

**VALLEY SANITARY DISTRICT
OPERATIONS COMMITTEE MEETING MINUTES**
April 5, 2022

A regular meeting of the Valley Sanitary District (VSD) Operations Committee was held at Valley Sanitary District, 45-500 Van Buren St, Indio, CA, on Tuesday, April 5, 2022.

1. CALL TO ORDER

Chairperson William Teague called the meeting to order at 1:01 p.m.

1.1 Roll Call

Committee Members Present:

Chairperson William Teague

Committee Member Mike Duran

Staff Present:

Beverli Marshall, General Manager, Ron Buchwald, Engineering Services Manager, Jeanette Juarez, Business Services Manager, and Holly Gould, Clerk of the Board

Guests Present:

Valerie Houchin, Schneider Electric

Elizabeth Reyes, Harris & Associates

Mark Nassar, Harris & Associates

Ehab Gerges, Harris & Associates

1.2 Pledge of Allegiance

2. PUBLIC COMMENT

This is the time set aside for public comment on any item not appearing on the agenda. Please notify the Secretary in advance of the meeting if you wish to speak on a non-hearing item.

None.

3. DISCUSSION / ACTION ITEMS

3.1 Project Update: Recycled Water Project - Phase 1

Ron Buchwald, Engineering Services Manager, informed the committee that the Public Hearing to authorize contract amendment 1 with Schneider Electric Buildings Americas, Inc. for the design and construction of the Recycled Water Project Phase 1 will be held on April 12, 2022. The financial documents for this project will be brought before the board on April 26, 2022. Ron explained the need for this project, not only for recycled water but for the everyday plant operations. Valerie Houchin, Schneider Electric presented a project update which included a recap of progress, overview of the scope of work, and project financials. Valerie also provided upcoming key dates for the project.

3.2 Comparison of Design Build Versus Design Bid Build

Valerie Houchin of Schneider Electric made a presentation to the committee on the difference of design build and design bid build. She explained that design build minimizes risks to the project owner, increases collaboration and input from project owners' staff, and gives the ability to fast track construction and delivery. Ron Buchwald, Engineering Services Manager gave the history of the District's design build project, Recycled Water Project Phase 1.

3.3 Project Update: Collection System Rehabilitation & Replacement Project

Mark Nassar and Elizabeth Reyes of Harris and Associates gave an update on the Collection System Rehabilitation & Replacement Project. The presentation included a 12-year forecast of expenses by year and a 3-year forecast by project. They stated that CIP Project 1, the Indio Boulevard Sewer Improvement Project was completed March 2021 and the Sewer Cleaning and Inspection Project was complete June 2021. CIP Project 2, Downtown District Sewer improvement Project and CIP Project 3, Southwest Central Indio Sewer Improvement Project are in the design phase. These projects are projected to be ready for bid in May 2022 and February 2023 respectively. CIP Project 4 and 5, Indio Southwest Region and Indio Southeast Sewer Improvement Projects are in the planning stage and the Lift Station Assessment is in preliminary design.

3.4 Capital Improvement Budget Update

Ron Buchwald, Engineering Services Manager, presented a proposed list of Capital Improvement Program (CIP) Projects for FY23 for the committee to review. The capital budget incorporates key projects to further advance the District's CIP. There are 19 new capital projects requested in FY23 at a total value of \$33,940,307. The CIP for the upcoming fiscal year includes the Recycled Water Project Phase 1, the Influent Pump Station Rehabilitation Project and the Collection System Sewer Main Rehabilitation and Replacement Program. Also discussed was the 20-year CIP showing the planned projects for the next 20 years. Ron also explained a ranking system that staff has developed to prioritize the top five (5), large CIP projects for staff to concentrate on the highest scoring projects. The top five (5) projects are Recycled Water Phase 1, Westward Ho Sewer Siphon, Influent Pump Station Rehabilitation Project, New Office & Lab Buildings, and Collection System Sewer Main Rehabilitation and Replacement Program. There was a discussion on having to push some projects into the future due to a deficit attributed to an increase in the costs of the CIP projects in conjunction with acquiring financing with a 20-year term as opposed to a 30-year term as modeled in the revised financial plan. The committee discussed the possibility of rate increases.

4. **FUTURE MEETING ITEMS**

Staff will bring an update on facility operations to the next meeting.

5. **ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 3:21 p.m. The next regular committee meeting will be held on June 7, 2022.

Respectfully submitted,
Holly Gould, Clerk of the Board
Valley Sanitary District