last step in finalizing the approval process for this development project.

FIRST AMENDMENT TO CONTRACT AGREEMENT WITH B-81 PAVING INC., FOR PAVEMENT REPAIRS FOR WATER AND SEWER PROJECTS FOR 2024-2025

It is recommended that the General Manager be authorized to amend the contract agreement with B-81 Paving Inc., titled Pavement Repairs for Water and Sewer Projects for 2024-2025. The amendment would increase the contract amount by \$150,000.00 from \$250,000.00 to a not-to-exceed amount of \$400,000.00 and authorize the General Manager to do all things necessary to complete the project.

Director of Operations Danny Friend presented. On June 20, 2022, B-81 Paving, Inc. was awarded a one-year contract for \$250,000.00 for permanent pavement restoration related to water and sewer repairs, with options for three additional one-year extensions. The amended contract amount of \$400,000.00 will enable staff to manage asphalt repairs effectively and meet the 90-day timeline agreement with the City. B-81 Paving Inc. has completed \$71,453.00 worth of paving and repair work. An additional \$150,000.00 will be used to complete current and anticipated pavement repairs through FY 2024-2025.

AWARD OF CONTRACT AGREEMENT WITH OPENGOV FOR BUDGETING, PLANNING AND PROCUREMENT SOFTWARE

It is recommended that the General Manager be authorized to execute a three-year contract agreement for budgeting, planning, and procurement software in the amount of \$191,993.18, plus a 10% contingency for staff time, for a total of \$230,391.82 to OpenGov and authorize the General Manager to do all things necessary to complete the project.

Director of Finance Arturo Ceja presented. During the fiscal year, the Board approved a new Contracts Analyst position, filled in March 2024. A significant reconciliation of various contracts, agreements, Memoranda of Understanding (MOU), Letters of Intent (LOI), Master Services Agreements, and Service Level Agreements, to name a few, is being completed. Additionally, some significant projects involve prevailing wages and labor compliance. Staff require a robust program that offers more capabilities than the limited tracking currently done in Excel and Microsoft Calendar. Additionally, as budget data becomes more relevant and with the Board's continued support for transparency, we require an efficient system that provides reports. OpenGov attended the CSDA conference and presented how their budget software has improved operations for other agencies. The software is compatible with the

District's ERP system and can provide reports and prepare the annual budget submitted to the GFOA for the Distinguished Budget Award.

James Jagger of Open Gov gave a brief presentation to the Board.

DISCUSSION ITEMS

CRITICAL SERVICES CENTER AND ADMINISTRATIVE BUILDING UPDATE

General Manager Macy provided a brief update.

GROUNDWATER PROTECTION PROGRAM UPDATE

General Manager Macy presented on this program. He noted the quarterly report and reimbursement requests and updated the grant amendment. The FBA Approval is with legal for final processing.

CONSENT AGENDA

Director Duff pulled the Register of Demands to ask some clarifying questions.

APPROVAL OF MINUTES

It is recommended to approve the minutes as follows:

September 4, 2024 - Special Meeting Workshop

September 12, 2024 - Study Session

September 16, 2024 - Board Meeting

REGISTER OF DEMANDS

The register of demands totaling \$1,682,115.64

REPORTS

DIRECTOR'S REPORTS

Reports will be given on Monday.

GENERAL MANAGER'S REPORT

Included in this report are the following oral reports:

A. Finance Report

B. Public Affairs Report

General Manager Macy highlighted the printed report. The Finance and Public Affairs Report will be given on Monday.

COMMENTS

DISTRICT COUNSEL COMMENTS

No comments from counsel.

DIRECTOR COMMENTS & REQUESTS

A. Director General Comments

B. Director Requests for Future Agenda Items

C. Director Requests for Future Meetings

Director Duff mentioned a meeting related to conservation and groundwater and asked that a conversation about it be held at Monday's Meeting.

President Sewell thanked the staff for a very successful ribbon-cutting event.

ADJOURN

With no further action, President Sewell adjourned the meeting at 4:27 PM.

Respectfully submitted,

Dori Petee
Executive Assistant