



BOARD PRESIDENT

John P. Powell Jr.
DIVISION 3

VICE PRESIDENT

Castulo R. Estrada
DIVISION 5

**OFFICIAL MINUTES
REGULAR MEETING OF
THE COACHELLA
VALLEY WATER
DISTRICT BOARD OF
DIRECTORS**

July 26, 2022

DIRECTOR

John Aguilar
DIVISION 1

DIRECTOR

Anthony Bianco
DIVISION 2

DIRECTOR

Peter G. Nelson
DIVISION 4

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

President Powell called the regular meeting of the Board of Directors of the Coachella Valley Water District to order at 8:02 a.m., Tuesday, July 26, 2022, at the office of the District in Coachella, California. The Pledge of Allegiance was led by President Powell.

2. ROLL CALL

Present: President John P. Powell, Jr
Vice President Cástulo R. Estrada *arrived at 9:13a.m.; left at 9:40am*
Director Anthony Bianco
Director John Aguilar
Director Peter Nelson

Absent: None

Staff Present: Jim Barrett, General Manager
Jeff Ferre, Counsel
Sylvia M. Bermudez, Clerk of the Board

3. ADDITIONS/DELETIONS/ADJUSTMENTS TO THE AGENDA

In accordance with the section 54954.2 of the Government Code additions to the agenda require a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, which makes the determination that there is a need to take action, and the need to take action arose after the posting of the agenda.

- A. No items removed or continued from the Agenda
- B. No emergency items added to the Agenda
- C. No changes to the order of the Agenda

4. PUBLIC COMMENT

No Public Comment received.

5. CONSENT CALENDAR

- A. Administration – Accept and file the General Manager's Report of Activities for June 2022
- B. Administration – Accept and file the General Manager's Report of Authorizations, Executions, and Acceptance of Documents for the month of June 2022
- C. Clerk of the Board – Affirm Resolution No. 2022-10, extending the use of the provisions found in Government Code Section 54953(e), and findings related to the State of Emergency due to COVID-19 that authorize the continued use of remote teleconferencing provisions pursuant to AB 361 and Government Code Section 54953
- D. Clerk of the Board – Approve Minutes of the July 12, 2022, Coachella Valley Water District Board of Directors Meeting
- E. Clerk of the Board – Accept and file the Secretary's Report of Written Instruments Accepted and Recorded during the month of June 2022
- F. Engineering – Authorize the General Manager to execute a Check Request for Southern California Edison in the amount of \$249,838.72 for removal and replacement of existing Manholes for the WRP 10 T1 Pump Station Replacement and T2 Pump Station Modifications Project (NP1807) and approve a 10% contingency in the amount of \$25,000 for a total request of \$274,838.72.
- G. Environmental Services – Adopt Resolution No. 2022-33, authorizing the submittal of Proposition 1 Round 2 Implementation Grant Application and designating the General Manager to sign the application, execute the funding agreement, and sign all necessary documentation.
- H. Information Systems – Approve Seventh Amendment to the Consulting Agreement with Northern Digital, Inc. for Additional SCADA System Development, PLC Programming, and Installation Fieldwork, in the amount of \$472,179.

On a motion by Director, John Aguilar second by Director, Peter Nelson, the board approved Consent Calendar items 5A through 5H.

Approved by the following roll vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None
Recuse: None
Motion Passed: 4-0

- I. ***PULLED FOR DISCUSSION*** - Service & Communication_– Authorize the Transfer of Delinquent and Unpaid Domestic Water, Sewer Service, and Irrigation Water Charges to Imperial and Riverside County and approve Resolution Nos. 2022-34, 2022-35 and 2022-36
- J. ***PULLED FOR DISCUSSION*** - Service & Communication_– Authorize the Transfer of Sewer Service Charges to Riverside County and Imperial County Tax Rolls for Fiscal Year 2022-23 and approve Resolution Nos. 2022-37 and 2022-38
- K. ***PULLED FOR DISCUSSION*** - Service & Communication – Authorize the Transfer of Delinquent Irrigation Water Availability Charges to the Riverside County Tax Roll Fiscal Year 2022-23 and approve Resolution No. 2022-39

6. ITEMS PULLED FROM CONSENT CALENDAR FOR DISCUSSION

- I. Service & Communication – Authorize the Transfer of Delinquent and Unpaid Domestic Water, Sewer Service and Irrigation Water Charges to Imperial and Riverside County and approve Resolution Nos. 2022-34, 2022-35 and 2022-36

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board approved Transfer of Delinquent and Unpaid Domestic Water, Sewer Service, and Irrigation Water Charges to Imperial and Riverside County and approved Resolution Nos. 2022-34, 2022-35 and 2022-36

Approved by the following roll vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

- J. Service & Communication – Authorize the Transfer of Sewer Service Charges to Riverside County and Imperial County Tax Rolls for Fiscal Year 2022-23 and approve Resolution Nos. 2022-37 and 2022-38

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board approved the transfer of Delinquent and Unpaid Domestic Water, Sewer Service and Irrigation Water Charges to Imperial and Riverside County and approved Resolution Nos. 2022-34, 2022-35 and 2022-36.

Approved by the following roll vote:
Ayes: Aguilar, Bianco, Powell, Nelson
Noes: None
Absent: Estrada
Abstain: None
Recuse: None
Motion Passed: 4-0

- K. Service & Communication – Authorize the Transfer of Delinquent Irrigation Water Availability Charges to the Riverside County Tax Roll Fiscal Year 2022-23 and approve Resolution No. 2022-39

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board approved the transfer of Delinquent and Unpaid Domestic Water, Sewer Service, and Irrigation Water Charges to Imperial and Riverside County and approved Resolution Nos. 2022-34, 2022-35 and 2022-36

Approved by the following roll vote:
Ayes: Aguilar, Bianco, Powell, Nelson
Noes: None
Absent: Estrada
Abstain: None
Recuse: None
Motion Passed: 4-0

7. ACTION CALENDAR

Engineering

- A. **Award a Construction Contract to Sancon Technologies, Inc. as the Lowest Responsive and Responsible Bidder, in the amount of \$529,930, for the Sewer Pipeline Rehabilitation for Palm Desert and Thousand Palms Project, Specification 2021-17, and approve additional expenditures for a total request of \$698,290**
RECOMMENDED ACTION: Authorize the General Manager to execute a construction contract in the amount of \$529,930 with Sancon Technologies, Inc. as the lowest responsive and responsible bidder for the Sewer Pipeline Rehabilitation for Palm Desert and Thousand Palms Project, Specification 2021-17. It is also recommended that the Board of Directors authorize the appropriate officer to execute Amendment No.1 to Task Order No. 1 with Krieger & Stewart, Inc. in the amount of \$28,400 to provide engineering services during construction as the Engineer of Record; authorize Task Order No. 2 with Leighton Consulting, Inc. in the amount of \$5,979 for soil testing services, and approve the following additional project expenditures

in the amount of \$133,981: CVWD project management and engineering - \$48,000; CVWD inspection services - \$22,500

On a motion by Director, Peter Nelson second by Director, John Powell, the board approved the following actions:

- awarded a construction contract to Sancon Technologies, Inc., as the lowest responsive bidder for the Sewer Pipeline Rehabilitation for Palm Desert and Thousand Palms Project, Specification 2021-17
- authorized the General Manager to execute a construction contract in the amount of \$529,930 with Sancon Technologies, Inc.
- authorized the General Manager to execute Amendment No. 1 to Task Order No. 1, with Krieger & Stewart, Inc., in the amount of \$5,979 for soil testing services
- approved the following additional expenditures in the amount of \$133,981:
 - CVWD project management and engineering - \$48,000
 - CVWD inspection services - \$22,500
 - Construction contingency of 10% of project cost - \$63,481

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

- B. **Approve Solicitation of Bids for the Construction of the Avenue 66 Water Transmission Main, Phase 2 Project, Specification No. 2021-12**
RECOMMENDED ACTION: Approve the solicitation of bids for the construction of the Avenue 66 Water Transmission Main, Phase 2 Project located near the community of Mecca in Riverside County.

On a motion by Director, John Aguilar second by Director, Anthony Bianco, the Board approved the solicitation of bids for the construction of the Avenue 66 Water Transmission Main, Phase 2 Project located near the community of Mecca in Riverside County

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

Finance

- C. **Approve Resolution No. 2022-40 Establishing the Appropriation Limit of the District for FY 2022-23**
RECOMMENDED ACTION: Staff recommends that the Board of Directors approve a resolution establishing the District’s appropriation limit at \$60,158,348 for fiscal year 2022-23.
- On a motion by Director, Peter Nelson second by Director, John Aguilar*, the board approved Resolution No. 2022-40, A Resolution Establishing the Appropriation Limit of the District for FY 2022-23.
Approved by the following vote:
Ayes: Aguilar, Bianco, Powell, Nelson
Noes: None
Absent: Estrada
Abstain: None
Recuse: None
Motion Passed: 4-0
- D. **Approve Authorization Resolution No. 2022-41 for the grant application with the U.S. Bureau of Reclamation (Reclamation) under the FY 2023 WaterSMART – Water and Energy Efficiency Grant (WEEG) program for the Landscape Rebate Project**
RECOMMENDED ACTION: Approve and authorize the General Manager to apply for grant funds and sign the Authorizing Resolution with USBR for the FY 2023 WaterSMART – Water and Energy Efficiency Grant (WEEG) program for the Landscape Irrigation Rebate Project.
- On a motion by Director, John Aguilar second by Director, Peter Nelson*, the board approved Resolution No. 2022-41, an authorizing resolution with USBR for the FY 2023 WaterSMART- Water and Energy Efficiency Grant (WEEG) program for the Landscape Irrigation Rebate Project.
Approved by the following vote:
Ayes: Aguilar, Bianco, Powell, Nelson
Noes: None
Absent: Estrada
Abstain: None
Recuse: None
Motion Passed: 4-0
- E. **Approve Resolutions Updating the Authorized Banking Signatory for Coachella Valley Water District**
RECOMMENDED ACTION: It is recommended that the Board of Directors approve the following four (4) resolutions, updating authorized personnel

for the investment and banking transactions for the Coachella Valley Water District:

On a motion by Director, John Aguilar second by Director, Peter Nelson, the board approved the following four (4) resolutions, updating authorized personnel for the investment and banking transactions for the Coachella Valley Water District:

- Resolution No. 2022-42, A Resolution Designating Authorized Representatives to Transfer Funds
- Resolution No. 2022-43, A Resolution Designating Authorized Representatives to Sign Checks
- Resolution No. 2022-44, A Resolution Designating Authorized Representatives for U.S. Bank Transactions
- Resolution No. 2022-45, A Resolution Authorizing Investment of CVWD Monies in Riverside County Treasurer's Pooled Investment Fund

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

F. **Approve Prepayment of Unfunded Accrued Liability (UAL) to the California Public Employees Retirement System (CalPERS) for Fiscal Year 2022-23**

RECOMMENDED ACTION: Authorize the Prepayment of \$16,165,972 towards the Unfunded Accrued Liability (UAL) to the California Public Employees Retirement System (CalPERS) for Fiscal Year 2022-23.

On a motion by Director, Peter Nelson second by Director, John Powell, the board approved and authorized the Prepayment of \$16,165,972 towards the Unfunded Accrued Liability (UAL) to the California Public Employees Retirement System (CalPERS) for Fiscal Year 2022-23.

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

Operations

G. **Approve and authorize the General Manager to execute the Nonpotable Water Agreement for Suncrest Mobilehome Park, LLC**

RECOMMENDED ACTION: It is recommended that the Board of Directors approve and authorize the General Manager to execute the Nonpotable Water Agreement for Suncrest Mobilehome Park, LLC (Suncrest).

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board approved and authorized the General Manager to execute the Nonpotable Water Agreement for Suncrest Mobilehome Park, LLC (Suncrest).

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

8. PUBLIC HEARINGS

A. **Conduct a Public Hearing to Consider the Domestic Water Service and Sewage and Waste Service Availability Assessment for Fiscal Year 2022-2023 and approve Resolution No. 2022-46**

RECOMMENDED ACTION: Approve Resolution No. 2022-46 and direct the Clerk of the Board to forward a copy of the resolution to the Riverside County Auditor and the Imperial County Auditor. No increase is recommended for the domestic water service, sewage, and waste service availability assessments in Fiscal Year 2022-2023.

Following a presentation by staff, President Powell opened the public hearing to receive public input regarding the domestic water service, sewage, and waste service availability assessments in Fiscal Year 2022-2023.

Prior to the receipt of public testimony, Clerk of the Board Bermudez provided information regarding the notice and hearing procedures. President Powell opened the floor for public comment. No public comment received. President Powell closed the public hearing.

The Board discussed the resolution related to the domestic water service, sewage, and waste service availability assessments in Fiscal Year 2022-2023.

On a motion by Director, Peter Nelson second by Director, John Aguilar, the Board approved Resolution No. 2022-46, directing the Clerk of the Board to forward a copy of the resolution to the Riverside County Auditor and the Imperial County Auditor. No increase is recommended for the domestic water service, sewage, and waste service availability assessments in Fiscal Year 2022-2023.

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board approved per diem for meetings reported.

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

- B. **Conduct a Public Hearing to Approve Proposed Ordinance 1422.7 Adopting Mandatory Restrictions on Water Use per Demand Reduction Action 2.5 of the Water Shortage Contingency Plan**
RECOMMENDED ACTION: Adopt an ordinance implementing volumetric penalties in accordance with Demand Reduction Action 2.5 of the District's Water Shortage Contingency Plan (WSCP), and pursuant to Resolution 2022-28, regarding the adoption of Level 2 Demand Reduction Actions as outlined in the District's WSCP. Drought Penalties will be applied to each volumetric unit of water in excess of the below limits:

Tier	Limit	Penalty
Tier 1: Excellent	Indoor budget: 8 CCF	No Penalty
Tier 2: Efficient	First 90% of outdoor budget Top 10% of outdoor budget	No Penalty Penalty per CCF
Tier 3: Inefficient	100-175% of budget	Penalty per CCF or portion thereof
Tier 4: Excessive	175-300% of budget	Penalty per CCF or portion thereof
Tier 5: Wasteful	Above 300% of budget	Penalty per CCF or portion thereof

Following a presentation by staff, President Powell opened the public hearing to receive public input regarding the proposed ordinance adopting mandatory restrictions on water use per Demand Reduction Action 2.5 of the Water Shortage Contingency Plan.

Prior to the receipt of public testimony, Clerk of the Board Bermudez provided information regarding the notice and hearing procedures. President Powell opened the floor for public comment. Mr. Ed Luna provided comments during the hearing. President Powell closed the public hearing.

The Board discussed the proposed Ordinance No. 1422.7, Adopting Mandatory Restrictions on Water Use per Demand Reduction Action 2.5 of the Water Shortage Contingency Plan.

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board adopted Ordinance No. 1422.7, an Ordinance Adopting Mandatory Restrictions on Water Use per Demand Reduction Action 2.5 of the Water Shortage Contingency Plan with penalty amounts inserted as recommended by staff in the staff report.

Drought Penalties will be applied to each volumetric unit of water in excess of the below limits:

Tier	Limit	Penalty
Tier 1: Excellent	Indoor budget of 8 CCF	No Penalty
Tier 2: Efficient	First 90% of outdoor budget Top 10% of outdoor budget	No Penalty \$ 0.29 per CCF above reduction goal
Tier 3: Inefficient	100 – 175% of budget	\$ 1.80 per CCF or portion thereof
Tier 4: Excessive	175 – 300% of budget	\$ 3.16 per CCF or portion thereof
Tier 5: Wasteful	Over 300% of budget	\$ 6.44 per CCF or portion thereof

Approved by the following vote:

Ayes: Aguilar, Powell, Nelson, Estrada

Noes: Bianco

Absent: None

Abstain: None

Recuse: None

Motion Passed: 4-1

9. INFORMATIONAL ITEMS AND REPORTS

- A. Written Communications to the Board – None filed.

10. BOARD COMMENTS AND REQUESTS FOR FUTURE AGENDA ITEMS

- A. Board General Comments

- Director Nelson provided updates on the ongoing Colorado River discussions.

- Director Aguilar suggested the 2:2 meetings with local cities resume and the topic of turf rebates be discussed.
 - Director Powell reported he met with a report with Bloomberg and discussed the current drought situation in southern California and the difference with what is occurring in northern California.
 - Director Bianco had no report.
- B. Board Requests for Future Agenda Items - No requests for future agenda items.

11. BOARD MEETING REPORTS

A. Meetings and Conference Reports

1. June 30, 2022, USDA Pre-Meeting (Director Estrada) ***continued**
2. July 18, 2022, Desert Valley's Builders Meeting (Director Powell)
3. July 20, 2022, Disadvantaged Communities Infrastructure Task Force Meeting (Directors Powell and Estrada) ***Powell did not attend; continued for Estrada.**

Additional Meetings Reported

4. July 13, 2022, California Caucus CRB staff meeting re: ongoing Bureau of Reclamation discussions (Director Nelson)
5. July 22, 2022, Principals Meeting with Desert Water Agency (Directors Powell and Estrada)

B. Approval of per diem for meetings reported

On a motion by Director, Peter Nelson second by Director, John Aguilar, the board approved per diem for meetings reported.

Approved by the following vote:

Ayes: Aguilar, Bianco, Powell, Nelson

Noes: None

Absent: Estrada

Abstain: None

Recuse: None

Motion Passed: 4-0

12. REPORTS

- A. General Manager Jim Barrett provided an update on COVID numbers and reported the District has seen an increase in cases; also announced Vice President Estrada was nominated for the Palm Springs, 40 under 40.

- B. Counsel Jeff Ferre provided an update on pending legislation AB 2249 (Rubio) Open meetings: local agencies: teleconferences. This bill would authorize until January 1, 2026, members of a legislative body of a local agency to meet via teleconferencing without noticing their teleconference locations and making them publicly accessible under certain conditions.
- C. Departments
 - Scott Burritt, Director of Service and Communication provided a brief update on water regulations related to Industrial Hemp.

13. CLOSED SESSION AGENDA

- A. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Pursuant to Government Code § 54956.9 (a) Name of Case: Agua Caliente Band of Cahuilla Indians v. Coachella Valley Water District, et al., Case No. 5:20-cv-00174-JGB-SPx
- B. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION
Pursuant to Government Code § 54956.9 (a) Name of Case: Agua Caliente Band of Cahuilla Indians v. Coachella Valley Water District, et al., Case No. 5:13-cv-00883-JGB (SPx)

14. RECONVENE

- A. Report out of Closed Session

President Powell reconvened the meeting back to Open Session. Counsel Jeff Ferre reported there were no reportable actions.

15. ADJOURNMENT

There being no further business, President Powell adjourned the meeting at 11:15 a.m. The next regular scheduled meeting will be on Tuesday, August 23, at 8:00 a.m. at CVWD's Coachella Campus located at 51501 Tyler Street, Coachella.