



Board of Directors Regular Meeting
Tuesday, June 14, 2022 at 1:00 PM
Valley Sanitary District Board Room
45-500 Van Buren Street, Indio CA 92201

Valley Sanitary District is open to the public and board meetings will be conducted in person. In addition to attending in person, members of the public may view and participate in meeting via the following

Zoom link: <https://us06web.zoom.us/j/88903019495>

Meeting ID: 889 0301 9495

To address the Board of Directors during the virtual live session via zoom, please email the Clerk of the Board at hgould@valley-sanitary.org or, alternatively, during the specific agenda item or general comment period (i.e. non-agenda items), please use the "raise your hand" function in zoom in order to be recognized by the Clerk of the Board in order to provide comments in real time.

The Clerk of the Board will facilitate to the extent possible any email requests to provide oral testimony that are sent during the live meeting. Members of the public may provide Oral testimony in person or during the virtual live session and are limited to three minutes each. To address the Board in person please complete speaker request card located at in the Board Room and give it to the Clerk of the Board.

If you are unable to provide comments during the meeting, written public comments on agenda or non-agenda items may be submitted by email to the Clerk of the Board at hgould@valley-sanitary.org. Written comments must be received by the Clerk of the Board no later than 11:00 a.m. on the day of the meeting.

Page

1. CALL TO ORDER

- 1.1. Roll Call
- 1.2. Pledge of Allegiance
- 1.3. June Employee Anniversaries
 - Andy Boyd, Wastewater Operator III – 13 years
 - Nick Castaneda, Collections System Tech II – 8 years
 - Beverli Marshall, General Manager – 3 years

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.

3. CONSENT CALENDAR

Consent calendar items are expected to be routine and noncontroversial, to be acted upon by the Board of Directors at one time, without discussion. If any Board member requests that an item be removed from the consent calendar, it will be removed so that it may be acted upon separately.

- | | | |
|------|---|---------|
| 3.1. | Approve Minutes for May 24, 2022, Regular Meeting
Approve Revised Minutes from October 12, 2021
Regular Meeting
3.1 24 May 2022 Meeting Minutes.pdf 
3.1 Revised 12 Oct 2021 Meeting Minutes.pdf  | 7 - 20 |
| 3.2. | Approve Warrants for May 18, 2022, through June 8, 2022
3.2 Warrants for June 14 2022.pdf  | 21 - 22 |
| 3.3. | Receive Quarterly Investments Report for Period
Ending March 31, 2022
3.3 Staff Report Qtrly Investment Report for March 2022.pdf  | 23 - 27 |

[3.3 Attachment A LAIF Quarterly Report 03.31.22.pdf](#) 

[3.3 Attachment B CalTrust March FY22.pdf](#) 

4. PUBLIC HEARING

Conduct a Public Hearing to Discuss Amending Fees & Charges for District Services and Establishing the Gann Appropriations Limit for Fiscal Year 2022/23

- 4.1. Adopt Resolution No. 2022-1164 Establishing Fees & Charges for District Services for Fiscal Year Ending June 30, 2023 28 - 34

[4.1 Staff Report Fees and Charges District Services.pdf](#) 

[4.1 Attachment A Resolution 2022-1164 Amending Fees.pdf](#) 

[4.1 Attachment B Notice of Public Hearing.pdf](#) 

- 4.2. Adopt Resolution No. 2022-1165 Establishing the Gann Appropriations Limit for Fiscal Year Ending June 30, 2023 35 - 40

[4.2 Staff Report Gann Limit.pdf](#) 

[4.2 Attachment A Resolution 2022-1165 Gann Limit.pdf](#) 

[4.2 Attachment B Gann Limit Calculation.pdf](#) 

5. NON-HEARING ITEMS

- 5.1. Adopt Resolution No. 2022-1166 Approving the Comprehensive Budget for Fiscal Year 2022/23 41 - 207

[5.1 Staff Report Comprehensive Budget for Fiscal Year 2022-23.pdf](#) 

[5.1 Attachment A Draft FY 2022-2023 Budget.pdf](#) 

[5.1 Attachment B Reso No 2022-1166 Budget FY23.pdf](#) 

- 5.2. Set a Public Hearing Date for July 26, 2022 – Determining Certain Accounts be Delinquent and Directing the Placement of these Accounts on the 208 - 211

Property Tax Rolls for Collection

[5.2 Staff Report Set Public Hearing Date for Delinquent Accounts.pdf](#) 

[5.2 Attachment A Notice of Public Hearing Delinquent Charges.pdf](#) 

- 5.3. Authorize General Manager to Execute Task Order No. 22-01 with Birdseye Planning Group for CEQA Requirements on the Westward Ho Sewer Siphon Replacement Project for a Total Not to Exceed Amount of \$23,915 212 - 220

[5.3 Staff Report Award Contract for CEQA Birdseye.pdf](#) 

[5.3 Attachment A Birdseye IS-MND Proposal.pdf](#) 

- 5.4. Authorize Increase in Purchase Order to Alfa Laval Inc. for the Purchase of the Sludge Spiral Heat Exchanger for a Total Not to Exceed Amount of \$66,458 221 - 229

[5.4 Staff Report Tax on Spiral Heat Exchanger.pdf](#) 

[5.4 Attachment A Alfa Laval Quote.pdf](#) 

[5.4 Attachment B Alfa Laval Invoice.pdf](#) 

6. GENERAL MANAGER'S ITEMS

- 6.1. Monthly General Manager's Report – April 2022 230 - 242

[6.1 Staff Report GM Report April 2022.pdf](#) 

[6.1 Attachment A Admin Services Report.pdf](#) 

[6.1 Attachment B NPDES Report.pdf](#) 

[6.1 Attachment C Collection Services Report.pdf](#) 

[6.1 Attachment D Development Services Report May 2022.pdf](#) 

[6.1 Attachment E Capital Improvement Program Report June 2022.pdf](#) 

[6.1 Attachment F Laboratory & Compliance Summary.pdf](#)



7. COMMITTEE REPORTS

7.1. Operations Committee Meeting – June 7, 2022

243 - 244

[7.1 7 Jun 2022 Operations Meeting Minutes.pdf](#)

8. DIRECTOR'S ITEMS

9. INFORMATIONAL ITEMS

10. PUBLIC COMMENT

This is the time set aside for public comment on any item to be discussed in Closed Session. Please notify the Clerk of the Board in advance of the meeting if you wish to speak on an item.

11. CONVENVE IN CLOSED SESSION

Items discussed in Closed Session comply with the Ralph M. Brown Act.

11.1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to paragraph (2) or (3) of Subdivision (d) of Government Code Section 54956.9 (one potential case – circumstances need not be disclosed pursuant to paragraph (1) of subdivision (e) of Government Code Section 54956.9)

11.2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)
Title: General Manager

11.3. LABOR NEGOTIATIONS

Pursuant to Government Code Section 54957.6
Title: General Manager

12. CONVENE IN OPEN SESSION

Report out on Closed Session items

13. ADJOURNMENT

Pursuant to the Brown Act, items may not be added to this agenda unless the Secretary to the Board has at least 72 hours advance notice prior to the time and date posted on this notice.

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
May 24, 2022**

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, May 24, 2022, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Sear called the meeting to order at 1:00 p.m.

1.1 Roll Call

Directors Present:

Debra Canero, Dennis Coleman, Mike Duran, Scott Sear, William Teague

Staff Present:

Beverli Marshall, Branden Rodriguez, Jeanette Juarez, Dave Commons, Ron Buchwald, and Craig Hayes, Best Best & Krieger

Guests Present:

Valerie Houchin, Schneider Electric
Dr. Bruce Underwood, Healthy Futures

1.2 Pledge of Allegiance

2. PUBLIC COMMENT

This is the time 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. CONSENT CALENDAR

3.1 Approve Minutes for May 10, 2022, Regular Meeting

3.2 Approve Warrants for May 4, 2022, through May 17, 2022

3.3 Monthly Financial Report for April 30, 2022

3.4 Credit Card Report for April 30, 2022

ACTION TAKEN:

MOTION:

Secretary/Treasurer Coleman motioned to approve the consent calendar as presented. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3199

PUBLIC COMMENT

This is the time set aside for public comment on any item discussed in Closed Session.

None.

4. PUBLIC HEARING ITEMS

- 4.1 Public Hearing to Authorize Approving a Contract Amendment with Schneider Electric Buildings Americas, Inc. for the Design and Construction of Energy-Related Projects to District Facilities and Adopting Necessary Findings in Accordance with California Government Code 4217.10 through 4217.18 and Adopt Resolution No. 2022-1161 Approving a Contract Amendment with Schneider Electric Buildings Americas, Inc. for the Design and Construction of Energy-Related Projects to District Facilities and Authorizing the General Manager to Execute the Contract Amendment with a Guaranteed Maximum Price of \$69,869,942 and Rescinding Resolution 2022-1158

Notice of the public hearing was published in the Desert Sun newspaper on May 6 and May 19, 2022. President Sear declared the public hearing open at 1:11 p.m. No members of the public were present. No written or verbal communication was received from the public. Ms. Marshall reported that the Design-Build team has reached the 60% design milestone and determined the Guaranteed Maximum Price (GMP) of \$69.87 million. In May 2022, Schneider Electric provided supplementary information on additional savings the District could realize with the completion of this project. The savings are based on utilizing the digester to increase methane production and offset the energy used at the plant. The supplementary information has been added to the original Energy Audit reported in February. Contract Amendment No. 1 has been reviewed and approved by the District counsel. The appendices will be available to the public by visiting the District office during normal business hours. President Sear declared the public hearing closed at 1:15 p.m. Staff recommends that the Board of Directors discuss the energy conservation measures, consider public comments, and adopt Resolution No. 2022-1161, accepting the energy conservation measures, approving Amendment No. 1 to the Contract dated July 14, 2020, and authorize the Board President and General Manager to sign the contract amendment once origination requirements for Bank of America financing for this project have been met, and rescind Resolution 2022-1158.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY SANITARY DISTRICT RATIFYING A CONTRACT WITH SCHNEIDER ELECTRIC BUILDINGS AMERICAS, INC. FOR CONSTRUCTION OF ENERGY-RELATED PROJECTS TO DISTRICT FACILITIES AND ADOPTING FINDINGS IN ACCORDANCE WITH THE CALIFORNIA GOVERNMENT CODE SECTIONS 4217.10 THROUGH 4217.18 AND AUTHORIZING THE GENERAL MANAGER TO EXECUTE THE CONTRACT WITH A GUARANTEED MAXIMUM PRICE OF \$69,869,942”

ACTION TAKEN:

MOTION:

Secretary/Treasurer Coleman motioned to adopt Resolution No. 2022-1161 accepting the energy conservation measures, approving Amendment No. 1 to the Contract dated July 14, 2020, and authorizing the Board President and General Manager to sign the contract amendment once origination requirements for Bank of America financing for this project have been met, and rescind Resolution 2022-1158. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

RESOLUTION NO. 2022-1161

5. NON-HEARING ITEMS

- 5.1 Adopt Resolution 2022-1162, Authorizing a Financial Assistance Application to the State Water Resources Control Board For a Recycled Water Master Plan And Designating the General Manager to Sign and Submit the Application

As part of the analysis to determine which aspects of recycled water are most feasible, the District needs to complete various tests and modeling. Staff is in the process of identifying funding sources to offset some of the cost of conducting the feasibility studies and is working with ESS to apply for grant funds to the State Revolving Fund (SRF) grant program. As part of the application process, the Board must adopt a resolution authorizing the application and designating the General Manager to sign and submit it. The SRF is a non-competitive grant program that allows VSD to receive 100% of the grant, up to \$150,000, based on its status as serving a Disadvantaged Community.

“AUTHORIZING A FINANCIAL ASSISTANCE APPLICATION TO THE STATE WATER RESOURCES CONTROL BOARD FOR A RECYCLED WATER MASTER PLAN AND DESIGNATING THE GENERAL MANAGER OR HER DESIGNEE TO SIGN AND SUBMIT THE APPLICATION”

ACTION TAKEN:

MOTION:

Vice President Canero motioned to adopt Resolution 2022-1162 authorizing a financial assistance application to the State Water Resources Control Board for a recycled water master plan and designating the general manager, or her designee,

to sign and submit the application. Director Duran seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

RESOLUTION NO. 2022-1162

5.2 Discussion of the Draft Fiscal Year 2022/23 Budget

The proposed operating and capital budget for fiscal year 2022/23 is \$16,189,076 and \$33,545,663, respectively. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS), Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to advance further the District's Capital Improvement Program (CIP). There are 20 capital projects requested in the fiscal year 2022/23. The CIP for the fiscal year 2022/23 includes the Recycled Water Project Phase I Design Build, the Influent Pump Station Rehabilitation Project and the Collection System Sewer Main Rehabilitation and Replacement Program. After review and discussion, the Board requested that staff add \$760 to the budget for the Greater Coachella Valley Chamber of Commerce annual membership fee.

5.3 Adopt Resolution 2022-1163, Amending Employee Wages & Benefits Effective July 1, 2022, and Rescind Resolution 2021-1154

On April 19, 2022, the Board of Directors held a special meeting to review the proposed fiscal year 2022/23 operating budget. During that meeting, proposed changes to the wage schedule and California Public Employees Retirement System (CalPERS) Plan Contributions were reviewed and discussed. The proposed Operating Budget for 2022/23 includes a max 5.0% Cost of Living Adjustment (COLA) based on the Riverside-San Bernardino-Ontario, CA CPI-U Index. The Riverside-San Bernardino-Ontario, CA CPI-U Index was 8.5% as of January 2022 and 9.9% as of March 2022. This adjustment aligns with those made by comparable agencies. It ensures that the District remains competitive with other agencies in the region. The proposed operating budget includes a proposed 8.0% increase in the monthly cafeteria plan to provide employees with medical insurance benefits. The adjustment was determined using the Medical Care index of 8.49% CPI-U Index as of December 2021 and the estimated increases to the CalPERS Medical Premiums. In August of 2022, the medical premiums among the offered plans increased between 5.85% and 25.14%. Staff recommends that the Board adopt Resolution No. 2022-1163, amending employee wages and benefits effective July 1, 2022, and rescind Resolution 2021-1154. Director Duran stated he would have liked to have more information on this item. Secretary/Treasurer Coleman thanked staff for a job well done.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING EMPLOYEE WAGES & BENEFITS EFFECTIVE JULY 1, 2022, AND RESCINDING RESOLUTION 2022-1154”

ACTION TAKEN:

MOTION:

Secretary/Treasurer Coleman motioned to adopt Resolution No. 2022-1163, Amending Employee Wages & Benefits Effective July 1, 2022, and Rescind Resolution 2021-1154. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Sear, Teague

NOES: Duran

RESOLUTION NO. 2022-1163

5.4 Review and Approve Selection of a Health and Wellness Provider

On April 1, 2022, the District released a Request For Proposals (RFP) for an Employee Health and Wellness Program. The District solicited proposals for a consulting and/or wellness firm to develop a wellness program for District employees. The consulting and/or wellness firm will possess expertise and experience in implementing agency-specific wellness programs that promote healthy behaviors. The District received four (4) proposals electronically, which was the instruction of the RFP for submittal. A four-member evaluation committee comprised of Valley Sanitary District staff independently reviewed all submitted proposals utilizing the evaluation criteria found in the RFP. It was discovered that one (1) paper copy proposal was submitted by Healthy Futures that did not get scored. Although the RFP stated that proposals were to be submitted as an electronic PDF file, the RFP does not clearly state that paper copy proposals would not be accepted. Secretary/Treasurer Coleman stated that the Board moves forward with the four (4) proposals submitted per the RFP instructions. Director Teague stated that Board moves forward with staff's recommendation. Craig Hayes, District's legal counsel, stated that there were three options the Board could take in this situation; to not include the paper submission in the RFP scoring and leave it as is, to score the paper submission separately, or to throw out all proposals and start the RFP process over again. President Sear, Vice President Canero, and Director Duran stated that this should be further reviewed by legal and then brought back before the Board.

ACTION TAKEN:

MOTION:

Director Duran motioned that this item be furthered review by District's legal counsel and brought back to the Board at a later date. Director Canero seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Duran, Sear

NOES: Coleman, Teague

MINUTE ORDER NO. 2022-3200

6. GENERAL MANAGER'S ITEMS

6.1 Report on Attendance at California Special District Association (CSDA) Legislative Days in Sacramento, CA

Beverli Marshall updated the Board on her attendance at the CSDA Legislative Days. She stated she would have liked to have more access to all representatives but said she had many great conversations.

She also distributed flyers that she worked with CV Strategies to create for the District's Recycled Water Project.

7. COMMITTEE REPORTS

None.

8. DIRECTOR'S ITEMS

President Sear, Vice President Canero, and Director Duran updated the Board on their attendance at the CSDA Legislative Days in Sacramento. Director Coleman inquired when the State Legislative RFP is coming back to the Board. Ms. Marshall stated that the proposals would be reviewed at the next Community Engagement Committee meeting before being brought back to the entire Board.

9. INFORMATIONAL ITEMS

9.1 June 5, 2022, is World Environment Day, and the theme is *Only One Earth*. Find out more at: <https://www.unep.org/events/un-day/world-environment-day-2022>.

10. PUBLIC COMMENT

This is the time set aside for public comment on any item discussed in Closed Session.

None.

11. CONVENE IN CLOSED SESSION

Items discussed in Closed Session comply with the Ralph M. Brown Act.

11.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9 (one potential case – circumstances need not be disclosed pursuant to paragraph (1) of subdivision (e) of Government Code Section 54956.9)

11.2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)
Title: General Manager

11.3 LABOR NEGOTIATIONS

Pursuant to Government Code Section 54957.6
Title: General Manager

The Board adjourned to Closed Session at 3:02 p.m.

12. CONVENE IN OPEN SESSION

Report out on Closed Session items

The Board reconvened in open session at 3:40 p.m. Legal counsel stated nothing to report.

13. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 3:41 p.m. The next regular Board meeting will be on June 14, 2022.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
October 12, 2021**

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, October 12, 2021, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Sear called the meeting to order at 1:01 p.m.

1.1 Roll Call

Directors Present:

Debra Canero, Dennis Coleman, Mike Duran, Scott Sear, William Teague

Staff Present:

Beverli Marshall, General Manager, Holly Gould, Jeanette Juarez, Ron Buchwald, Anna Bell, Daniel Mills, Robert Hargreaves, Best Best & Krieger

1.2 Pledge of Allegiance

1.3 September Employee Anniversaries

- Holly Gould, Human Resources Specialist – 12 years
- Grant Fournier, Collection System Technician I – 2 years

The Board congratulated Holly and Grant for their hard work and years of dedication to the District.

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. CONSENT CALENDAR

3.1 Approve September 14, 2021, Regular Meeting Minutes

3.2 Approve Warrants for September 8 through October 6, 2021

3.3 Accept Monthly Financial Report for Period Ending August 31, 2021

3.4 Accept Credit Card Report for Period Ending August 31, 2021

ACTION TAKEN:

MOTION: Vice President Coleman made a motion to approve the consent calendar, as presented. Director Duran seconded the motion. Motion carried unanimously.
MINUTE ORDER NO. 2021-3137

4. NON-HEARING ITEMS

4.1 Superior Protection Consultants Contract Extension for Services

Currently, the on-call operator is the point of contact when the security alarm activates. The on-call operator is expected to respond to the alarm and determine if the City Police should respond. VSD operations staff are untrained in patrol techniques, criminal law training, and incident mitigation to safely respond to incident notifications and make informed decisions. Staff recommends extending the scope of services with the District's current patrol company, Superior Protection Consultants (SPC) to extend their patrol hours from 9:00 p.m. to 5:00 a.m., to 6:00 p.m. to 6:00 a.m. SPC will also be the point of contact when a building alarm is activated. The changes would increase the annual contract with SPC by \$38,584.

ACTION TAKEN:

MOTION: Director Duran made a motion to authorize the General Manager to extend the scope of services with Superior Protection Consultants to a 6pm to 6am, 12 hours per day, 7 days per week, for an additional cost of approximately \$39,000, annually. Secretary Canero seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2021-3138

4.2 EOA NPDES Permit Implementation Consulting Services

The District's NPDES Permit Order R7-2020-0007 requires the Local Limits, Sewer Use Ordinance, and Enforcement Response Plan to be revised with every new adoption of the NPDES permit. The last time these documents were revised was during the NPDES adoption in 2010. Staff recommends consulting with EOA, Inc. to bring these documents up to date. EOA, Inc. worked extensively with District staff and the Regional Board for the 2020 NPDES permit renewal. Due to EOA's knowledge of the District, experience with the 2020 Permit, and expertise in revising the required documents, this is a sole-source procurement. The cost of services is not to exceed \$37,300, which includes an allowance for incidental expenses. This is not included in the existing FY 2021/22 approved budget. Staff would like to include this item in the mid-year budget adjustment.

ACTION TAKEN:

MOTION: Secretary Canero made a motion to authorize the General Manager to approve the request to contract with EOA to revise documents to maintain NPDES State Regulatory compliance for a not to exceed amount of \$37,300. Director Duran seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None

MINUTE ORDER. 2021-3139

4.3 Secondary Water Pump Rehabilitation Project

After inspection by staff, it was discovered that one of the secondary water pumps need to be replaced as soon as possible. The secondary water pumps are critical to providing secondary water to different parts of the plant. The secondary water pumps were originally slated to be replaced in FY 2023/24. Staff recommends purchasing the assembly from G3 Engineering as they are the only representative for Floway parts in the nation. The total cost of the secondary water pump replacement is approximately \$50,000, which includes special order tools and crane.

ACTION TAKEN:

MOTION:

Director Teague made a motion to authorize the purchase of a secondary water pump assembly from G3 Engineering and rental of equipment for a total cost not to exceed \$50,000. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER. 2021-3140

4.4 Authorize the General Manager to Apply for Financing Through the California Infrastructure and Economic Development Bank (IBank) for the Training & Office Building and Laboratory Building

This item was presented to the Board of Directors at the September 14, 2021, regular board meeting. The Board requested that staff bring back the item at a future meeting to give Board members additional time to review the IBank documents. The Board also requested additional information about additional financing options such as Bank of America and California Special Districts Association (CSDA). After reviewing several options for financing staff determined that IBank is the better option for the design-build of the Training Building and the Lab Building. The reason for this recommendation is that IBank offers a specialized loan for infrastructure projects for public agencies. The proposed project meets the required criteria for special financing. IBank has completed its review of the audited financial statements and other materials provided in connection with the financing requested by the District for the Training and Office Building and Laboratory Building Project. IBank has extended the District an invitation to apply for financing under IBank's Infrastructure State Revolving Fund Program. Once the application is submitted, IBank will complete its review and underwriting of the Requested Financing generally within 90 days of receipt of the District's completed ISRF financing application. Staff recommended authorization to apply for financing IBank for the Training & Office Building and Laboratory Building.

ACTION TAKEN:

MOTION:

Vice President Coleman made a motion to authorize the General Manager to apply for financing IBank for the Training & Office Building and Laboratory Building. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2021-3141

- 4.5 Authorize the General Manager to Execute a Contract with Engineering Solutions Services, Inc. for As-Needed Grant and Loan Application Consulting Services in an Amount Not to Exceed \$50,000

The District has several projects identified in its 20-year Capital Improvement Plan that may qualify for grants, loans, or other funding opportunities. Most of these opportunities have lengthy and time-consuming application processes as well as requiring technical information on the best method for being successful in applying for the limited funds. Staff does not have the experience with these grants and funding agencies that outside consultants can provide. Engineering Solutions Services, Inc. (ESS) has professional and technical experts that have significant experience with the non-profit, state, and other agencies providing these opportunities and high returns on the applications. Staff worked with ESS to assist with the initial grant and loan applications to the Bureau of Reclamation Title XVI and the Clean Water State Revolving Fund programs in the fiscal year 2020/21 and recommends continuing that relationship for the fiscal year 2021/22. Staff recommends the authorization to execute a contract with Engineering Solutions Services for as-needed grant and loan application consulting services in an amount not to exceed \$50,000.

ACTION TAKEN:

MOTION: Secretary Canero made a motion to authorize the General Manager to execute a contract with Engineering Solutions Services for as-needed grant and loan application consulting services in an amount not to exceed \$50,000. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2021-3142

5. GENERAL MANAGER'S ITEMS

- 5.1 Monthly General Manager's Report – August 2021
- Administrative Services
 - Operations & Maintenance
 - Development Services
 - Collection Services
 - CIP Project Update

The Directors thanked staff for providing this report every month. It is very informative and important.

6. COMMITTEE REPORTS

- 6.1 Operations Committee – October 5, 2021, Regular Meeting Minutes

The Operations Committee Chairperson, Ron Buchwald, provided the Board with an update of the Operations Committee meeting held October 5, 2021. At the meeting, staff gave an update on EVRA and the Recycled Water Project. They also discussed the need for an engineer or consulting firm to

help with specific capital projects. The cost of this position would be built into the project budget. The Committee gave staff approval to move forward with an RFP to see what information can be gathered and then suggested bringing this item before the full Board.

7. DIRECTOR'S ITEMS

President Sear, Secretary Canero, and Director Duran gave a report of the Special District Leadership Conference they attended in Lake Tahoe. The Director's each received the Certificate of Special District Governance. President Sear thanked Secretary Canero for staying on top of the information for the certification. Secretary Canero thanked Beverli for always keeping the Board informed on changing laws and keeping them compliant. Discussion took place on AB361 and posting the EVRA agenda.

8. INFORMATIONAL ITEMS

- 8.1 Recognize October 23, 2021, as National Prescription Drug Take-Back Day. In October 2020, National Take Back Day events took back 985,392 lbs. (492.7 tons) of prescription drugs at over 4,500 collection sites. To find a place to take prescriptions that you no longer need or use, go to the DEA website search at:
<https://apps2.deadiversion.usdoj.gov/pubdispsearch/spring/main?execution=e1s1>.

9. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 3:21 p.m. The next regular Board meeting will be held on October 26, 2021.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District



**Valley Sanitary District
Board of Directors Meeting
October 12, 2021**

TO: Board of Directors
THROUGH: Beverli A. Marshall, General Manager
FROM: Daniel Mills, Maintenance Technician
SUBJECT: **Authorize the Purchase of Floway Pump Assembly and Rental Equipment for Installation in an Amount Not to Exceed \$50,000**

<input checked="" type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is for the Board of Directors to review and discuss the approval of purchase for a secondary water pump assembly.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 3: Excellent Facilities.

Fiscal Impact

The total cost of the secondary water pump replacement proposal is \$41,081.94. Staff is requesting an additional \$9,000 for crane rental and any special-order tools which may be needed to install. The secondary water pump replacement is not included in the FY 2021/22 Capital Improvement Budget. However, staff is proposing to use funds from Grit pump 1 project (\$25,000 that was set for replacement FY 2021/22); Confined Space Trailer project (\$12,000 that was set for purchase FY 2021/22); and excess money from Belt Filter Press – Rollers Project (\$13,500 that was set for FY 2021/22).

Background

The secondary water pumps were inspected and found that one requires replacing as soon as possible (i.e., this fiscal year). The secondary water pumps were originally slated to be replaced in FY 2023/24. Staff is requesting the purchase approval for G3 Engineering, as they are the only representative for Floway parts in the nation.

Recommendation

Staff recommends that the Board of Directors authorize the purchase of a secondary water pump assembly and rental of equipment as needed, for installation.

Attachments

Attachment A: G3 Engineering quote dated 08/20/2021.

DISBURSEMENTS
Approved at the Board Meeting of
June 14, 2022

40454 Fiesta Ford	Ford Explorer Hybrid LTD	\$53,596.77
40455 Innovative Document Solutions	Canon copier maintenance - April 2022	\$70.38
40456 MCR Technologies, Inc.	Meter calibrations	\$4,798.44
40457 Plumbers Depot Inc.	CCTV inspection camera	\$44,235.20
40458 USA Blue Book	Replacement cap	\$194.29
40458 USA Blue Book	Sulfuric acid	\$183.33
40459 10-8 Retrofit Inc	Light installation on 2022 F150	\$7,936.95
40460 Alliance Integration	Service labor, smoke detector inspections	\$145.00
40461 Andrew Sorensen	Grade III certification reimbursement	\$225.00
40462 Automation Pride	Gate 2 issues closing	\$95.00
40463 Caltest Analytical Laboratory	Weekly samples NPDES 2015-2020	\$383.30
40463 Caltest Analytical Laboratory	Weekly samples NPDES 2015-2020	\$383.30
40463 Caltest Analytical Laboratory	Monthly samples	\$954.25
40463 Caltest Analytical Laboratory	Weekly samples NPDES 2015-2020	\$383.30
40463 Caltest Analytical Laboratory	Monthly samples	\$93.10
40464 Cintas Corp	First aid replenishment - 05/17/2022	\$149.99
40464 Cintas Corp	Uniforms, mats, towels, etc 5/26/2022	\$509.22
40464 Cintas Corp	Uniforms, mats, towels, etc 5/19/2022	\$481.48
40465 Consolidated Electrical Distributors, Inc.	SLTD channel for aeration basin project	\$51.66
40466 CV Strategies	Strategic communications - telenovela series	\$18,000.00
40466 CV Strategies	Strategic communications services - April 2022	\$3,600.00
40467 D & H Water Systems	Flow meter 791671	\$134.88
40468 Debra Canero	2022 CSDA legislative days reimbursement	\$208.50
40469 Denali Water Solutions	Biosolids hauling services - April 2022	\$3,024.00
40470 Desert Cornerstone Insurance Service, Inc	Add 2022 Ford Explorer to policy	\$1,617.00
40471 Desert Hose & Supply	2" 1/2 liquid filled psi gauge	\$24.36
40472 Desert Sun Publishing Company	Notice of public hearing - Schneider Electric Amendment	\$211.20
40473 Diamond Environmental Services, LP	Portable restroom rental - 05/16/2022-06/12/2022	\$268.33
40474 DKF Solutions Group, LLC	My safety officer annual subscription - 8/1/2021-7/31/2022	\$4,740.00
40475 E.S. Babcock & Sons, Inc.	Biosolids - Class B Testing	\$346.66
40475 E.S. Babcock & Sons, Inc.	Pre treatment SIU yearly - Culligan	\$386.98
40475 E.S. Babcock & Sons, Inc.	Pre treatment SIU yearly - Forager project	\$985.64
40476 Engineering Solutions Services, Inc	Grant writing services - March 2022	\$5,782.50
40477 Enthalpy Analytical, LLC	2nd qtr monitoring 2022	\$950.00
40478 Ferguson Enterprises #1350	Galvanized strut, rigid strut clamp	\$269.57
40478 Ferguson Enterprises #1350	S80 pvc pipe, elbows, bushings, tape measure	\$21.72
40479 Fisher Scientific	Sulfuric acid 10% 20L	\$243.56
40480 Flo-Systems Inc.	Wemco 3" model c pump	\$22,387.67
40481 Fulton Distributing Co.	Cups, trash liners, cutlery, bleach, floor cleaner	\$1,142.01
40482 G3 Engineering, Inc	Project 21-0001 secondary water pump replacement	\$41,231.94
40483 Geotab USA, Inc	Telemetrics device, cables	\$182.70
40483 Geotab USA, Inc	FEE Pro+ R1 Pro Plus plan, support, surfsight on	\$542.20
40484 Grainger	China marker, black	\$32.97
40484 Grainger	Ball valve 2"	\$393.25
40484 Grainger	Ball valve 1-1/2	\$287.23
40484 Grainger	Bird repellent	\$262.66
40484 Grainger	Keyed padlock	\$42.08
40484 Grainger	Belt, sports drinks mix	\$152.57
40484 Grainger	Purple primer	\$88.87
40484 Grainger	Ear plug dispenser	\$114.52
40484 Grainger	Photo control receptacle mount only	\$15.66
40484 Grainger	Pressure gauge	\$23.37
40484 Grainger	V belt, cogged	\$89.46
40484 Grainger	Pressure gague 0-60 PSI	\$320.31
40484 Grainger	Absorbent sock, absorbent pillow	\$134.38
40484 Grainger	Plug in cfl bulb	\$51.99
40484 Grainger	Inspection mirror	\$56.72
40485 Hach Company	Mixed parameter standard NIST WW High range	\$64.18
40485 Hach Company	Total alkalinity TNT+	\$334.29
40486 Hajoca Corporation	Swamp cooler for old shop	\$150.61
40487 High Tech Irrigation Inc.	4" SCH-40 pvc pipe for ammonia test	\$2,569.87
40487 High Tech Irrigation Inc.	Pipe and bushing for ammonia test	\$343.37
40487 High Tech Irrigation Inc.	SS bushings, elbows, pipe for ammonia test	\$112.93
40488 Holly Gould	Tuition reimbursement - 1/31/2022-05/27/2022	\$232.94
40489 JM Test Systems, Inc	Rubber gloves test, replacement gloves	\$135.60
40490 Kaman Industrial Technologies	V belt, freight charge	\$611.34
40490 Kaman Industrial Technologies	v belt	\$12.54
40490 Kaman Industrial Technologies	5lb spun synthetic packing	\$180.85
40491 Linde Gas & Equipment Inc.	Tank rental - 04/20/2022-05/20/2022	\$143.41

40492	Master's Refreshment Services LLC	water delivery - 05/16/2022	\$214.50
40492	Master's Refreshment Services LLC	Water delivery - 05/27/2022	\$124.00
40493	McMaster-Carr Supply Co.	Low pressure pipe repair clamp for air	\$38.52
40493	McMaster-Carr Supply Co.	Thick wall pvc plastic pipe fitting	\$73.90
40494	MidAmerica	Q12022 Admin/platform fee	\$225.00
40495	Mobile Modular Managment Corp	Trailer rental 5/12/2022-6/10/2022	\$655.15
40496	Municipal Resource Group, LLC	Total compensation survey 22085-VSD	\$2,475.00
40497	Scott Sear	2022 CSDA legislative days reimbursement	\$813.39
40498	Southern California Boiler, Inc.	Boiler maintenance - May 2022	\$1,004.99
40499	Staples Advantage	New charges - May 2022	\$692.71
40500	State Water Resources Control Board	Certification renewal - Cassidy Laughy 11/01/22-10/31/23	\$60.00
40501	State Water Resources Control Board	Certificate renewal - Anna Bell 07/05/22-07/04/23	\$150.00
40502	Superior Protection Consultants	Security patrol - May 2022	\$9,828.00
40503	Tacos Gonzalez	Employee luncheon catering - 06/27/2022	\$1,087.50
40504	Thomas Scientific	Graduated cylinder 250 ml	\$206.69
40504	Thomas Scientific	TSB 5ml tubes	\$39.50
40504	Thomas Scientific	Pipet tips	\$73.18
40504	Thomas Scientific	105L General Protocol Oven	\$3,350.99
40505	United Way of the Desert	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$20.00
40506	Univar Solutions	Sodium hypo delivery - 05/02/2022	\$10,374.04
40506	Univar Solutions	Sodium bisulfite delivery - 05/31/2022	\$6,656.01
40506	Univar Solutions	Sodium hypo delivery - 5/16/2022	\$5,041.76
40507	Valley Office Equipment, Inc	Sharp copier maintenance - 4/13/2022-5/12/2022	\$144.18
40508	Workplace Safety Specialists	Confined space training - 03/07/2022	\$4,335.00
202205251	Umpqua Bank	New charges - April 2022	\$18,187.43
202205261	Colonial Life	PR 04/15/2022 - 04/28/2022 PD 05/06/2022	\$995.33
202205261	Colonial Life	PR 04/29/2022 - 05/12/2022 PD 05/20/2022	\$995.33
202205262	CalPERS Health	Health insurance - June 2022	\$46,469.90
202205311	Domino Solar LTD	Electricity - April 2022	\$11,016.99
202205312	Imperial Irrigation District	Electricity - April 2022	\$38,570.04
202205313	Standard Insurance Company	Dental and vision insurance - June 2022	\$4,542.92
202206011	Standard Insurance Company	Life and disability insurance - June 2022	\$1,552.16
202206012	De Lage Landen Financial Services, Inc	Sharp copier lease agreement - May 2022	\$212.06
202206013	CalPERS Affiliate Programs Services	OPEB SKB0-CERBT Strategy 1 Contribution	\$43,534.00
202206014	FedEx	Shipping charges - 5/10/2022	\$221.51
202206021	Imperial Irrigation District	Electricity - April 2022	\$397.84
202206022	Vantage Point Transfer Agents - ICMA	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$1,470.00
202206023	Pitney Bowes, Inc.	Rental of postage meter - 04/01/2022 - 06/30/2022	\$170.37
202206024	MassMutual	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$10.00
202206025	Nationwide Retirement Solution	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$1,675.00
202206026	CalPERS 457	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$970.00
202206027	CalPERS Retirement	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$21,121.31
202206028	UPS	Shipping charges - May 28, 2022	\$35.50
202206031	Indio Water Authority	Water - April 2022	\$1,333.13
202206032	Paychex - Direct Deposit	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$84,127.31
202206033	Paychex - Fee	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$256.64
202206035	Paychex - Garnishment	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$210.46
202206036	Paychex - Tax	PR 05/13/2022 - 05/26/2022 PD 06/03/2022	\$40,047.30
202206041	Verizon Wireless	Cell service - May 2022	\$990.14
202206061	Indio Water Authority	Water - April 2022	\$558.57
202206071	FedEx	Shipping charges as of 5/24/2022	\$193.42
202206071	FedEx	Shipping charges as of 5/17/2022	\$231.14
202206071	FedEx	Shipping charges as of 5/16/2022	\$30.15
202206101	Burrtec Waste & Recycling Svcs	Trash service - June 2022	\$239.34
202206102	Burrtec Waste & Recycling Svcs	Grit removal - May 2022	\$2,221.77
202206104	SPOK, Inc.	Pager service - June 2022	\$24.10
202206131	Time Warner Cable	Telephone service - June 2022	\$1,163.65
		Totals	\$599,588.17



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

FROM: Jeanette Juarez, Business Services Manager

SUBJECT: Quarterly Investment Report for the Period Ending March 31, 2022

<input type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input checked="" type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is to provide information regarding the District’s investments to the Board and the public.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 5: Long-Term Financial Strength.

Fiscal Impact

There is no fiscal impact from this report.

Background

The State of California Government Code section 53646(b) requires agencies to present to the Board of Directors a report of their investments on at least a quarterly basis. As of March 31, 2022, VSD had \$56.5 million invested in the Local Agency Investment Fund (LAIF) and \$1.09 million invested in CalTRUST.

LAIF					
Quarter	As of	Ending Balance	Interest Rate	Interest Earned	Variance
Q3	9/30/2021	\$ 51,436,626.64	0.24%	\$ 31,886.43	
Q4	12/31/2021	\$ 49,468,513.07	0.23%	\$ 28,973.61	\$ (2,912.82)
Q1	3/31/2022	\$ 56,497,486.68	0.32%	\$ 42,560.42	\$ 13,586.81

CALTRUST					
Quarter	As of	Total Shares Owned	Portfolio Value	Variance	Variance (%)
Q3	9/30/2021	106,814.279	\$ 1,095,914.46		
Q4	12/31/2021	106,912.226	\$ 1,089,435.58	\$ (6,478.88)	-0.59%
Q1	3/31/2022	107,060.525	\$ 1,063,111.01	\$ (26,324.57)	-2.42%

Recommendation

Staff recommends that the Board review and accept the Quarterly Investments Report for the period ending March 31, 2021.

Attachments

Attachment A: Quarterly LAIF Report for Period Ending March 31, 2021

Attachment B: Quarterly CalTRUST Report for Period Ending March 31, 2021



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name	VALLEY SANITARY DISTRICT
Account Number	70-33-003

As of 04/15/2022, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2022.

Earnings Ratio		.00000875657176851
Interest Rate		0.32%
Dollar Day Total	\$	4,860,397,144.27
Quarter End Principal Balance	\$	56,497,486.68
Quarterly Interest Earned	\$	42,560.42



CalTRUST
 c/o Ultimus Fund Solutions
 PO Box 541150
 Omaha, NE 68154-9150
 www.caltrust.org
 Email: CalTRUSTSupport@ultimusfundsolutions.com
 Fax: 402-963-9094
 Phone: 833-CALTRUST (225-8787)

Investment Account Summary

03/01/2022 through 03/31/2022

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Mar 31 (\$)	Value on Mar 31 (\$)	Average Cost Amount (\$)	Cumulative Unrealized Gain/(Loss) (\$)
VALLEY SANITARY DISTRICT	20100025210					
CalTRUST Medium Term Fund	20100025210	107,060.525	9.93	1,063,111.01	1,081,933.78	(18,822.77)
Portfolios Total value as of 03/31/2022				1,063,111.01		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$)	Realized Gain/(Loss) (\$)
		VALLEY SANITARY DISTRICT			Account Number: 201 00025210			
Beginning Balance	03/01/2022			106,999.269	10.07	1,077,482.64		
Accrual Income Div Reinvestment	03/31/2022	608.27	61.256	107,060.525	9.93	1,063,111.01	0.00	0.00
Unrealized Gain/(Loss)						(14,979.90)		
Closing Balance as of	Mar 31			107,060.525	9.93	1,063,111.01		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.



2022 CalTRUST Closures

Please note that the CalTRUST Funds will be closed for trading on the following days:

Date	Holiday
—*—	New Year's Day
January 17, 2022	Martin Luther King, Jr. Day
February 21, 2022	Washington's Birthday
April 15, 2022	Good Friday
May 30, 2022	Memorial Day
June 20, 2022 (observed)	Juneteenth National Independence Day
July 4, 2022	Independence Day
September 5, 2022	Labor Day
October 10, 2022	Columbus Day
November 11, 2022	Veterans Day
November 24, 2022	Thanksgiving Day
December 26, 2022 (observed)	Christmas Day

EARLY CLOSURES:

April 14, May 27, July 1, November 25, December 23, and December 30



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors
THROUGH: Beverli A. Marshall, General Manager
FROM: Jeanette Juarez, Business Services Manager
SUBJECT: **Adopt Resolution No. 2022-1164 Amending Fees and Charges for District Services for Fiscal Year 2022-23**

<input checked="" type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is for the Board of Directors to consider public comment regarding the proposed amendments to fees and charges for District Services.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 5.1: Align long-term financial planning with strategic priorities.

Fiscal Impact

The estimated revenue from the proposed fees is \$1,047,493 and is included in the Comprehensive Fiscal Year 2022-23 budget.

Background

Pursuant to Ordinance 94-115, the Board of Directors established the authority under State law to collect fees and charges for costs reasonably borne and charges levied by the District. Each year the Board adopts a resolution amending District fees and charges. These charges are broken into three sections.

Fees related to administrative and development services include the cost of copying plans and maps, inspections, and plan checks. There is no proposed change in the fee structure for Fiscal Year 2022-23.

The Connection and Capacity fees reflect the cost for new development or changes in use for existing buildings that account for the attributable fair share of infrastructure expenses that have already been paid by ratepayers in previous years. As detailed in the cost-of-service analysis and rate study conducted by NBS in 2020, the following

calculation was used to determine the connection capacity fee per Equivalent Dwelling Unit (EDU).

$$\begin{aligned} & \text{Flow} \\ + & \text{ Chemical Oxygen Demand (COD)} \\ + & \text{ Total Suspended Solids (TSS)} \\ = & \text{ Connection Capacity Fee per EDU} \end{aligned}$$

The Connection Capacity fee is adjusted each year by using the Engineering News-Record (ENR) 20-City Construction Cost Index from January to January. For Fiscal Year 2022-23, the charge for connecting to the collection and treatment system is justified in increasing to \$6,353 per EDU.

Prior to FY 2020-21, the dump station was a free service. Staff identified that a significant number of users of this service were not residents of the District. NBS determined that the calculation for the dump station fee should consider the following variables: standard recreational vehicle dump in gallons, average septage strength from the Water Resources Control Board Guidelines, effluent volume, flow, Biological Oxygen Demand (BOD), and TSS costs divided by the system-wide units.

Based on the analysis and utilizing the recommended calculation, the dump station fee was set to a flat rate of \$10 for FY 2021-22. The fees that are collected for this service offset the impact on the District's treatment process that were previously paid by District ratepayers. Based on staff's assessment of the past year's use, approximately two-thirds of dump station users do not live in the District. The District has collected \$3,730 in FY 2021-22 this service.

As required, a notice of the Public Hearing (Attachment B) was advertised in the Desert Sun, a newspaper of general circulation, on May 19, 2022, and May 26, 2022.

Recommendation

Staff recommends that the Board adopt Resolution No. 2022-1164 amending fees and charges for District services for Fiscal Year 2022-23 and rescinding Resolution No. 2021-1143.

Attachments

Attachment A: Resolution No. 2022-1164
Attachment B: Notice of Public Hearing

RESOLUTION NO. 2022-1164
A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING FEES AND CHARGES FOR DISTRICT SERVICES AND RESCINDING RESOLUTION NO. 2021-1143

The Board of Directors declares that the following statements are true and accurate.

In adopting District Ordinance No. 94-115, the Board of Directors established the authority under State law to collect fees and charges for costs reasonably borne and charges levied by the District.

California Government Code Section 66016 and 66018 establishes that setting or adjusting fees requires that the Board hold a public hearing as part of a regularly scheduled meeting.

On June 14, 2022, the Board of Directors held a properly noticed public hearing on the proposed fees contained in this resolution and, at that time, invited oral and written comments from the public.

The Board of Directors of the Valley Sanitary District **RESOLVES** the following fees and charges are appropriate and repeals and rescinds Resolution No. 2021-1143 as of the effective date of this resolution.

SECTION 1: The Following fees and charges are in effect as of July 1, 2022.

ADMINISTRATIVE / DEVELOPMENT SERVICES

Copies of plans or maps	\$ 5.00/sheet (\$10.00/sheet color)
Bid documents (or amount specified in Bid Documents)	\$ 25.00/each
Photocopies 8 ½" X 11" – 8 ½" X 14" black & white	\$.25/page
Photocopies 11" X 17" black & white	\$.40/page
Photocopies 8 ½" X 11" – 8 ½" X 14" color	\$.40/page
Photocopies 11" X 17" color	\$.80/page
Copy of Board meeting recording	\$ 15.00/recording
Notary fee	\$ 20.00/signature
Returned Check Fee-Non-sufficient funds check or closed account check	\$ 25.00/check

Inspections (by District Staff, depending upon availability):

Laterals, single (\$240.00 initial deposit required before inspections)	\$ 80.00/hour with one hour minimum
Laterals, multiple (\$55.00 initial deposit per lateral or \$240.00 minimum deposit)	\$ 80.00/hour with one-hour min

Mainline (\$500.00 minimum deposit required before inspections)	\$ 80.00/hour with one-hour min
Disconnect inspection/permit (\$240.00 initial deposit required before inspections)	\$ 80.00/hour with one-hour min

Inspections (by Contract Inspector):

Laterals, mainline or any sewer related inspections (actual cost + expenses)	\$125.00/hour (estimated)
--	---------------------------

Plan Checks & Development Services:

• District Staff (minimum \$150.00 initial deposit required for single residence. All other project categories minimum \$500.00 deposit)	\$150.00/hour with one-hour min
• District Contract Engineer-(billed at actual cost) (\$150.00 initial deposit required for single residence. All other project categories minimum \$1,000.00 deposit.)	\$150.00/hour with one-hour min + \$15.00 admin fee per set of plans
• GIS/Collection System hydraulic model update fee (\$1,000.00 minimum deposit required)	Billed at actual cost
• Any services not covered in this schedule shall be billed at actual cost (\$1,000.00 minimum deposit required)	Billed at actual cost
• Miscellaneous Administrative Costs not otherwise listed	Billed at actual cost

SECTION 2: CAPITAL IMPACT / CONNECTION CAPACITY CHARGES

As previously established, the following table identifies the classification types and number of EDUs per classification. Any user classification not on this schedule may be calculated by using 20 gallons per day per fixture unit per the Uniform Plumbing Code or other appropriate authority.

User Classification	EDU	per	Unit
Single Family Dwellings	1		each
Recreation Vehicle / Motel Room	0.5		each
Recreation Vehicle w/sewer service connection	1		each
Library or Church	1		each
Church w/Kitchen	2		each
Professional Building (tenant)	1		each
Administrative Offices (city, county, state)	1	5	employees
Hospital	1	2	beds
Rest homes	1	3	beds
Laundry / Laundromat	1	3	washers
Restaurant / Tavern	3		
Restaurant / Tavern or Drive-thru	4		
Gas Station	2		
Gas Station w/ Wash Rack	3		
Car Wash	3		
Animal Hospital / Clinic / Kennel	3		
Barber / Beauty Shop	1	2	sinks

Retail Stores	1		2,000 sq. feet
Warehouses	1		restroom
Food markets	1		2,000 sq. feet
Plus	12		food grinder
Pre-School / K-5	1	23	students
Jr. High / High / Continuation / Adult School	1	14	students
Movie Theater	1	100	seats
Other Theater	1	100	seats
County Sheriff Substation / Jail	1	3.4	employees
County Juvenile Hall	1	5	employees
County Court / Clinic / Mental Health Institution	1	20	gallons/fixture
Park Restroom	1		restroom
Casino Facility	1	20	gallons/fixture
RV Park w/out hook-up; w/out dump station	1/6		space
RV "rally field" w/dump station	0.5		acre
RV / Bus Dump Station	15		station
Industrial / Manufacturing (domestic wastewater)	1	20	gallons/fixture
Industrial / Manufacturing (non-domestic)			non-domestic formula

As detailed in the cost-of-service analysis and rate study for its wastewater service charges provided by NBS, the following calculation was used to determine the connection capacity fee per Equivalent Dwelling Unit (EDU).

$$\begin{aligned}
 & \text{Flow} \\
 + & \text{ Chemical Oxygen Demand (COD)} \\
 + & \text{ Total Suspended Solids (TSS)} \\
 = & \text{ Connection Capacity Fee per EDU}
 \end{aligned}$$

The Connection Capacity fee is adjusted each year by using the Engineering News Record (ENR) 20-City Construction Cost Index from January to January. For Fiscal Year 2022-23, the charge for connecting to the collection and treatment system is justified in increasing to \$6,353 per EDU.

Survey/Application: deposits must be made based on cost estimate for consultant and district staff time. Final invoice will be based on actual cost to the District.

Monitoring Program: fee to be established as part of the permit based on 100% cost recovery to the District.

When a change in use of a property or building is reported to the District, a new determination will be made about the classification in use for EDU-related fees including the connection capacity fee. The new EDU will become effective on the date the new certificate of occupancy is issued based on official records of a public agency. Any other change in use not covered under a certificate of occupancy shall become effective on the date the District is notified. The District must be notified within 30 days of the change in use.

When calculating the EDU for purposes of connection capacity fee, a credit will be given for the existing or past use on record for the building. Change in use will include increased discharges in excess of a property's, or facility's, permitted volume. The property owner is responsible for notifying the District of a proposed change in use.

SECTION 3: Dump Station Fees

Per the cost-of-service analysis completed by NBS, the calculation for the dump station fee includes the following variables: standard recreational vehicle dump in gallons, average septage strength from the Water Resources Control Board Guidelines, effluent volume, flow, Biological Oxygen Demand (BOD), and TSS costs divided by the system-wide units.

The dump station fee is set to a flat rate of \$10 per usage for anyone who cannot provide proof of residence within the Valley Sanitary District service area.

This resolution is passed, approved, and adopted this 14th day of June 2022, by the following roll call vote.

- AYES:
- NAYES:
- ABSENT:
- ABSTAIN:

Scott Sear, President

ATTEST:

Dennis Coleman, Secretary/Treasurer

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Tuesday, the 14th day of June 2022, at 1:00 P.M. at the regular meeting place of the Governing Board of the Valley Sanitary District, 45-500 Van Buren Street, Indio, California, said Board will hold a public hearing regarding the proposed Fees and Charges resolution and the resolution establishing the Appropriations Limit for the Fiscal year beginning July 1, 2022, and ending June 30, 2023. The Board will consider written and public comments. Written comments should be addressed to Board Secretary, Valley Sanitary District, 45-500 Van Buren St., Indio, CA 92201. Your letter must identify the property you own by service address, be signed by the owner of record, and be received prior to the close of the Public Hearing on June 14, 2022.

After completion of the Public Hearing, the Board may vote to approve adopting said Fees and Charges and the Appropriations Limit. If you would like more information about the proposed Fees and Charges or Appropriations Limit, please call 760-238-5400. The information is also posted on the Valley Sanitary District website at www.valley-sanitary.org.

BY ORDER OF THE BOARD OF DIRECTORS
OF THE VALLEY SANITARY DISTRICT

Beverli A. Marshall, General Manager

Publish: May 19, 2022
May 26, 2022



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors
THROUGH: Beverli A. Marshall, General Manager
FROM: Jeanette Juarez, Business Services Manager
SUBJECT: Adopt Resolution No. 2022-1165 Establishing the Gann Appropriations Limit for the Fiscal Year 2022-23

<input checked="" type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is for the Board of Directors to review the Gann Limit Calculation for the Fiscal Year 2022-23.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 5: Long-Term Financial Strength.

Fiscal Impact

The projected fiscal impact for FYE June 30, 2023, is \$916,796.

Environmental Impact

The recommended action is exempt from the California Environmental Quality Act (CEQA) per California Government Code Section 15061(b)(3).

Background

California Voters approved Proposition 4, commonly referred to as the Gann Limit Initiative (“Gann Limit”), as an amendment to Article XIII B of the State Constitution, Section 7910 of the Government Code, on November 6, 1979. This limit established the maximum amount of tax proceeds that can be spent on government services during a fiscal year. It also requires that agencies return to taxpayers any tax revenue in excess of the limit.

Examples of tax proceeds included in the Gann Limit appropriation are: property taxes, sales taxes, utility taxes, state subventions, fines, forfeitures, interest revenue on regulatory licenses, user charges, and user fees to the extent that those proceeds exceed the costs reasonably borne by that entity in providing the regulation, product or

service. Property taxes are the only proceeds received by the District that are affected by the Gann Limit.

In 1990, Proposition 111 changed the manner in with the Gann Limit calculation. The Gann Limit is adjusted each year based on one of two ways:

1. By a percentage equal to the increase from the preceding year in county or city population (whichever is greater).
2. By an amount equal to the change in per capita personal income in California or the change in the assessment roll the preceding year due to the addition of local non-residential new construction (whichever is greater).

VSD is required to select one of the two methods to adopt the spending limit for each Fiscal Year. For the FY 2022-23, the District used the Riverside County population growth rate of 0.42% and the change in the State Per Capita Income of 7.55%.

Based on the calculation (Attachment B), the FY 2022-23 appropriation limit is \$11,962,725. The appropriation subject to the limit (tax proceeds) is \$916,796, leaving an appropriation capacity of \$11,045,929.

Fiscal Year 2022-23	
	Appropriation Limit: \$ 11,962,725
Less:	Appropriation subject to limit: <u>\$ 916,796</u>
	Remaining Appropriation: \$ 11,045,929

In accordance with California law, a Public Hearing notice was published in The Desert Sun, a newspaper of general circulation, on May 19, 2022, and May 26, 2022.

Recommendation

Staff recommends that the Board adopt Resolution No. 2022-1165 establishing the Annual Gann Appropriation Limit for Fiscal Year 2022-23.

Attachments

Attachment A: Resolution No. 2022-1165

Attachment B: Gann Limit Calculation for FY 2022-23

RESOLUTION NO. 2022-1165
A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022-23

The Board of Directors declares that the following statements are true and accurate.

Article XIII B of the California Constitution and Government Code Section 7903 requires that a local government in California may not appropriate any proceeds of taxes that the agency receives in excess of the "appropriations limit" established for Fiscal Year 1978/79, adjusted annually for population and cost of living increases.

Proceeds of taxes levied for and by the District include property taxes to the extent such proceeds exceed the costs reasonably borne by the District in carrying out its services.

The appropriations limit for Fiscal Year 2021-22 was \$11,076,392, as announced by the California Department of Finance for Riverside County May 2021.

The Board of Directors of Valley Sanitary District resolves the following.

Section 1: The allowable change in appropriations limit is 1.08002% above the 2021-22 appropriations limit of \$11,076,392, for a new appropriations limit for Fiscal Year 2022-23 of \$11,962,725.

Section 2: The Comprehensive Budget for Fiscal Year 2022-23 does not exceed the property tax spending limit pursuant to the California Constitutional limit; therefore, the Board finds that the proposed budget complies with California law.

This resolution is passed, approved, and adopted this 14th day of June 2022, by the following roll call vote.

AYES:
NAYES:
ABSENT:
ABSTAIN:

Scott Sear, President

ATTEST:

Dennis Coleman, Secretary

EXHIBIT "A"

**CALCULATION OF ANNUAL APPROPRIATIONS "GANN" LIMIT
FISCAL YEAR 2022-23**

Step 1: Determine the Fiscal Year 2022/23 Factor			
	Per Capita Cost of Living Change = 7.55 percent		
	Riverside County Population Change = 0.42 percent		
A	Per Capita Cost of Living converted to a ratio:	$\frac{7.55 + 100}{100}$	= 1.0755
B	Population converted to a ratio:	$\frac{0.42 + 100}{100}$	= 1.0042
C	Calculation of factor for Fiscal Year 2022/23:	A X B = 1.08002	
Step 2: Determine the Fiscal Year 2022/23 Appropriation Limit			
D	Fiscal Year 2021/22 Appropriation Limit	\$11,076,392	
	Fiscal Year 2022/23 Appropriation Limit:	C X D = \$11,962,725	

Fiscal Year 2022-23 Appropriation Limit

Background

California voters approved Proposition 4, commonly referred to as the Gann Limit Initiative (“Gann Limit”), as a State Constitutional amendment on November 6, 1979. This limit established the maximum amount of tax proceeds that can be spent on government services during a fiscal year. Examples of proceeds of taxes governed by the Gann Limit appropriation are property taxes, sales taxes, utility taxes, state subventions, fines, forfeitures, interest revenue on regulatory licenses, user charges, and user fees to the extent that those proceeds exceed the costs reasonably borne by that entity in providing the regulation, product, or service. For the District, the only proceeds received that are affected by the Gann Limit are property taxes.

In 1990, Proposition 111 changed the manner in with the Gann Limit calculation. The Gann Limit is adjusted each year based on one of two (2) ways:

1. By a percentage equal to the increase from the preceding year in county or city population (whichever is greater).
2. By an amount equal to the change in per capita personal income in California or the change in the assessment roll the preceding year due to the addition of local non-residential new construction (whichever is greater).

Change in Population (City of Indio vs Riverside County)

Options	Population as of 01/01/2020	Population as of 01/01/2021	Percent Increase/(Decrease)
City of Indio	88,862	89,137	0.31%
Riverside County	2,417,461	2,427,569	0.42%

Change in State Per Capita Personal Income vs. Colma Non-Residential Building Construction

Options	Percent Increase/(Decrease)
Change in State Per Capita Personal Income	7.55%
*Change in Colma Non-Residential Assessed Valuation	N/A

* Change in non-residential assessed valuation was not available.

For the Fiscal Year 2022/23 calculation, the District selected the Riverside County population growth rate of 0.42% and the change in the State Per Capita Income of 7.55%.

Appropriation Limit Calculation for Fiscal Year 2022/23

The following Gann Limit calculation shows population change and the change in California per capita personal income as growth factors in computing the Fiscal Year 2022/23 appropriation limit.

Step 1: Determine the Fiscal Year 2022/23 Factor			
	Per Capita Cost of Living Change = 7.55 percent		
	Riverside County Population Change = 0.42 percent		
A	Per Capita Cost of Living converted to a ratio:	$\frac{7.55 + 100}{100}$	= 1.0755
B	Population converted to a ratio:	$\frac{0.42 + 100}{100}$	= 1.0042
C	Calculation of factor for Fiscal Year 2022/23:	A X B = 1.08002	
Step 2: Determine the Fiscal Year 2022/23 Appropriation Limit			
D	Fiscal Year 2021/22 Appropriation Limit	\$11,076,392	
	Fiscal Year 2022/23 Appropriation Limit:	C X D = \$11,962,725	

The Fiscal Year 2022/23 appropriations subject to the limit (Proceeds of Tax) is \$916,796.

Fiscal Year 2022/23:		
	Appropriation Limit	\$ 11,962,725
Less:	Appropriation Subject to the limit	916,796
	Remaining Appropriation	\$ 11,045,929

This leaves the District with an appropriation capacity under the limit of \$11,045,929.

Resources

California Department of Finance. (2022, May). *Price Factor and Population Information*.

<https://Dof.ca.Gov/>



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

FROM: Jeanette Juarez, Business Services Manager

SUBJECT: **Adopt Resolution No. 2022-1166 Approving the Operating and Capital Budget for Fiscal Year 2022/23**

<input checked="" type="checkbox"/> Board Action	<input checked="" type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is for the Board of Directors to approve and adopt resolution No. 2022-1166 approving the Operating and Capital Budget for the Fiscal Year 2022/23.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 5.1: Align long-term financial planning with strategic priorities.

Fiscal Impact

The proposed Operating and Capital budgets for the Fiscal Year 2021/22 are \$16,189,077 and \$33,545,663, respectively.

Background

The action for approval and adoption of the annual budget is completed in June of each calendar year.

On April 19, 2022, the District held a detailed budget workshop and presentation for the Board of Directors to review and allow for modifications.

The proposed operating and capital budget for the fiscal year 2022/23 is \$16,189,077 and \$33,545,663 respectively. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). There are 20 capital projects requested in the fiscal year 2022/23. The CIP for the fiscal year 2022/23 includes the

Recycled Water Project Phase I Design Build, the Influent Pump Station Rehabilitation Project and the Collection System Sewer Main Rehabilitation and Replacement Program.

Staff believes the budget reflects a concentrated effort of fiscal responsibility while continuing the operating and capital requirements necessary to move the District forward in its mission of treating and recycling wastewater to ensure a healthy environment and sustainable water supply.

Recommendation

Staff recommends that the Board adopt Resolution No. 2022-1166 approving the Operating and Capital Budget for Fiscal Year 2022/23.

Attachments

Attachment A: Operating and Capital Budget for Fiscal Year 2022/23
Attachment B: Resolution No. 2022-1166

VALLEY SANITARY DISTRICT

OPERATING AND CAPITAL BUDGET

FY 2022-2023



Prepared by:
The Administration Department



VALLEY SANITARY DISTRICT OPERATING & CAPITAL IMPROVEMENT BUDGET FISCAL YEAR 2022-2023

BOARD OF DIRECTORS

Scott Sear
Board President



Debra Canero
Board Vice President

Dennis Coleman
Secretary/Treasurer



Mike Duran
Director

William Teague
Director



Mission Statement

Valley Sanitary District serves and benefits Indio and the surrounding communities by collecting, treating, and recycling wastewater to ensure a healthy environment and sustainable water supply.



VALLEY SANITARY DISTRICT

OPERATING & CAPITAL IMPROVEMENT BUDGET

FISCAL YEAR 2022-2023

SENIOR ADMINISTRATION

Jeanette Juarez
**Chief Administrative
Officer**



Dave Commons
Chief Operating Officer



Beverli Marshall
**Chief Executive Officer/General
Manager**



Ron Buchwald
District Engineer

Contact Us



45500 Van Buren St Indio, CA 92201

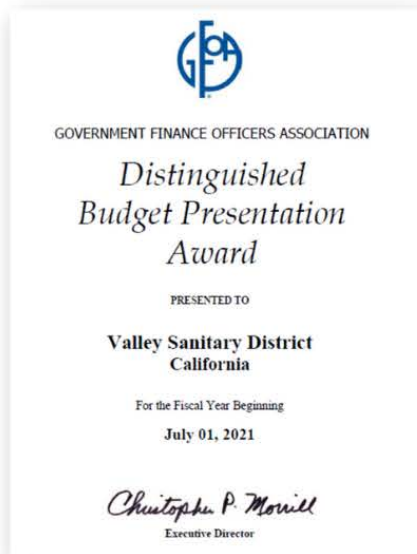


(760) 238-5400



www.valley-sanitary.org

AWARDS AND ACCOMPLISHMENTS



GFOA's Distinguished Budget Presentation Award

To earn recognition, budget documents must meet program criteria and excel as a policy document, financial plan, operations guide, and communication tool.



CSFMO's Operating Budget Meritorious Award for FY 2021-2022

The California Society of Municipal Finance Officers (CSMFO) has awarded Valley Sanitary District with the Operating Budget Meritorious Award for Fiscal Year 2021-2022.

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"Clarifier 2"



Budget Message



Coachella Valley Date Museum

Budget Message

Fiscal Year 2022/23

July 01, 2022

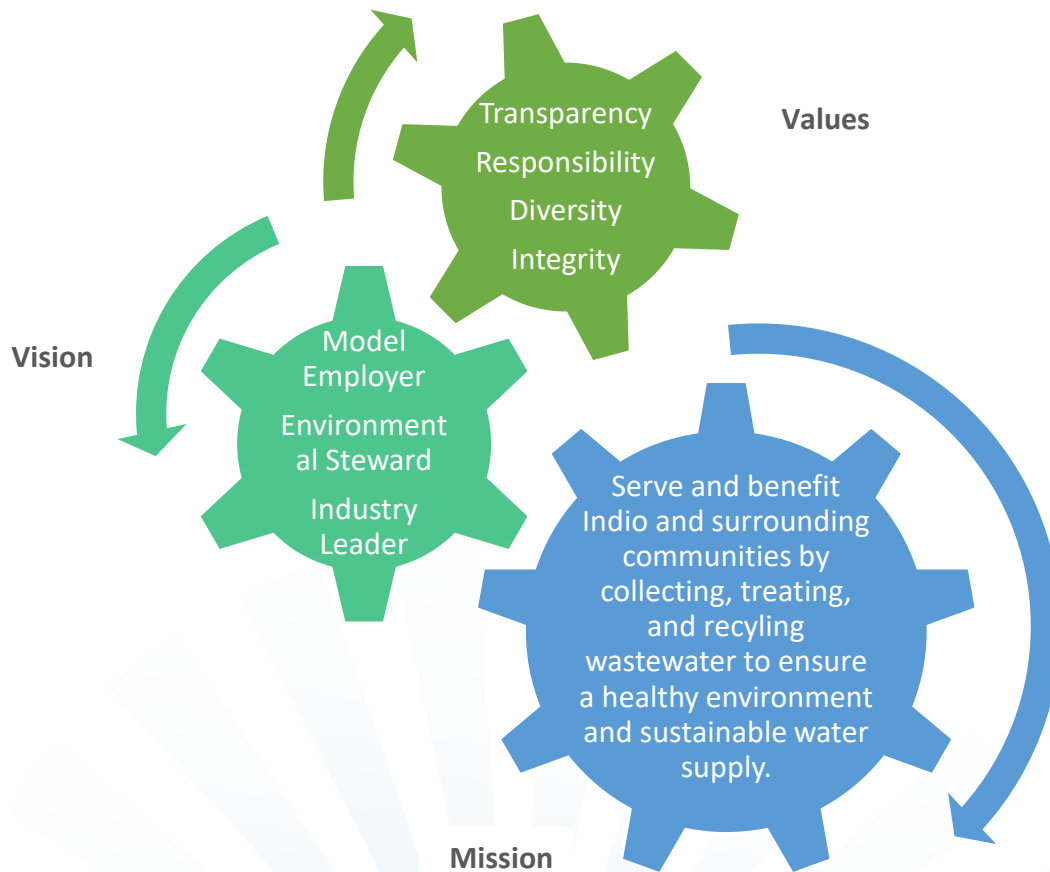
Honorable Board of Directors,

I am pleased to present to you the Operating and Capital Budget for Fiscal Year (FY) 2022/23. This budget is a guide for the District and establishes a path for staff to follow in making day-to-day decisions to further the District’s goals and objectives, as outlined in the Strategic Plan, and to provide transparency for the communities and citizens that it serves.

In FY 2022/23, the VSD will focus on four critical infrastructure projects: Recycled Water Project – Phase I, Emergency Sewer Siphon Project, Sewer Main Rehabilitation/Replacement Project, and Influent Rehabilitation Project. In addition to these projects, the District will continue to be committed to its mission of providing a healthy environment and will continue to be a partner in developing a sustainable water supply for Coachella Valley.

BUDGET PROCESS

Each year the budget process starts in November with the Board of Directors’ review of the Strategic Plan including reaffirmation of the District’s mission statement, vision, and values.



As part of the Strategic Plan review, the Board evaluates the goals and objectives that direct and guide staff in developing the budget. Staff then implements programs and activities, detailed in the department sections of the budget, to meet these goals and objectives. For FY 2022/23, the Board of Directors reaffirmed the following district-wide goals and objectives.



1.4: Maintain and build upon strong staff culture



2.1: Increase recycling and reuse of resources and byproducts
2.2: Improve sustainability of the overall operations
2.3: Become environmental leader in the community and industry



3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan



4.1: Increase community understanding and support for the District
4.2: Rebrand VSD to increase public recognition and move toward reuse and recycling



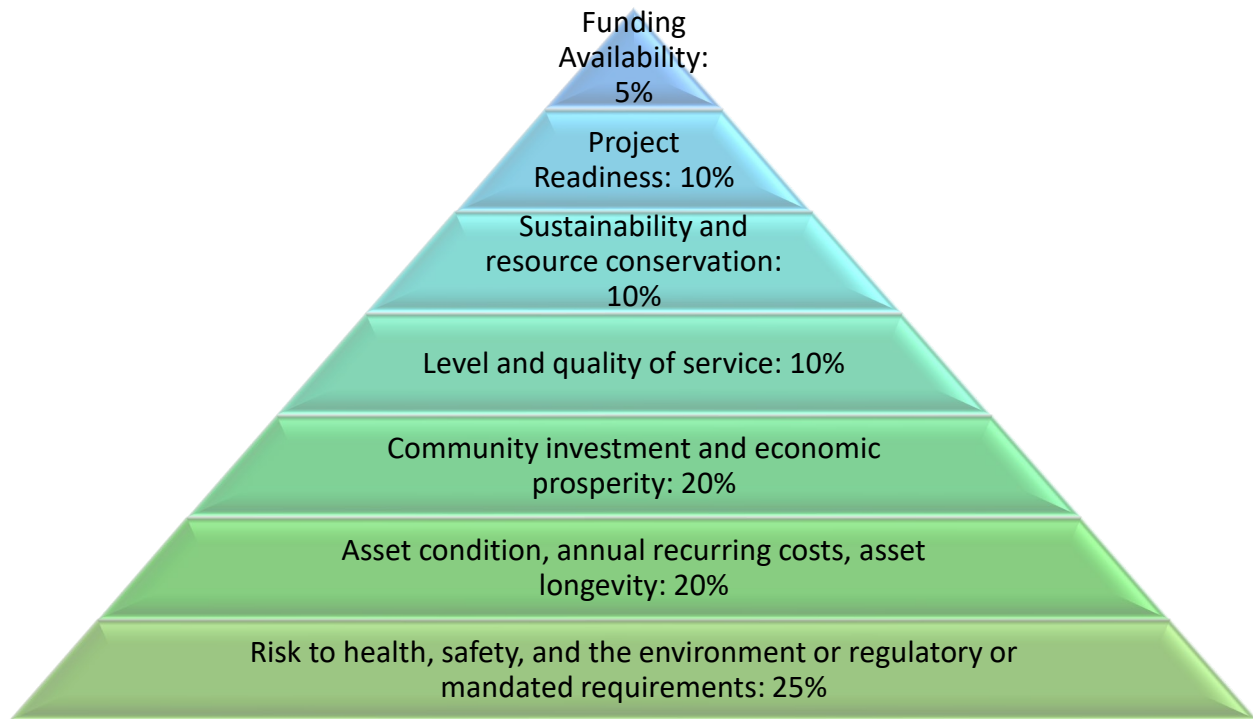
5.1: Align long-term financial planning with strategic priorities
5.2: Extend financial planning to meet long-term needs while maintaining affordability for customers



6.2: Increase regional collaboration
6.3: Improve state level legislative advocacy
6.6: Comply with regulatory, legislative, and permit requirements

Another essential step in the budget process is a review of the Capital Improvement Plan (CIP). The CIP is a 20-year document that identifies rehabilitation, replacement, and new equipment and infrastructure needed to comply with current, emerging, and future regulatory requirements.

To prioritize these projects and to ensure the optimal use of available resources, District staff developed a scorecard based on the following weighted criteria. Based on the scores received, staff prepares a list of projects for the upcoming fiscal year and presents them to the Operations Committee, which makes recommendations to the Board.



The budget process concludes with the budget adoption in June. The community has opportunities at the budget workshop, Budget & Finance Committee, and Board of Directors meetings to provide input and feedback on the goals, objectives, budget, capital improvement plan (CIP), sewer rates, and fees.

BUDGET SUMMARY

Valley Sanitary has been able to maintain financial stability throughout the pandemic and related fiscal uncertainty. The Comprehensive Budget for FY 2022/23 reflects the District's commitment to transparent government, fiscal responsibility, and environmental stewardship. Revenue projected for FY 2022/23 is \$17.8 million and proposed expenditures of \$49.7 million.

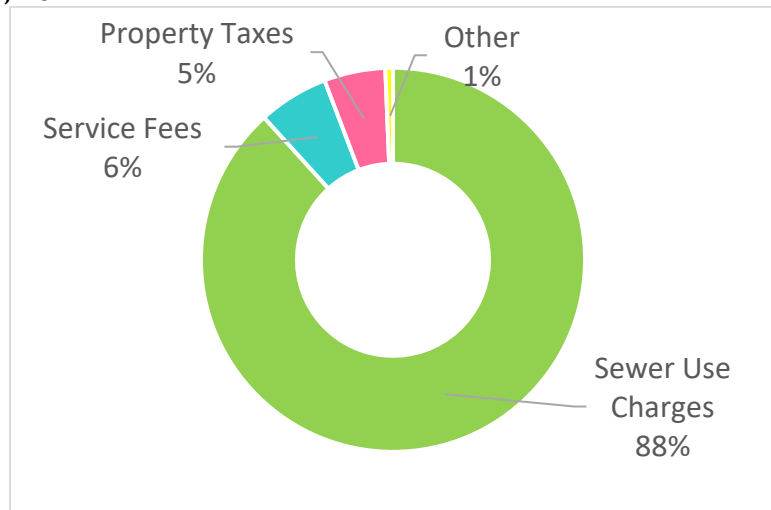
	FY 2021 Actuals	FY 2022 Adopted	FY 2022 Projected	FY 2023 Proposed	\$ Change	% Change
<u>Revenue</u>						
Operating	\$12,771,681	\$14,602,749	\$17,813,502	\$16,683,405	\$ 2,080,656	14.2%
Non-Operating	\$ 1,062,446	\$ 1,247,359	\$ 596,978	\$ 998,618	(\$ 248,741)	-19.9%
Total Revenue	\$13,834,127	\$15,850,108	\$18,410,480	\$17,767,816	\$1,917,708	12.1%
<u>Expenses</u>						
Operating	\$ 9,074,916	\$ 9,948,282	\$ 9,236,427	\$11,776,106	\$ 2,539,679	27.5%
Debt Service	\$ 1,021,090	\$ 1,018,873	\$ 1,018,873	\$ 4,412,971	\$ 3,394,098	333%
Capital Projects	\$ 2,529,251	\$13,232,934	\$13,232,934	\$33,545,663	\$20,312,729	154%
Total Expenses	\$12,625,257	\$24,200,089	\$23,488,234	\$49,734,740	\$26,246,506	112%

To balance the budget, the District proposes to use fiscal year revenue for day-to-day operations and maintenance expenses and restricted and unrestricted capital improvement fund balances, along with loan proceeds and FEMA reimbursements, to pay for CIP projects.

REVENUE

Staff estimates revenue based on the adopted rates and fees, historical service levels, and anticipated changes in economic factors such as residential and commercial development in the area. Sewer service charges are analyzed at least once every five years. The most recent analysis was completed in 2021 and the Board of Directors a new rate structure and Five-Year Rate Plan effective July 1, 2021.

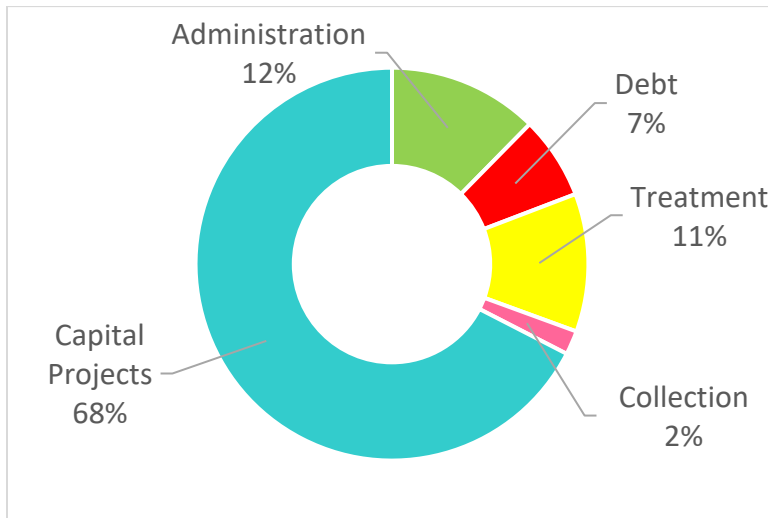
Revenue consists of sewer use charges, property taxes, service fees, and miscellaneous other revenue like interest income.



Revenue projections for Fiscal Year 2022/23 are \$16.8 million in operating revenue and \$1 million in non-operating revenue \$1 million, for a total of \$17.8 million. This is an increase of \$1.9 million over the Fiscal Year 2021/22, largely due to planned sewer rate increases identified in the adopted 5-year Sewer Use Charge rate plan.

EXPENSES

Proposed expenses were developed to achieve the Strategic Plan goals and objectives, meet operational needs, complete CIP projects, and stay within the projected revenue and debt ratio.



Expenses consist of collection, treatment, and discharge of wastewater, administration and support services, capital projects, and debt service payments.

The proposed expenditures for FY 2022/23, excluding CIP project-related expenses, are \$16.2 million. This is an overall increase of \$5.2 million (47.6%), largely due to:

increasing utilities, supplies, and contract service costs; wage and benefit changes to stay competitive with the employment market; payment to CalPERS for the annual unfunded accrued liability (UAL) previously reflected as a balance sheet adjustment rather than as a budgeted expense; and debt service payments for the new loan with Bank of America.

CAPITAL IMPROVEMENT PROGRAM

VSD adopted a 20-Year Capital Improvement Plan for its equipment, facilities, and infrastructure with an estimated \$260 million in improvements and replacement of assets. The FY 2022/23 budget includes \$33.5 million for CIP expenditures, which consists of design and construction costs, for an increase of \$20.3 million (154%) over FY 2021/22. Key projects are:

- Recycled Water Project – Phase I (\$17.8 million)
- Emergency Sewer Siphon Replacement Project (\$5.1 million)
- Sewer Main Rehabilitation/Replacement Project (\$4.9 million)
- Influent Pump Station Rehabilitation Project (\$3.3 million)
- Water Reclamation Facility Master Plan (\$600,000)
- Steel Waterline Replacement – Phase II (\$350,000)
- Recycled Water Use Plan (\$300,000)

Of the \$33.5 million in CIP expenditures proposed for FY 2022/23, \$17.8 million is funded by loan proceeds (see Debt section), \$4.3 million in reimbursements from FEMA in response to a flood event on February 14, 2019, and the remaining funds from the restricted and unrestricted capital improvement funds.

Like most special districts, the District did not receive allocations by the federal government through the Coronavirus Aid, Relief, and Economic Security (CARES) or

American Rescue Plan Act (ARPA). The District has made repeated requests to the state, Riverside County, and the City of Indio to designate a portion of their allocations to fund critical infrastructure improvements to reduce the impact of rate increases on VSD ratepayers. While these requests have not been successful, the District continues to apply for grant funds, and low-interest loans, and identify public-private partnerships to fund its infrastructure projects.

STAFFING

As identified in the Strategic Plan, VSD is committed to being a model employer by providing a healthy work environment and exceptional training opportunities for staff. As part of this commitment, the District completed a staffing analysis and succession plan to ensure that there is sufficient staff in the classifications and program areas to meet the goals and objectives now and into the future. Over the past three years, VSD has added six positions for a total full-time equivalent (FTE) of 36 budgeted positions with a plan for five additional positions over the next three years.

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Proposed	% Change
Administration						
Administrative Services	5	5	5	6	6	0%
Environmental Compliance	2	3	3	3	3	0%
Engineering						
Development Services	4	4	4	5	5	0%
Collection System	4	5	5	5	5	0%
Operations						
Maintenance	6	6	7	8	8	0%
Operations	8	8	8	9	9	0%
Total FTEs	29	31	32	36	36	0%

The budget and accounting system are organized by departments that are further organized by divisions. These organizational units provide both functional and planning workflow that enables the District to meet its regulatory obligations as well as its strategic goals and objectives.



Administration

Board of Directors – legislative body responsible for developing policies and providing oversight of the District.

Administrative Services – responsible for overseeing the finances, personnel, technology, and customer service responsibilities.
Environmental Compliance – the laboratory is responsible for performing NPDES

permit compliance monitoring, managing the District’s commercial F.O.G. pre-treatment program, and issuing and overseeing industrial user permits.



Engineering

Development Services – provides permit review, inspection of residential and commercial construction, and assists with the District’s GIS mapping needs.
Collection System – cleans, assesses, and responds to emergency

issues within the District’s sewer main lines and lift stations.



Operations

Maintenance - repairs and maintains vehicles, equipment, and structures at the Water Reclamation Facility.
Operations – responsible for treating and discharging wastewater and biosolids management.

The departments and divisions, along with their respective goals and objectives, are described in the Budget by Department section. Detailed information on wages and benefits is presented in the Personnel Summary section.

CHALLENGES

VSD’s greatest challenge is addressing its aging infrastructure and preparing to meet the changing regulatory requirements while maintaining its affordability for ratepayers. The District’s sewer rate analysis identified that VSD will need to borrow approximately \$165 million over the next 10 years to complete these critical projects. The District is actively looking for other revenue sources, such as grants, partnerships with private companies, and low-interest loans to offset capital improvement project costs.

Another significant challenge is the District’s ability to manage increases in wages and wage-driven benefits in response to the sizable increase in the Riverside-San Bernardino-Ontario region consumer price index (CPI). As of March 2022, this index was at 9.9%. The CPI also affects services, supplies, and other expenses that drive up the overall day-to-day operating costs. There does not appear to be any relief in the near future and the underlying assumptions for the rate analysis need revisions to reflect current conditions.

DEBT

In May 2022, the District executed a \$71 million loan through Bank of America’s Environmental Business Initiative program to finance the Recycled Water Project – Phase I over a 20-year period at a 2.7% interest rate. By financing this project, rather than paying for it directly from sewer rate revenue, the District is able to achieve its capital improvement goals while maintaining affordability for its customers.

The budget and Five-Year Sewer Use Rate plan demonstrate the District’s ability to meet debt service requirements by maintaining a debt ratio of at least 1.25. Additional rate increases will be necessary over the next five to 10 years to meet capital expenditure needs and to maintain the established minimum debt ratio.

ACKNOWLEDGEMENTS

I would like to recognize and thank the support, collaboration, and assistance of the Board of Directors in developing a fiscally responsible budget. I would also like to acknowledge the District staff whose efforts and dedication enabled the smooth and timely completion of the budget process and the production of this document.

Respectfully,



Beverli A. Marshall, ICMA-CM, CSDM
Chief Executive Officer/General Manager



"ASP Contact Chamber & Tanks"

Overview

INDIO, CALIFORNIA “CITY OF FESTIVALS”

In 1876, the City of Indio was originally a railroad town that served as a rest area between Los Angeles, California, and Yuma, AZ. Soon the Southern Pacific Depot Station and Hotel were built to help retain workers in the area. The city began to grow and became an agricultural region producing dates, onions, citrus, and cotton.¹ On May 16, 1930, Indio became the first incorporated city in the Coachella Valley. Today Indio is home to over 90,000 residents and an estimated 1.4 million people visit annually to attend the Coachella Valley Music and Arts Festival and Stagecoach Country Music Festival.¹ Nicknamed the “City of Festivals”, Indio has fast become an abundant community that offers a variety of exceptional dining, shopping, golfing, art, and entertainment experiences.

Indio is part of Riverside County and resides 75 miles east of Riverside, 127 miles east of Los Angeles, and 148 miles northeast of San Diego. The city covers roughly 29 square miles and is 99.97% land and 0.03% water.³ Indio lies just three (3) miles from the San Andreas Fault, one of the largest faults in the world. The high mountain ranges contribute to Indio’s warm climate year-round.



Image borrowed from the Riverside County 2021 webpage²

1. Indio City of Festivals. (2021). <https://www.indio.org/about/history.htm>
2. Riverside County. (2021). Riverside County. <https://rivco4.org/Cities/Indio>
3. U.S. Department of Commerce. (). QuickFacts Indio City, California. [http://Indio City of Festivals. \(2021\). https://www.indio.org/about/history.htm](http://Indio City of Festivals. (2021). https://www.indio.org/about/history.htm)

Overview

POINTS OF ATTRACTION

Adorned with a gorgeous desert backdrop, Indio has over 348 days of sunshine per year, perfect for outdoor activities. The City of Indio offers world-class golf courses, unique restaurants, a mix of retail stores, outdoor adventures, and renowned music festivals. The city has something for everyone.

Arts and Entertainment	Golfing	Festivals	Dining	Shopping
<ul style="list-style-type: none"> ▪ Coachella Valley Art Center ▪ Coachella Valley History Museum ▪ Desert Cahuilla Village ▪ History of Date Industry in the Coachella Valley ▪ Indio Performing Arts ▪ Rebirth 	<ul style="list-style-type: none"> ▪ The Lights at Indio Golf Course ▪ Eagle Falls Golf Course ▪ Golf Club at Terra Lago ▪ Big Rock Golf Course ▪ Shadow Hills Golf Club 	<ul style="list-style-type: none"> ▪ Riverside County Fair and National Date Festival ▪ Coachella Valley Music & Arts Festival ▪ Stagecoach California's Country Music Festival ▪ Indio Tree Lighting Ceremony ▪ Indio International Tamale Festival 	<ul style="list-style-type: none"> ▪ TKB Bakery & Deli ▪ uniQue Bite Eatery ▪ El Mexicali Cafe II ▪ POM ▪ Heirloom Craft Kitchen ▪ Sloan's ▪ CV Barbeque ▪ Tack Room Tavern ▪ Mario's ▪ The Café at Shields 	<ul style="list-style-type: none"> ▪ Citrus Plaza ▪ Heritage Court ▪ Indio Grand Market Place ▪ Indio Town Center ▪ The Palms ▪ Showcase at Indio ▪ Indio Plaza ▪ Shadow Hills Plaza ▪ Jefferson Plaza

CLIMATE

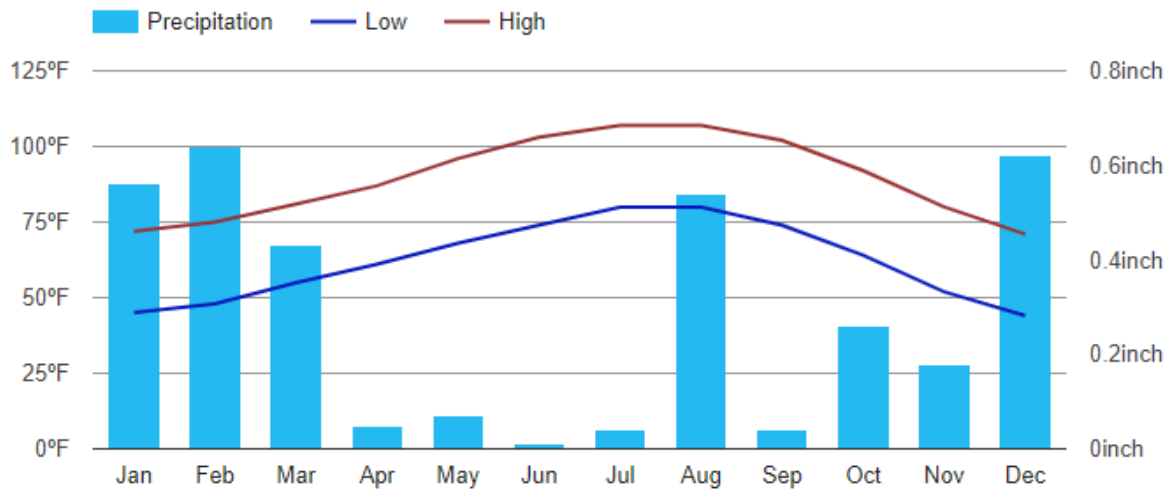
Due to its unique geographical location and high mountain ranges, Indio has some of the warmest winters on the west coast. The city has a warm winter and hot summer climate primarily due to its desert climate. There is very little rainfall throughout the year. The average annual temperature in Indio is 75.5 °F, with an estimated 3.44 inches of annual precipitation.¹

Climate Indio - California	Jan	Feb	Mar	Apr	May	Jun
Average high in °F	72	75	81	87	96	103
Average low in °F	45	48	55	61	68	74
Average precipitation in inch	0.56	0.64	0.43	0.05	0.07	0.01

	Jul	Aug	Sep	Oct	Nov	Dec
Average high in °F	107	107	102	92	80	71
Average low in °F	80	80	74	64	52	44
Average precipitation in inch	0.04	0.54	0.04	0.26	0.18	0.62

Overview

Indio Climate Graph - California Climate Chart



1. U.S. Climate Data. (2021). U.S. Climate Data. <https://www.usclimatedata.com/climate/indio/california/united-states/usca0512>

ECONOMIC INDICATORS

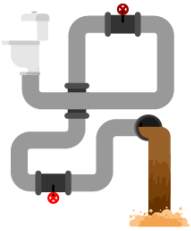
In the fiscal year, 2021/22 the District concentrated on slow and steady growth and progress. District's new rate structure for the Sewer Use Charge (SUC) was implemented on July 1, 2021, and will continue through June 30, 2026. In the fiscal year 2022/23 the District is projecting an increase of 12.5% or \$1.9M due to the rate increase. The additional revenues are needed to maintain operating service levels, fund critical, high-risk projects identified in the 20-Year District-Wide Master Plan, and meet debt service requirements. In addition to using the additional SUC revenue, the District plans to finance \$165 million through various loan programs to bridge the gap. The District has already commenced its financing initiatives by successfully closing a \$71 million dollar loan through Banc of America Corp for the Recycled Water Project Phase 1.

In the fiscal year 2021/22 the district received higher than projected revenues by \$3 million. The additional revenue is mainly attributed to connection fees from increased development activities. The City of Indio permitted a mixed-use affordable housing development consisting of 184 residential units known as Arroyo Crossing. Phase II of the Arroyo Crossing project has been entitled and is proposing to develop 214 units. Additionally, the City of Indio is continuing with its \$40 million renovations of the Indio marketplace that will include new retail and dining establishments.²

Overview

The COVID-19 Pandemic created an uncertainty in the economy that influenced many Agencies to make conservative projections and strategically plan expenditures. The City of Indio was no exception budgeting in Fiscal 2021/22 projecting a deficit of \$9.4M.

DEMOGRAPHICS



254 MILES OF SEWER PIPE



APPROXIMATELY 28,239 CONNECTIONS



LARGEST CITY IN THE COACHELLA VALLEY



19.5 SQUARE MILES SERVICE AREA



12.5 MILLION GALLONS PER DAY TREATMENT CAPACITY

Overview

CITY OF INDIO STATISTICAL INFORMATION

The table below depicts a snapshot of the City of Indio's demographics that portray the characteristics of the population and the city.

Population		
Population as of July 1, 2021		90,416
Population Growth since April 1, 2020		1.4%
Housing		
Owner-occupied housing unit rate, 2015-2019		72.2%
Median value of owner-occupied housing units, 2016-2020	\$	290,200
Median selected monthly owner costs - with a mortgage, 2016-2020	\$	1,793
Median selected monthly owner costs - without a mortgage, 2016-2020	\$	627
Median gross rent, 2016-20	\$	1,113
Gender (% of population)		
Female		51.2%
Male		48.8%
Age (% of population)		
Under 18 Years		22.2%
65 years and over		19.6%
Education (% of Population)		
Highschool graduate or higher		79.4%
Bachelor's Degree or Higher		18.0%
Income		
Median Household income	\$	53,434
Employment (% of Population)		
Retail Trade		13.3%
Admin/Support/Waste Management Services		9.9%
Accommodation/Food Services		9.0%
Healthcare/Social Assistance		8.7%
Construction		7.0%
Transportation/Warehousing		6.4%
Educational Services		4.9%
Finance/Insurance		3.2%
Agriculture		1.6%
Manufacturing		1.0%
Real Estate/Rental/Leasing		1.0%
Arts/Entertainment/Recreation		0.9%
Professional/Scientific/Tech Services		0.9%

1. U.S. Department of Commerce. (). QuickFacts Indio City, California. [http://Indio City of Festivals. \(2021\). https://www.indio.org/about/history.htm](http://Indio City of Festivals. (2021). https://www.indio.org/about/history.htm)
2. CVEP. (2020). Greater Palm Springs Economic Report. https://cvep.com/wp-content/uploads/2021/02/CVEP-2020-Economic-Report_02-01-21.pdf

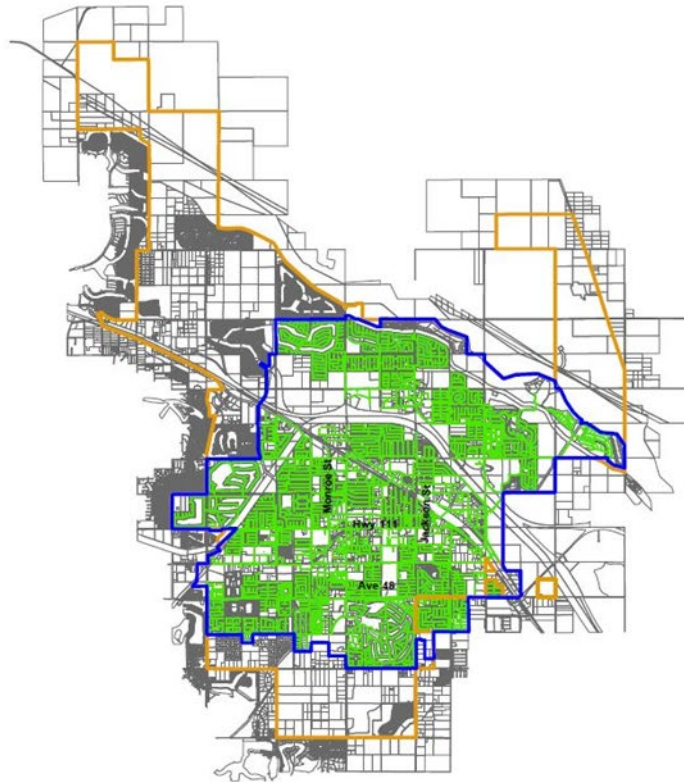
DISTRICT GOVERNANCE

Valley Sanitary District is a California special district, which operates under the authority of the Health and Safety Code, Sanitary District Act of 1923, § 6400 et seq. The District was formed on June 1, 1925, and is governed by a five (5) member Board of Directors. Each Director is elected through a ward-based election system. Each Director represents a specific geographic area within the District known as a ward. Under California law, the Board of Directors establishes and implements policies for the operation of the District. The Board of Directors establishes goals and objectives, manages sound fiscal policy and control, sets rates and fees, approves the annual operating and capital budget, approves capital improvement plans, maintains strong communication between the Board of Directors and the General Manager, and advocates for the District. The Board of Directors makes decisions to serve the best interests of the community. The District's Board of Directors meets on the second and fourth Tuesday each month. Meetings are publicly noticed, and citizens are encouraged to attend.

The U.S. Environmental Protection Agency, the California Regional Water Quality Control Board, the California Health Service Department, as well as other regulatory agencies provide the permits and standards that the District must meet in order to collect, treat, recycle, reuse and dispose of wastewater.

DISTRICT SERVICES

The District provides sanitary sewer services to approximately 28,028 connections within its 19.5 square mile service area, located in the eastern desert area of Riverside County. The District encompasses portions of the City of Indio, the City of Coachella, and adjacent unincorporated areas of Riverside County, California. Residential customers represent approximately 97% of the District's customer base and produce an estimated 81% of the sewage flow. The District operates and maintains approximately 254 miles of sanitary sewer line and delivers over 6 million gallons per day of wastewater to its wastewater reclamation facility. The reclamation facility has the capacity to treat 12.5 million gallons per day. The treated wastewater is discharged into the Whitewater Storm Channel and becomes a source of freshwater replenishment to the Salton Sea.



Valley Sanitary District
Boundary Map

Legend

- VSD Boundary
- Indio Limits
- Sewer Pipe

STRATEGIC PLAN

In the calendar year 2020, the District retained the services of Rauch Communication Consultants, Inc. to facilitate and coordinate the development of the District’s Strategic Plan. Rauch Communication Consultants first gathered input from the Board of Directors through Board workshops. Rauch Communication Consultants then gathered input from District employees in a meeting to allow direct and “ground level” input to the board during the final workshop.

The Board of Directors supported this process to allow all to participate in the foundation of the Strategic Plan. Three (3) Board workshops were conducted. At these workshops, the Board of Directors reviewed all input, revisited, and refined the existing Mission Statement of the District, developed core values, and created a new vision statement for the District. The Board of Directors also identified six (6) strategic goals and objectives around and within which to organize implementation action that will support the mission and assure the success of the vision of the District. The Strategic Plan was created in a way that best articulates the Board of Directors’ vision and strategy for the District over the next several years.

In November 2021 the Board of Directors attended a workshop hosted by John Bramble and Julie Hernandez of Management Partners. The workshop included discussions on effective

Board roles and responsibilities, strategic planning for the Board and General Manager, and ways to expand community participation. The District's strategic plan was reviewed and discussed, and no changes to the strategic plan were made.

SUMMARY OF STRATEGIC GOALS AND OBJECTIVES

GOAL 1: Fully Staffed with a Highly Trained and Motivated Team

OBJECTIVE 1.1: Enough staff to fulfill goals and objectives safely and efficiently

OBJECTIVE 1.2: Improve preparation for both unexpected events and planned succession of all key positions

OBJECTIVE 1.3: Improve training and professional development

OBJECTIVE 1.4: Maintain and build upon strong staff culture

GOAL 2: Increase Recycling, Reuse, and Sustainability

OBJECTIVE 2.1: Increase recycling and reuse of resources and byproducts

OBJECTIVE 2.2: Improve sustainability of the overall operations (e.g., lower carbon footprint)

OBJECTIVE 2.3: Become an environmental leader in the community and industry

GOAL 3: Excellent Facilities

OBJECTIVE 3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan

OBJECTIVE 3.2: Increase the use of technology to lower costs and improve reliability

GOAL 4: Increase Community Understanding and Support

OBJECTIVE 4.1: Increase community understanding and support for the District and its program

OBJECTIVE 4.2: Increase the District's understanding of community wants, needs, and interests

OBJECTIVE 4.2: Rebrand Valley Sanitary District to increase public recognition of the District's move toward reuse and recycling

GOAL 5: Long-Term Financial Strength

OBJECTIVE 5.1: Align long-term financial planning with strategic priorities

OBJECTIVE 5.2: Extend financial planning to meet long-term needs while maintaining affordability for customers

OBJECTIVE 5.3: Update rate structure to ensure it is up-to-date and fair to all classes of customers

GOAL 6: Improve Planning, Administration, and Governance

OBJECTIVE 6.1: Meet evolving operational and customer demands

OBJECTIVE 6.2: Increase regional collaboration

OBJECTIVE 6.3: Improve administration and management

OBJECTIVE 6.4: Increase emergency preparedness

OBJECTIVE 6.5 Improve State Level Legislative Advocacy

OBJECTIVE 6.6: Improve Governance

OBJECTIVE 6.7: Maintain compliance with all regulatory, legislative, and permit requirements



Old Town Indio



"Boiler"

Budget Guide

PURPOSE OF THE BUDGET

The District creates an annual budget that serves as a financial plan and operating guide for the upcoming fiscal year. The budget document is a cooperative component amongst all departments that allocates resources aligned with departmental and strategic goals. The annual budget allows for greater transparency and accountability for the District as a whole.

The annual budget serves to accomplish the following:

- Alignment with District strategic goals and departmental goals
- Detailed revenue projections and expense breakdown by department
- Sound financial management and transparency through the allocation of resources based on needs and requirements
- Presents Key Performance Indicators (KPI) and establishes targets based on goals

Once approved the budget provides legal authority for expenditures and is also a control for expenditure levels throughout the fiscal year. The action for approval and adoption of the annual budget is completed in June of each calendar year.

The budget is a guide for the District and establishes a path for staff to follow in making day-to-day decisions as the District strives to stay ahead of changing environmental requirements, maintain critical infrastructure and meet the needs of the communities and citizens that it serves.

The presentation of the budget to the Board of Directors in a publicly held meeting allows for in-depth review and alignment with District approved strategic goals. Additionally, the Board of Directors and the public are given the opportunity for a detailed review of the financial plan for the year department by department. This allows for greater distribution of information and an opportunity for the Board of Directors to ensure the adequacy of the distribution of resources, personnel staffing, and service requirements.

OPERATING BUDGET

The operating budget is composed of revenues and expenditures produced from the services rendered by the wastewater treatment facility. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, supplies, materials, and other overhead costs to run day-to-day operations.

CAPITAL BUDGET

The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). These projects are intended to maintain, repair, and expand infrastructure.

Capital projects are categorized into two (2) categories depending on the system that the impact.

1. Plant Facility
2. Sewage Collection

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) is a separate twenty-year planning document that details planned capital expenditures. The capital projects include rehabilitation and replacement of infrastructure and equipment, as well as large construction projects. The CIP aligns capital projects to various funding sources and the projected timeframe of when the work will take place. For some of the larger projects that require financing the financial impact can span over twenty to thirty years.

BUDGET PROCESS AND STRATEGY

The District operates on a fiscal year commencing July 1 and ending June 30. The budget process for the District is a collaborative effort among all departments that are based on sound financial management and longevity. The budget focuses on allocating and using resources within the framework of the strategic plan to ensure the long-term success and development of the District as a whole.

The budget is created through five (5) guiding principles.

CONTINUE BUILDING MOMENTUM

The District is utilizing all of its efforts to continue slow and steady progress. The COVID-19 Pandemic created an atmosphere unlike any other ever encountered. The District had to quickly adapt to a changing environment guiding an essential workforce. This year the District will continue to make progress in upgrades to implement the Recycled Water Process. It will continue to build momentum using strategies that widely communicate “why this is necessary”? and acknowledge and celebrate progress.

RESOURCE PRIORITIZATION

The District examines all resources and conducts an analysis of resource requests to ensure program/service effectiveness and alignment with both short and long-term goals. A financial plan is created that the Board of Directors can use to prioritize the allocation of limited financial resources.

STRATEGIC GOAL ALIGNMENT

All departments must create annual goals that align with the Board-approved strategic plan. The departmental budgets are built on this premise ensuring organizational strategic alignment.

Sound Financial Management

Financial accuracy and transparency are key to sound financial management. The District achieves this objective through full disclosure of funding requirements and addressing any

projected financial challenges. The District maintains a structurally balanced budget with recurring revenues supporting recurring expenditures. The District also has a reserve requirement to provide financial reserves for unanticipated expenditures, and revenue shortfalls, and to respond to emergency situations.

LONGEVITY AND GROWTH

Having a set vision, mission, and strategic plan ensures business continuity and growth. In the fiscal year 2022/23 the District will be updating its Master Plan to establish a framework for orderly growth and development of capital improvements on campus.



CONTINUE
BUILDING
MOMENTUM



RESOURCE
PRIORITIZATION



STRATEGIC GOAL
ALIGNMENT



SOUND FINANCIAL
MANAGEMENT



LONGEVITY AND
GROWTH

BUDGET DEVELOPMENT

STRATEGIC PLAN REVIEW

In November the Board of Directors holds a strategic plan workshop that gives the Board the opportunity to examine and make modifications to the existing plan. The Board of Directors approves the plan for the upcoming fiscal year.

BUDGET KICK-OFF

In January the Administration Department holds a budget kick-off meeting with all departments where they are presented with a technical memorandum of the budget processes, goals, and updates to the strategic plan. At the budget kick-off for the new budget, the department heads are given budget request spreadsheets. The spreadsheets include all expenditures by category that include the last two (2) fiscal year expenditures, current fiscal year budget, and current fiscal year projections. All non-recurring expenditures from the previous year are deleted, and new requests are submitted for review and approval.

Budget Guide

BUDGET TIMELINE

The department heads are provided a budget timeline with important deliverable dates and meeting schedules.

Fiscal Year 2022/23 Budget

Valley Sanitary District

Task	Assigned To	Date
Phase 1 January		
Task 1.1 Budget Worksheets Distributed To All Departments	Administration Department	4-Jan-22
Task 1.2 Budget Kickoff Meetings With All Departments	Administration Department	4-Jan-22
Task 1.3 Budget Worksheets Due To Administration Department	All Departments	25-Jan-22
Task 1.4 Review Of Budget Worksheets	Administration Department	7-Feb-22
Phase 2 February		
Task 2.1 Operations Committee Reviews 10 Year Capital Improvement Plan	Operations Committee	1-Feb-22
Task 2.2 Department Overview Meetings With Administration Department	Administration Department	7-Feb-22
Task 2.3 Departmental Summaries And Goals Due To Administration Department	All Departments	8-Feb-22
Task 2.4 Organizational Charts Due To Administration Department	All Departments	8-Feb-22
Task 2.5 Departmental Performance Metrics Due To Administration Department	All Departments	15-Feb-22
Task 2.6 Budget Worksheets Due To Administration Department	All Departments	22-Feb-22
Task 2.7 Capital Improvement Project Worksheets Due	All Departments	22-Feb-22
Phase 3 March		
Task 3.1 Review Capital Project Requests With Administration Department	Administration Department	1-Mar-22
Task 3.2 Budget Meetings With The General Manager And Department Heads	Administration Department	17-Mar-22
Task 3.3 Develop Budget Presentation	Administration Department	22-Mar-22
Task 3.4 Budget And Finance Committee Review And Recommendations	Budget And Finance Committee	29-Mar-22
Phase 4 April		
Task 4.1 Draft Budget Book	Administration Department	14-Apr-22
Task 4.2 Board Study Session For The Fiscal Year 2022/23 Fees, Charges, 10 Year CIP, And Budget	Board Of Directors	19-Apr-22
Task 4.3 Department Overview Meetings With Administration Department To Discuss Board Comments And Edit Requests	Administration Department	21-Apr-22
Task 4.4 Final Worksheets Submitted To Administration Department	All Departments	28-Apr-22
Phase 5 May		
Task 5.1 Budget Meetings With The General Manager And Department Heads	Administration Department	5-May-22
Task 5.2 Draft Budget And Budget Presentation Posted To Board Agenda	Clerk Of The Board	19-May-22
Task 5.3 Board Adopts Fiscal Year 2022/23 Fees And Charges For District Services	Board Of Directors	24-May-22
Task 5.4 Board Adopts 10 Year Capital Improvement Plan	Board Of Directors	24-May-22
Task 5.5 Board Reviews Draft Budget And Makes Final Changes	Board Of Directors	24-May-22
Task 5.6 Department Overview Meetings With Administration Department To Discuss Final Changes	Administration Department	25-May-22
Phase 6 June		
Task 6.1 Final Edits Due To Administration Department	All Departments	1-Jun-22
Task 6.2 Review Final Budget With General Manager And Department Heads	Administration Department	6-Jun-22
Task 6.3 Final Budget Posted To Board Agenda	Clerk Of The Board	9-Jun-22
Task 6.4 Board Adopts The Fiscal Year 2022/23 Budget	Board Of Directors	14-Jun-22
Task 6.5 Fiscal Year 2022/23 Final Budget Posted To District Website	Administration Department	29-Jun-22

BUDGET STUDY SESSION

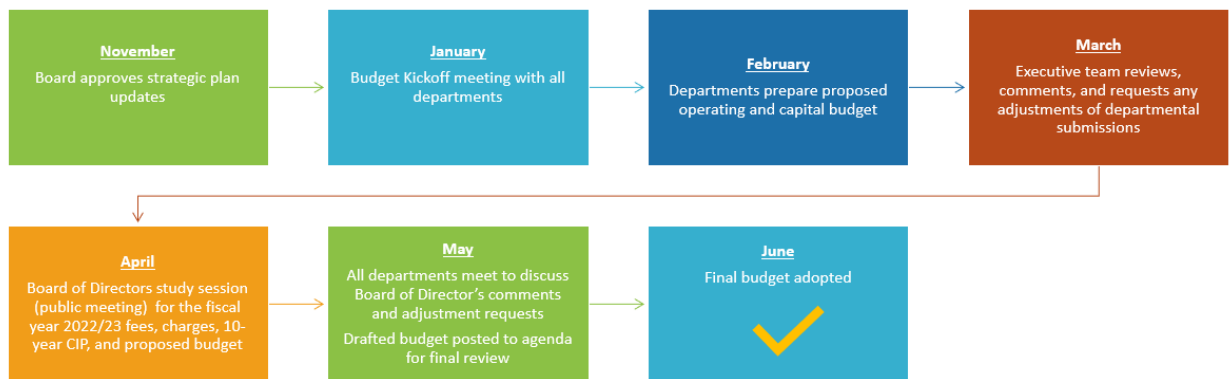
In April the board holds a study session (public meeting) to review and discuss fees, charges, 10-year CIP, and the proposed budget. The study session allows ample time for the Board to review, give staff direction, and allow ample time for modifications before the June approval.

FINAL REVIEW OF PROPOSED BUDGET

In May All departments meet to discuss the Board of Directors’ comments and adjustment requests from the budget study session. The proposed draft budget is posted to the May agenda for final Board of Director review and comment.

BUDGET ADOPTION

The action for approval and adoption of the annual budget is completed in June of each calendar year. The final draft, including any changes requested in the May meeting, of the operating and capital budget is submitted to the Board of Directors for Approval. The budget becomes effective July 1.



CONTINUED BUDGET MONITORING

Every month a budget variance report is submitted in the consent calendar to the Board of Directors for approval. The budget variance report contains a detailed summary comparing revenues and expenses to the respective line-item budgets. The report identifies current monthly revenues and expenses as well as fiscal year-to-date (FYTD) values by category.

MID-YEAR BUDGET REVIEW

In January the Administration Department submits a midyear budget report to the Board of Directors. The report provides details on revenue and expenditure trends, changes in fund balance, and projections for the year-end. Along with the monthly variance report the Board of Directors also receives a detailed summary by category explaining variances.

ADJUSTMENTS TO THE ADOPTED BUDGET

Budget transfers within the departments may be made administratively and are noted in the budget variance report. Appropriation of funds above the total operating budget requires a budget amendment and Board approval.

BASIS OF BUDGETING: ACCOUNTING VERSUS BUDGETARY BASIS

ACCOUNTING BASIS

The District conforms to Generally Accepted Accounting Principles (GAAP) as applicable to local governments. The Financial Statements are reported using the “economic resources” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as all eligibility requirements have been met. Interest associated with the current fiscal period is susceptible to accrual and so has been recognized as revenue of the current fiscal period.

BUDGETARY BASIS

The basis of budgeting refers to the conversions for recognition of costs and revenue in budget development and in establishing and reporting appropriations, which are the legal authority to spend or collect revenues. The District budget conforms to GAAP as applicable to local governments. While it is an enterprise agency, the accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. The District prepares its budget on a fund accounting basis, which segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements.

The District uses a modified accrual basis for budgeting. All operating and capital basis of budgeting and accounting expenditures and revenue are identified in the budgeting process because of the need for appropriation authority. The budget is fully reconciled to the accounting system at the beginning of the fiscal year, and in preparing the Annual Comprehensive Financial Report (ACFR) at the end of the fiscal year. Several (GAAP) adjustments are made to reflect balance sheet requirements and their effect on the budget. These include changes in designations and recognition, via studies and analysis, of accrued liabilities. Amounts needed for such long-term liabilities as the future payoff of accumulated employee vacation are budgeted as projections and once recognized are adjusted for actual amounts.

The Districts basis for budgeting is consistent with GAAP and the ACRF with the exception of the following items:

- Capital expenditures within the capital improvement fund are recorded as assets on an accounting basis but are shown as expenditures on a budgetary basis.

- Depreciation of capital assets and amortization of deferred charges are recorded on an accounting basis only. These charges are not reflected in the budget document.
- Principal payments on long-term debt within the general fund are applied to the outstanding liability on an accounting basis but are shown as expenditures on a budgetary basis.
- Carryover funds represent previously budgeted funds unexpended at the end of the applicable budget period. Carryover requests approved by the Board of Directors are added to the District's current budget period but are not included in the budget document or original budget submission to the Board of Directors.

FISCAL POLICIES

FINANCIAL MANAGEMENT

The Valley Sanitary District budget conforms to Generally Accepted Accounting Principles (GAAP) as applicable to local governments. While it is an enterprise agency, the accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. The District prepares its budget on a fund accounting basis, which segregates funds according to their intended purpose and it is used to aid management in demonstrating compliance with financial-related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements. The District reports the following funds in its annual budget:

- **Operating Fund:** This is the general operating fund of the District. The primary revenue source for this fund is derived from rates charged to customers for services provided and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and maintenance costs not paid through other funds are paid from this fund.
- **Special Revenue Funds:** These funds receive support from various sources, mainly in the form of grants, loans and other aid and are restricted to expenditures for particular purposes. Currently, the District has two special revenue funds:
 - 2015 Wastewater Revenue Refunding Bonds
 - State Water Resources Control Board Revolving Fund Loan
 - Bank of America Loan Recycled Water Project Phase I
- **Fiduciary Fund:** The District reports an Agency Fund. The Agency Fund is purely custodial in nature (assets equal liabilities), and thus does not involve measurement of results of operations. The Agency Fund is used to account for assets for the Assessment District No. 2004 (Shadow Hills Interceptor) for which the District acts as an agent for its debt service activities.

- **Capital Improvement Fund:** Indicates the amount allocated for capital expenditures for identified projects.
- **Restricted CIP Fund:** Indicates the current fiscal year resource allocation and amount allocated for capital expenditures for increased capacity-related projects.

Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how activities are controlled. The overview of each fund provides a detailed explanation of the purpose of the fund and its planned budget for each fiscal year.

BUDGETING STRUCTURE

The following principals are applied in preparing the District's Annual Operating Budget:

1. **Structurally Balanced Budget:** The District maintains a structurally balanced budget with recurring revenues supporting recurring expenditures. Recurring expenditures primarily consist of personnel and operating costs required to operate the District but do not include one-time cost items such as new capital assets or replacement assets. Recurring revenues include charges and fees but do not include the use of fund balance. For purposes of this section, District wide surplus for any fiscal year is defined as the increase in unreserved operating fund balance as reflected in the District's audited financial statements. District-wide deficit for any fiscal year is defined as the decrease in unreserved operating fund balance as reflected in the District's audited financial statements. Budget surplus of any department is defined as the excess of budgeted expenses over actual expenses in any fiscal year.
2. **Budget Preparation and Presentation:** The District prepares and presents its budget using current financial resources and accrual basis of accounting.
 - a. **Inter-fund Borrowing:** The District does not borrow or use operating transfers to obtain cash from one fund type or reserve to fund activities of another fund type or reserve unless such use is deemed lawful, and unless the Board of Directors has determined that (a) the funds to be loaned will not be needed during the lending period, and (b) the funds for repayment will be available within a two (2) year period. Any actions taken to borrow funds under these conditions must be separately presented to and approved by the Board of Directors and the term of such borrowing shall not extend beyond the last day of the subsequent fiscal year.
 - b. **Prompt Reimbursement Submission:** Recognizing that some programs are funded by grants or other entities on a reimbursement basis, the District applies for reimbursements on a timely basis to minimize the period that District funds are used as float. In the event requests for reimbursements extend beyond the end of a fiscal year, such reimbursements are reflected as receivables in the annual financial statements to the extent allowed under

- accounting principles generally accepted in the United States of America (GAAP).
- c. Reserve Policy: The District shall retain an Operating reserve equal to 40% of annual operating expenses. This reserve may be used for funding emergency and unanticipated necessary expenditures during a given fiscal year. Fund balances in excess of the 40% threshold may be used for capital improvements or one-time expenditures.
 - d. Capital Improvement Plan: The Board annually adopts a Ten-Year Capital Improvement Plan ("CIP") each fiscal year. The CIP shall address cost estimates for all necessary infrastructure improvements. Funded, partially funded and unfunded projects are clearly delineated. The CIP is detailed for the current fiscal year and for nine (9) additional years.
 - e. Financial Oversight and Reporting: The District provides regular financial reports on all funds comparing budgeted revenue and expenditure information to actual on a monthly and year-to-date basis each month. The Administration Department is responsible for issuing the monthly reports to departments, the General Manager and Board of Directors and provides any information regarding any potentially adverse trends or conditions. As soon after the closing of the fiscal year as is practicable, the annual audit reports of the District are prepared and reviewed by management. Financial reports, offering statements and other financial-related documents issued to the public, provide full and complete disclosure of all material financial matters. The final report is presented to the Board of Directors at a regularly scheduled meeting and is posted on the District's website.
 - f. Basic Financial Practices: The District strives to maintain formal policies and/or procedures that reflect "best practices" in:
 - i. Budget development and adjustments: Establish proper budgetary preparation procedures and guidelines, calendar of events, planning models by fund, budget adjustment procedures, establishment of rates and fees, indirect costs, and interest income. The budget should be scheduled to allow sufficient review by the Board of Directors while allowing for sufficient citizen input. The budget document reflecting all final actions as adopted by the Board of Directors, on or before June 30th of each year, is made available within 30 days of such adoption in both hard copy at the District office and on the District's web site.
 - ii. Cash management and investments: Comply with all related government codes.
 - iii. Debt management: Address affordability, capacity, debt issuance and management.
 - iv. Equipment and Vehicle Replacement: Established guidelines for determining the useful life and replacement of capitalized equipment and vehicles and provides a basis for establishing a budget and funding methodology.

- v. Procurement: Establish District-wide policies and procedures and provide appropriate checks and balances to ensure that departments adhere to the District's purchasing policies.

RESERVE POLICY

PURPOSE

Prudent financial planning and fiscal responsibility includes anticipating and preparing for future funding requirements as well as unforeseen and unexpected emergencies, disasters, and other events. The Valley Sanitary District has established reserve funds for its long term organizational and

operational stability and the reserve funds enable the District to minimize significant rate fluctuations due to unforeseen and expected cash flow requirements. This Reserve Fund Policy is to ensure that the District accumulates, manages, maintains, and uses certain financial resources only for specific purposes.

TYPES OF RESERVE FUNDS

The District maintains two (2) types of funds:

1. **Restricted Reserves**: Restricted reserves are reserves that are restricted by an outside source, such as by statute, court, or contract.
2. **Designated Reserves**: Designated reserves are reserves that are established and set aside to be used only for a specific, designated purpose.

SPECIFIC RESERVE FUNDS

The District maintains the following reserve funds:

1. **Capital Replacement Reserve Fund** - The Capital Replacement Reserve Fund (Fund 12) is a designated reserve to be used to fund the capital improvement program and for unforeseen capital projects that are necessary to meet regulatory requirements, system reliability, repair, and replacement of District Assets. It is the goal of the District to fund the Capital Replacement Reserve at 40% of the annual operating budget (Fund 11).
2. **Capital Improvement Reserve Fund** - The Capital Improvement Reserve Fund (Fund 13) is a designated reserve to be used to fund the capital improvements that are required due to growth and new users in the

system. It is primarily funded by developer impact fees, special developer agreements and capacity connection charges.

3. **Debt Service Reserve Fund** - The Debt Service Reserve Fund is a restricted reserve that is governed by legal bond covenants and is to be used if the District is unable to meet the required debt service obligation. The bond covenants require that the Debt Service Reserve be maintained at a level sufficient to fund the maximum annual debt service payments.
4. **Emergency Reserve Fund** - The Emergency Reserve Fund is to be used only to cover cash flow shortages caused by an unexpected event, such as a natural disaster, water shortage situation, or other unforeseen expense. It is the goal of the District to maintain the Emergency Reserve at 5% of the annual operating budget (Fund 11).
5. **Operating Reserve Fund** - The Operating Reserve Fund is a designated reserve to be used only to cover cash flow shortages caused by a short-term, unexpected disruption of anticipated revenue or when expenses become due before the anticipated revenue to pay those expenses is received. It is the goal of the District to maintain the Operating Reserve in excess of 50%, or six (6) months, of the annual operating budget.
6. **Vehicle & Equipment Replacement Reserve Fund** - The Vehicle & Equipment Replacement Reserve Fund is a designated reserve that is designated to adequately fund replacement of major vehicles and equipment by the District. This fund shall be funded on an annual basis and the by amount established annually in the District operating budget.

MANAGEMENT OF RESERVE FUNDS

The Board of Directors, in consultation with the General Manager, is responsible for managing the reserve funds. The Board of Directors must authorize the expenditure of money from all of the District's reserve funds. The Board annually will review the balance of the reserve funds, work collaboratively with the General Manager to ensure the accuracy of the annual report, and evaluate the goals and purpose of each reserve fund and recommend adjustments as may be necessary or desirable.

In accordance with the District's Investment Policy, financial reserves may be invested or otherwise held in District financial accounts, as deemed appropriate by the Board of Directors, in carrying out their fiduciary responsibilities.

INVESTMENT MANAGEMENT

The District operates within an established formal investment policy, which applies to all investments of public funds. The overall goal is to safeguard the available operating and capital funds and achieve a maximum return on investment. Investment portfolios are

managed to meet anticipated cash flow requirements. The District participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-back securities are subject to market risk and to change in interest rates. The District also participates in the CalTrust Medium Term Fund and .

DEBT MANAGEMENT

Debt premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Long-term debt is reported net of the applicable bond premium or discount. Debt issuance costs are expensed when incurred.

The District currently has two (2) outstanding long-term loans.

2015 WASTEWATER REVENUE REFUNDING BONDS

On August 26, 2006, the District issued the 2006 Certificates of Participation in the amount of \$12,915,000. The purpose of the Certificates was to fund Phase I of the District's treatment plant expansion. Interest ranging from 3.50% to 4.375% is payable semi-annually on February 1st and August 1st commencing February 1, 2007.

On June 18, 2015, the District issued Wastewater Revenue Refunding Bonds, Series 2015 in the amount of \$7,540,000. The purpose of the bond issuance was to provide funds to decrease and refund on current basis the District's outstanding 2006 Certificates of Participation (Treatment Plan Expansion) and pay the costs of issuing the bonds. The bonds are payable from and secured by a lien on net revenue of the wastewater system of the District. The aggregate difference in debt service as result of the refinancing was in the amount of \$1,596,780. The economic gain on the refinancing was \$500,181. Interest rate of 5% (except for 2.125% in 2023) is payable semi-annually on each December 1 and June 1 beginning December 1, 2015. The bonds are not subject to redemption prior to maturity. The outstanding balance as of June 30, 2021 is \$3,880,000.

STATE WATER RESOURCES CONTROL BOARD REVOLVING FUND LOAN

The District executed the installment sale agreement with the State Water Resources Control Board (the "SWRCB") for the construction of the Requa Avenue Sewer Interceptor Project. As part of the Requa Avenue Sewer Interceptor Project, the District constructed 4.2 miles of new gravity flow sewer pipeline and related utility improvements designed to collect and convey sanitary sewer flow within an existing public right-of-way through central Indio, California, to the existing District's Water Reclamation Plant. The SWRCB provided financial assistance. The total amount of the loan funded was \$12,920,155 with no unused credit. There was no

pledged asset as collateral. In event of default, the District upon demand by SWRCB, will immediately repay an amount equal to project funds disbursed, accrued interests, penalty assessments, and additional payments. Beginning June 2019, the District will repay the principal of the project funds, together with all interest accruing thereon, annually to the SWRCB. As of June 30, 2021, the outstanding balance of the SWRCB revolving fund loan is \$11,901,885.

A reserve account is required to be maintained equal to one (1) year of the SWRCB revolving fund loan debt service payments from unrestricted net revenues. The reserve requirement is \$553,360 for the duration of the loan. Debt covenants of the SWRCB revolving fund loan require that the District have net revenues that are at least 125% of the total debt service payments (including 2015 Wastewater Revenue Refunding Bonds).

2022 DEBT FINANCING BANC OF AMERICA CAPITAL CORP

The District executed the installment sale agreement with Banc of America Capital Corp for the Recycled Water Project Phase 1. The Recycled Water Project – Phase 1 is a Capital Improvement Project of high priority for the District. The Reclaimed Water Project – Phase 1 will replace an aging and capacity restricting grit chamber and provide redundancy by adding a second digester and expanding the bar screens. This project will also include adding a sludge thickener unit. This project is necessary to meet anticipated regulatory requirements, tertiary treatment, and recycled water production. The total amount of the loan funded was \$71,000,000 at an interest rate of 2.75%. The District will make installment payments commencing December 1, 2022 and scheduled to end June 1, 2042.

The table below shows the debt balances as of June 30, 2021.

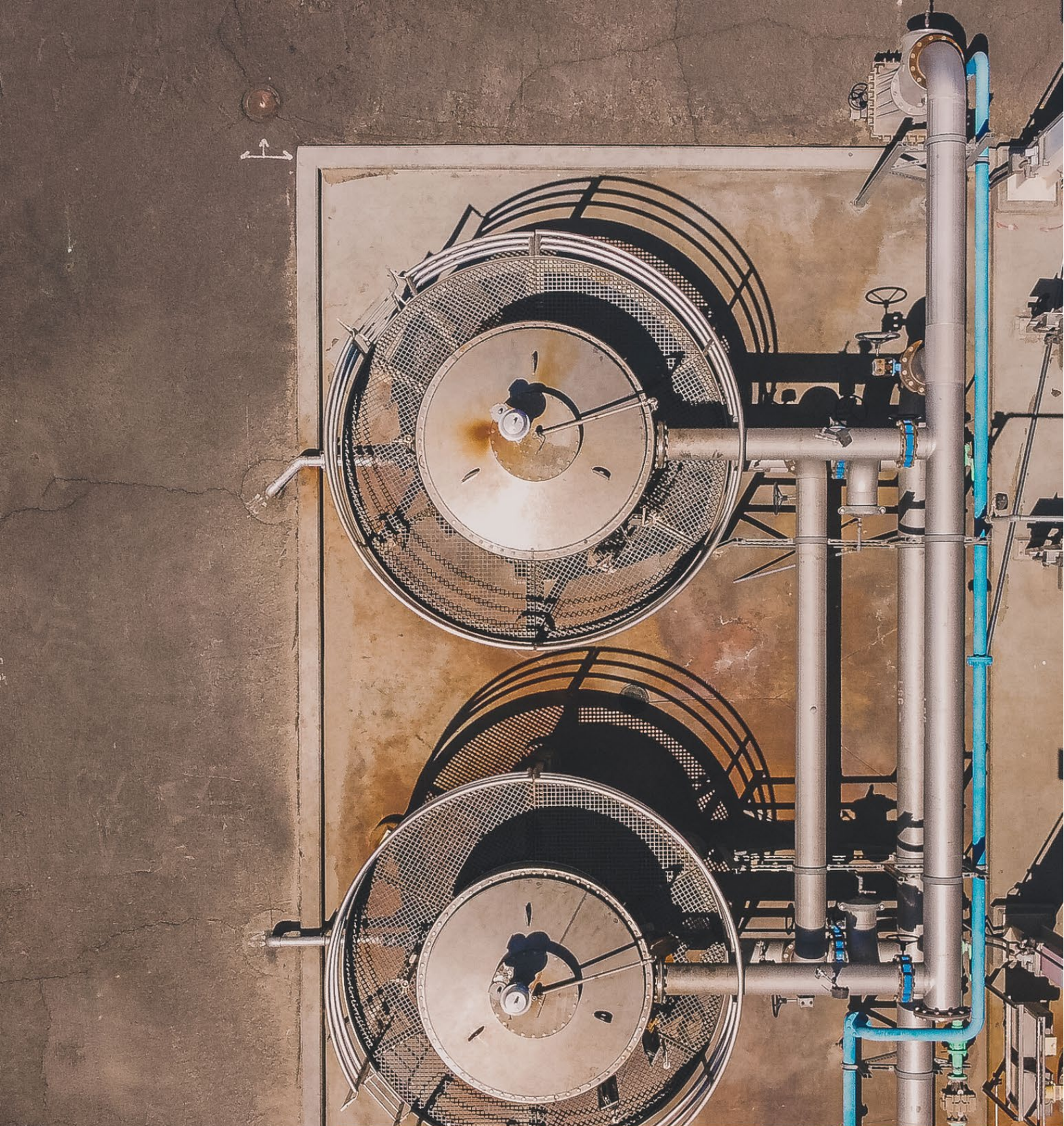
Budget Guide

District's Outstanding Debt

	<u>2022</u>
2015 Revenue	
Refunding Bond	\$ 3,165,000
Bond Premium	393,673
SWRCB Loan	11,550,856
Bank of America Loan	<u>71,000,000</u>
Total	<u>\$ 86,109,529</u>



1909 School House



"Flares"

Fund Summary

FINANCIAL MANAGEMENT

The Valley Sanitary District budget conforms to Generally Accepted Accounting Principles as applicable to local governments. While it is an enterprise agency, the accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. The District prepares its budget on a fund accounting basis, which segregates funds according to their intended purpose and it is used to aid management in demonstrating compliance with financial-related legal and contractual provisions. The District maintains the minimum number of funds consistent with legal and managerial requirements.

OPERATING FUND

This is the general operating fund of the District. The primary revenue source for this fund is derived from rates charged to customers for services provided and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and maintenance costs not paid through other funds are paid from this fund.

SPECIAL REVENUE FUNDS

These funds receive support from various sources, mainly in the form of grants, loans, and other aid, and are restricted to expenditures for specific purposes. Currently, the District has two (3) special revenue funds:

- 2015 Wastewater Revenue Refunding Bonds
- State Water Resources Control Board Revolving Fund Loan

FIDUCIARY FUND

The District reports an Agency Fund. The Agency Fund is purely custodial in nature (assets equal liabilities), and thus does not involve measurement of results of operations. The Agency Fund is used to account for assets for Assessment District No. 2004 (Shadow Hills Interceptor) for which the District acts as an agent for its debt service activities.

CAPITAL IMPROVEMENT FUND

Indicates the amount allocated for capital expenditures for identified projects.

RESTRICTED CIP FUND

Indicates the current fiscal year resource allocation and the amount allocated for capital expenditures for increased capacity-related projects.

Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how activities are controlled. The overview of each fund

Fund Summary

provides a detailed explanation of the purpose of the fund and its planned budget for each fiscal year.

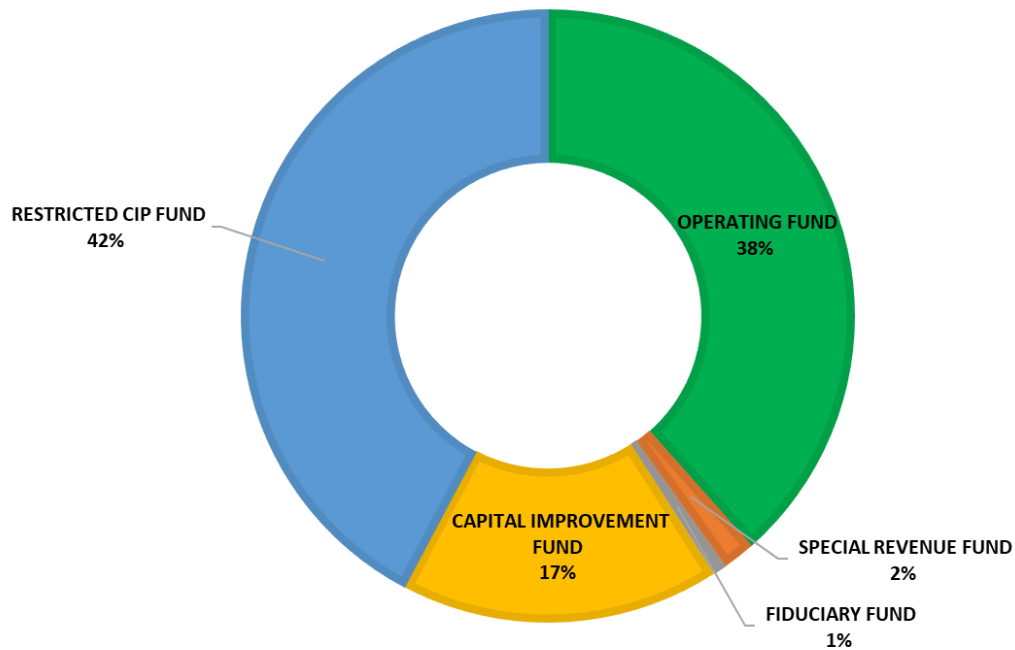
FUND BALANCE

Percentage of Fund Balance by Source

Fund	UNAUDITED FUND BALANCE AS OF 3/31/2022	
OPERATING FUND	\$	23,506,173
SPECIAL REVENUE FUND		1,063,858
FIDUCIARY FUND		429,464
CAPITAL IMPROVEMENT FUND		10,288,217
RESTRICTED CIP FUND		25,824,010
Total	\$	61,111,722

REVENUE BY SOURCE

The tables below depict the revenues by source.



Fund Summary

Fund 11 (General Fund) Revenues by Source	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
OPERATING REVENUES:						
11-4120000-0 SEWER SERVICE CHGS-CURRENT	\$ 11,872,945	\$13,550,998	\$ 14,575,652	\$15,686,490	\$2,135,492	15.8%
11-4210000-0 PERMIT & INSPECTION FEES	37,270	30,355	34,350	35,874	5,519	18.2%
11-4260000-0 SADDLES/DISCONNECT FEES	80		-		-	-
11-4270000-0 PLAN CHECK FEES	11,275	11,671	13,650	14,704	3,033	26.0%
11-4285000-0 OTHER SERVICES	1,920		3,435	3,397	3,397	-
11-4310000-0 SALE OF SURPLUS PROPERTY	16,213	18,115	17,419	31,818	13,703	75.6%
Subtotal	\$ 11,939,703	\$13,611,139	\$ 14,644,506	\$15,772,283	\$2,161,144	15.9%
NON-OPERATING REVENUES:						
11-4430000-0 TAXES - CURRENT SECURED	\$ 948,640	\$ 1,002,212	\$ 479,845	\$ 855,412	\$ (146,800)	-14.6%
11-4440000-0 TAXES - CURRENT UNSECURED	30,448	61,266	30,272	55,294	(5,972)	-9.7%
11-4450000-0 TAXES - PRIOR SECURED	18,198		12,702		-	-
11-4470000-0 SUPPLE PROP. TAXES - CURRENT	14,281	9,196	185		(9,196)	-100.0%
11-4480000-0 SUPPLE PROP. TAXES - PRIOR	6,713	8,328	9,644		(8,328)	-100.0%
11-4500000-0 HOMEOWNERS TAX RELIEF	5,669	-	5,001	6,090	6,090	-
11-4510000-0 INTEREST INCOME	15,587	140,906	30,285	36,068	(104,838)	-74.4%
11-4520000-0 UNREALIZED GAINS (LOSSES)	(4,262)		(30,466)		-	-
11-4574000-0 NON-OPERATING REVENUES - FND 11	362	451	3,151	5,156	4,705	1043.2%
11-4573000-0 REBATE INCOME	1,435	-	17,785	3,836	3,836	-
12-4510000-0 INTEREST INCOME	18,182	-	30,175	32,151	32,151	-
Subtotal	\$ 1,055,254	\$ 1,222,359	\$ 588,578	\$ 994,007	\$ (228,352)	-18.7%
Fund 11 Total Revenues by Source	\$ 12,994,958	\$14,833,498	\$ 15,233,085	\$16,766,290	\$1,932,792	13.0%

Fund 13 (Capital Improvement Fund) Revenues by Source	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
OPERATING REVENUES:						
13-4200000-0 CONNECTION FEES	\$ 831,978	\$ 991,610	\$ 3,168,996	\$ 996,915	\$ 5,305	0.5%
Subtotal	\$ 831,978	\$ 991,610	\$ 3,168,996	\$ 996,915	\$ 5,305	0.5%
NON-OPERATING REVENUES:						
13-4510000-0 INTEREST INCOME	\$ 7,192	\$ 25,000	\$ 8,400	\$ 4,611	\$ (20,389)	-81.6%
Subtotal	\$ 7,192	\$ 25,000	\$ 8,400	\$ 4,611	\$ (20,389)	-81.6%
Fund 13 Total Revenues by Source	\$ 839,170	\$ 1,016,610	\$ 3,177,395	\$ 1,001,526	\$ (15,084)	-1.5%
Combined Total Revenues	\$ 13,834,128	\$ 15,850,108	\$ 18,410,480	\$ 17,767,816	\$ 1,917,708	12.1%

REVENUE DESCRIPTIONS

11-4120000-0 SEWER SERVICE CHGS-CURRENT

Sewer service revenue is projected at 36,300 Equivalent Dwelling Units (EDUs)

11-4210000-0 PERMIT & INSPECTION FEES

Fees collected for lateral and mainline inspections.

11-4270000-0 PLAN CHECK FEES

Anticipated revenue is based on a \$150 per hour fee with a one-hour minimum fee for plan checking.

11-4285000-0 OTHER SERVICES

Income for administrative services provided for the VSD 2004 Assessment District.

11-4310000-0 SALE OF SURPLUS PROPERTY

Revenue is generated from the sale of surplus property. Surplus Property is property a government entity no longer needs. Personal property includes assets ranging from office equipment and furniture to scientific equipment, heavy machinery, airplanes, vessels, and vehicles. If this property cannot be donated to a state or public agency, or nonprofit organization, the public can buy it.

11-4430000-0 TAXES - CURRENT SECURED

Secured property is generally non-movable property, such as houses, buildings, etc. Revenues are based on general valuation. The portion of revenue designated for special districts is 1%. VSD is estimated to receive 0.00028257% of the general-purpose funds county-wide.

11-4440000-0 TAXES - CURRENT UNSECURED

The unsecured property includes items such as motor homes, airplanes, boats, and other moveable personal property. The portion of revenue designated for special districts is 1%. Of this 1%, VSD is estimated to receive 0.00028257%

11-4450000-0 TAXES - PRIOR SECURED

Prior secured payments are received for prior year taxes, are similar to secured, and the revenue is based on the same formula.

11-00-4119 TAXES-PRIOR UNSECURED

Funds derived from prior unsecured properties are similar to unsecured properties mentioned above; however, these payments are for prior year taxes. The revenue is based on the same formula. The estimated revenue is based on current year activity.

Fund Summary

11-4470000-0 SUPPLE PROP. TAXES - CURRENT

Funds are derived from supplemental tax roll changes due to the sale of property or new construction. Since July 1983, state law requires the County Assessor to reappraise property as of the date of change in ownership or completion of new construction rather than at the next tax year.

R 11-4480000-0 SUPPLE PROP. TAXES - PRIOR

Funds derived from supplemental tax roll changes due to the sale of property or new construction from

11-4500000-0 HOMEOWNERS TAX RELIEF

The portion of tax funds is replaced by state resources for tax relief for homeowners. For example, if a homeowner's exemption deducts \$7,000 of the property's valuation for calculating the property owner's tax, the state replaces the taxes that the \$7,000 valuation would have provided to the county.

11-4574000-0 NON-OPERATING REVENUES - FND 11

This account includes revenue from other undefined sources.

11-4510000-0 INTEREST INCOME

Return on invested funds that are held with the Local Agency Investment Fund (LAIF) and CalTrust.

13-4200000-0 CONNECTION FEES

Connection Capacity Fee: \$5,833 per equivalent dwelling unit (EDU).

13-4510000-0 INTEREST INCOME

Return on invested funds that are held with the Local Agency Investment Fund (LAIF) and CalTrust

Fund Summary

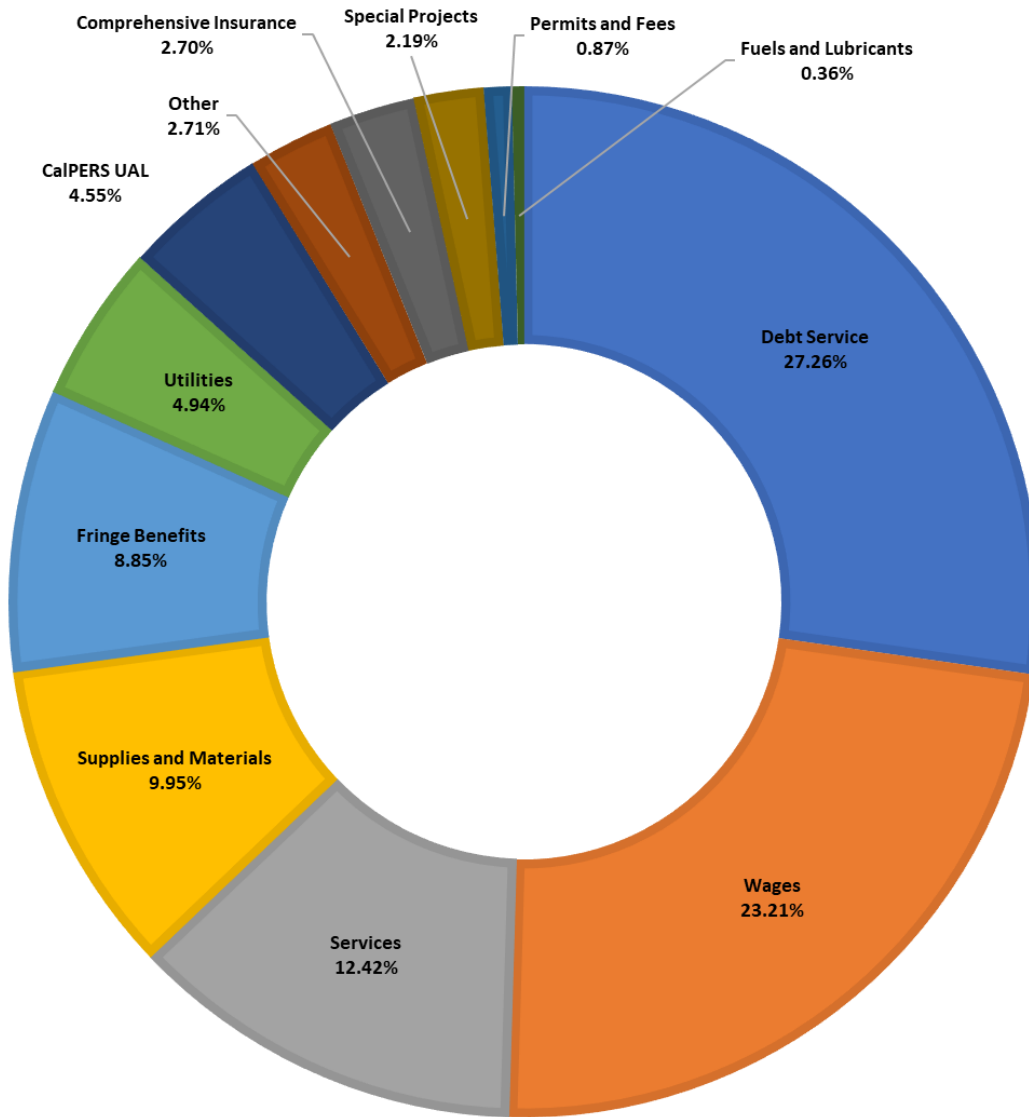
EXPENSE BY CATEGORY

The following table depicts the expense by category.

Total Expense by Category	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percentage Change
Wages	\$ 3,078,058	\$ 3,296,023	\$ 3,115,482	\$ 3,710,329	\$ 414,306	12.6%
Fringe Benefits	2,132,474	1,264,703	1,086,252	1,431,739	167,036	13.2%
Services	837,843	1,773,241	1,354,613	2,059,609	286,368	16.1%
Supplies and Materials	1,176,774	1,523,871	1,179,598	1,610,772	86,901	5.7%
Fuels and Lubricants	34,094	52,000	43,782	58,000	6,000	11.5%
Casualty and Liability	309,876	411,406	395,504	435,429	24,023	5.8%
Projects	86,134	303,550	303,550	354,000	50,450	16.6%
Utilities	647,030	853,711	805,113	800,500	(53,211)	-6.2%
Debt Services	1,021,090	1,018,873	1,018,873	4,412,971	3,394,098	333.1%
Permits and Fees	63,131	126,750	50,894	141,025	14,275	11.3%
Other	227,122	343,027	201,219	438,097	95,070	27.7%
CalPERS UAL	482,379	-	700,420	736,606	736,606	-
Total	\$ 10,096,006	\$ 10,967,155	\$ 10,255,300	\$ 16,189,077	\$ 5,221,922	47.6%

Fund Summary

Expense by Category as a Percentage of FY23 Budget



EXPENSE VARIANCE SUMMARY

WAGES

The increase in wages is attributed to budgeted merit increases and a cost-of-living adjustment for a cap of 5% to the updated wage schedule. The Riverside-San Bernardino-Ontario, CA CPI-U Index was at 8.5% as of January 2022 and 9.9% as of March 2022. Additionally, some positions have been budgeted to the next step in the job series due to new and anticipated certification achievements.

SERVICES

The increase in service costs is due to additional contracted services needed for grant support, advocacy, marketing, media relations, janitorial, sludge disposal, and rental services.

SUPPLIES AND MATERIALS

The increased supplies and materials cost increased due to plant structure painting, asphalt removal, camera replacements, BIT inspections, increased chemical usage, and repair parts needed for aging fleet vehicles, machinery, and facility.

FRINGE BENEFITS

The District contracts with CalPERS for the purpose of providing employees with medical insurance benefits. The proposed Operating Budget includes a proposed 8.0% increase in the monthly cafeteria plan. The adjustment was determined using the Medical Care index of 8.49% CPI-U Index as of December 2021 and the estimated increases to the CalPERS Medical Premiums. In August of 2022, the medical premiums among the offered plans increased between 5.85% and 25.14%.

DEBT SERVICE

Debt services have increased due to the Banc of America Public Capital Corp debt financing for the Recycled Water Project Phase I for \$71M.

UTILITIES

The increase in utilities is due to an increase in the electricity rate and usage. Water and trash usage have also increased therefore increasing costs.

CASUALTY AND LIABILITY

The increase in casualty and liability is due to reclassing workers' compensation insurance into the casualty and liability insurance category. Also, there was an increase in insurance premiums for the business policy attributed to the California Sanitation Risk Management Authority (CSRMA) pool. The increase in the pool premiums is due to the losses from the previous year's California wildfires.

Fund Summary

Additionally, there was a slight increase in pollution and earthquake insurance premiums.

OTHER

Other expenditures have increased due to projected election costs in the fiscal year 2022/23.

PROJECTS

The increase in projects is due to an increase in costs for the District's share of the recycled water process, Integrated Regional Water Management Plan, and Salt and Nutrient Management Plan. Also, there are small capital purchases including the replacement of six (6) computers.

PERMITS AND FEES

The increase in permits and fee costs is due to higher fees for the State General Discharge Annual Permit Fee (SWRCB), the annual NPDES permit, SCAQMD permit, and the Environmental Laboratory Certification Program (ELAP) + Onsite Assessment (OSA), and the County audit and assessor fees.

FUELS AND LUBRICANTS

There is an increase in the projected fuel costs due to inflation.

CALPERS Unfunded Accrued Liability (UAL)

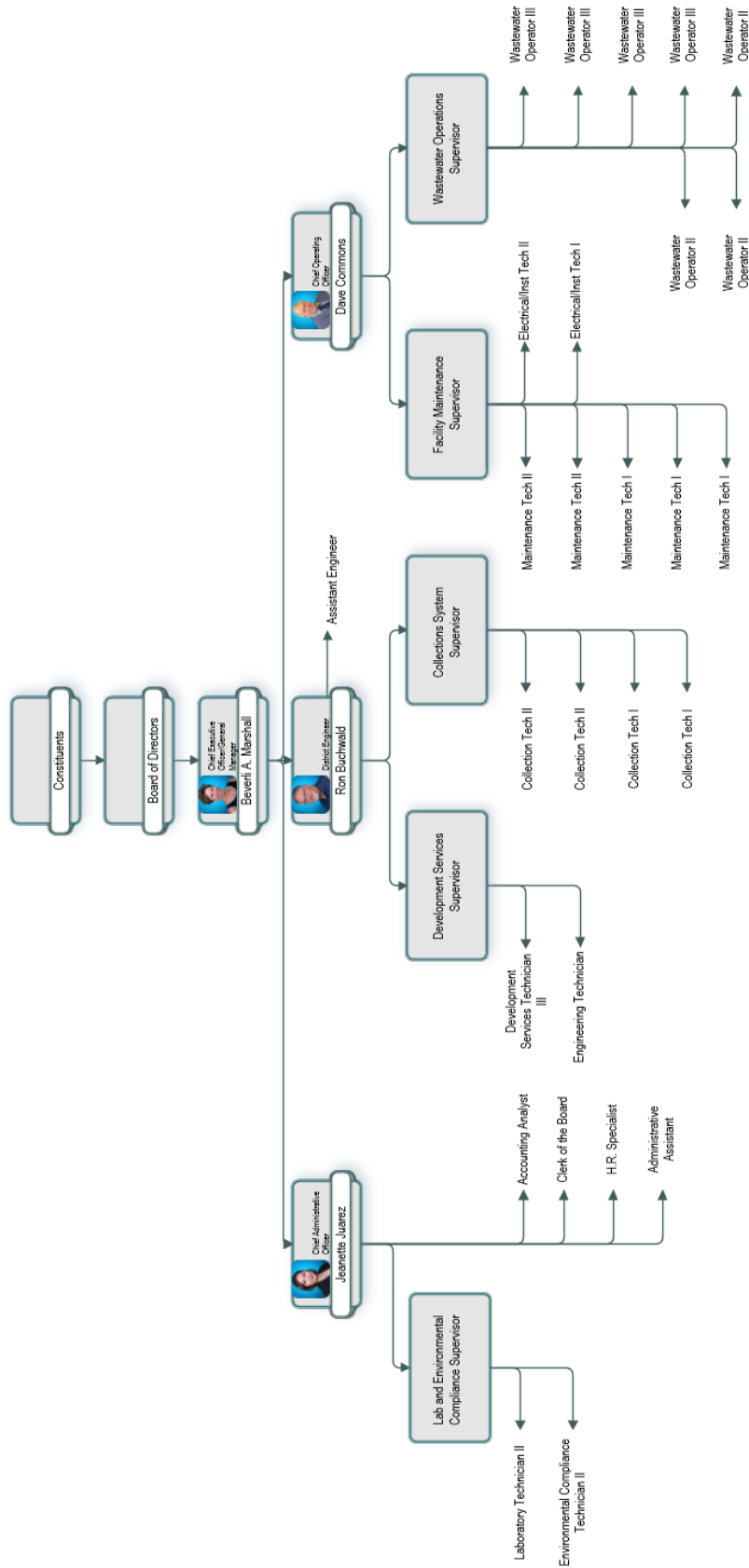
Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date.



"VSD Staff"

Personnel Summary

Personnel Summary



STAFFING RANGE ASSIGNMENTS

 Valley Sanitary District Staffing Range Assignments		
DEPARTMENT	CLASSIFICATION	AUTHORIZED POSITIONS
ADMINISTRATION	Accounting Analyst	1
	Administrative Assistant	1
	Chief Administrative Officer	1
	Chief Executive Officer/General Manager	1
	Clerk of the Board	1
	Human Resources Specialist	1
	Subtotal	6
SANITATION COLLECTIONS	Collection System Supervisor	1
	Collection System Technician I	2
	Collection System Technician II	2
Subtotal	5	
ENGINEERING	Assistant Engineer	1
	Development Services Supervisor	1
	Development Services Technician III	1
	District Engineer	1
	Engineering Technician	1
Subtotal	5	
ENVIRONMENTAL COMPLIANCE SERVICES	Environmental Compliance Technician II	1
	Laboratory and Environmental Compliance Supervisor	1
	Laboratory Technician II	1
Subtotal	3	
MAINTENANCE	Electrician/Instrumentation Technician I	1
	Electrician/Instrumentation Technician II	1
	Facilities Maintenance Supervisor	1
	Maintenance Technician I	3
	Maintenance Technician II	2
Subtotal	8	
OPERATIONS	Chief Operating Officer	1
	Wastewater Operations Supervisor	1
	Wastewater Operator II	3
	Wastewater Operator III	4
Subtotal	9	
TOTAL POSITIONS		36

Personnel Summary

WAGE SCHEDULE



Valley Sanitary District

Wage Schedule, Effective July 1, 2022

Bi-Weekly Rate

Job Title	Steps						
	A	B	C	D	E	F	G
Accounting Technician	2,312	2,427	2,548	2,676	2,810	2,950	3,098
Accounting Analyst	2,933	3,080	3,234	3,395	3,565	3,743	3,931
Administrative Assistant	2,207	2,317	2,433	2,554	2,682	2,816	2,957
Assistant Engineer	3,253	3,416	3,587	3,766	3,954	4,152	4,360
Associate Engineer	3,635	3,816	4,007	4,207	4,418	4,639	4,870
Collection System Technician-in-Training	1,929	2,026	2,127	2,233	2,345	2,462	2,585
Collection System Technician I	2,144	2,251	2,363	2,481	2,605	2,736	2,872
Collection System Technician II	2,363	2,481	2,605	2,736	2,872	3,016	3,167
Collection System Technician III	2,605	2,736	2,872	3,016	3,167	3,325	3,491
Clerk of the Board	2,537	2,664	2,797	2,937	3,084	3,238	3,400
Development Services Technician I	2,525	2,651	2,783	2,922	3,069	3,222	3,383
Development Services Technician II	2,783	2,922	3,069	3,222	3,383	3,552	3,730
Development Services Technician III	3,069	3,222	3,383	3,552	3,730	3,916	4,112
Electrician/Instrumentation Technician-in-Training	2,127	2,233	2,345	2,462	2,585	2,714	2,850
Electrician/Instrumentation Technician I	2,393	2,513	2,639	2,771	2,909	3,055	3,207
Electrician/Instrumentation Technician II	2,639	2,771	2,909	3,055	3,207	3,368	3,536
Electrician/Instrumentation Technician III	2,909	3,055	3,207	3,368	3,536	3,713	3,898
Engineering Technician	2,757	2,895	3,040	3,192	3,352	3,519	3,695
Environmental Compliance Technician I	2,353	2,471	2,594	2,724	2,860	3,003	3,153
Environmental Compliance Technician II	2,594	2,724	2,860	3,003	3,153	3,311	3,477
Environmental Compliance Technician III	2,860	3,003	3,153	3,311	3,477	3,650	3,833
Human Resources Specialist	2,793	2,933	3,080	3,234	3,395	3,565	3,743
Laboratory Technician-in-Training	2,117	2,223	2,334	2,451	2,573	2,702	2,837
Laboratory Technician I	2,353	2,471	2,594	2,724	2,860	3,003	3,153
Laboratory Technician II	2,594	2,724	2,860	3,003	3,153	3,311	3,477
Laboratory Technician III	2,860	3,003	3,153	3,311	3,477	3,650	3,833
Maintenance Technician-in-Training	1,929	2,026	2,127	2,233	2,345	2,462	2,585
Maintenance Technician I	2,144	2,251	2,363	2,481	2,605	2,736	2,872
Maintenance Technician II	2,363	2,481	2,605	2,736	2,872	3,016	3,167
Maintenance Technician III	2,605	2,736	2,872	3,016	3,167	3,325	3,491
Management Analyst	3,166	3,325	3,491	3,665	3,848	4,041	4,243
Procurement Technician	2,345	2,462	2,585	2,715	2,850	2,993	3,143
Wastewater Operator-in-Training	1,998	2,098	2,203	2,313	2,429	2,550	2,678
Wastewater Operator I	2,220	2,331	2,448	2,570	2,699	2,833	2,975
Wastewater Operator II	2,448	2,570	2,699	2,833	2,975	3,124	3,280
Wastewater Operator III	2,699	2,833	2,975	3,124	3,280	3,444	3,616
Collection System Supervisor	3,154	3,312	3,477	3,651	3,833	4,025	4,226
Development Services Supervisor	3,375	3,544	3,721	3,907	4,103	4,308	4,523
Electrical/Instrumentation Supervisor	3,368	3,536	3,713	3,899	4,094	4,298	4,513
Facilities Maintenance Supervisor	3,368	3,536	3,713	3,899	4,094	4,298	4,513
Laboratory and Environmental Compliance Supervisor	3,420	3,591	3,771	3,959	4,157	4,365	4,583
Wastewater Operations Supervisor	3,455	3,628	3,809	4,000	4,199	4,409	4,630
Chief Administrative Officer	5,092	5,347	5,614	5,894	6,189	6,499	6,824
District Engineer	5,485	5,759	6,047	6,349	6,667	7,000	7,350
Chief Operations Officer	4,935	5,182	5,441	5,713	5,999	6,299	6,614
General Manager (Contract)							-

Personnel Summary

POSITION COUNT BY DEPARTMENT

Department	FY22 Base FTE's	Changes to Base	Proposed New Positions	FY23 Base FTE's	Variance
Administration					
Administration	6.00	-	-	6.00	-
Environmental Compliance Services	3.00	-	-	3.00	-
Engineering					
Sanitation Collections	5.00	-	-	5.00	-
Engineering	5.00	-	-	5.00	-
Operations					
Maintenance	8.00	-	-	8.00	-
Operations	9.00	-	-	9.00	-
Total FTEs	36.00	-	-	36.00	-

NOTES

Full-Time Employee (FTE)

Changes to base Full Time Employee (FTE)s are due to inter-department transfers, changes in employee status from part-time (PT) to full-time (FT), changes in grant-funded salaries, and allocations to other departments.

Full-time employees (FTEs) may be less than one (1) due to salaries being allocated to capital projects, or for part-time employees.



Oasis Street

"Ponds"



Budget By Department

DEPARTMENT DESCRIPTION

Valley Sanitary District is composed of seven (7) departments that work in unison to ensure that the District’s purpose is fulfilled. In this section, each department will be presented individually with its own organizational chart, department description, the fiscal year 2022/23 goals, accomplishments, metrics, personal summary, budget summary, and budget detail.

Operating expenses are monitored at the department level. Every month a budget variance report is submitted to the department managers for review. Quarterly meetings are held with the department managers to analyze year-to-date expenditures versus the year-to-date budget. Budget transfers within the department may be made administratively. Appropriation of funds above the total operating budget requires a budget amendment and Board approval.

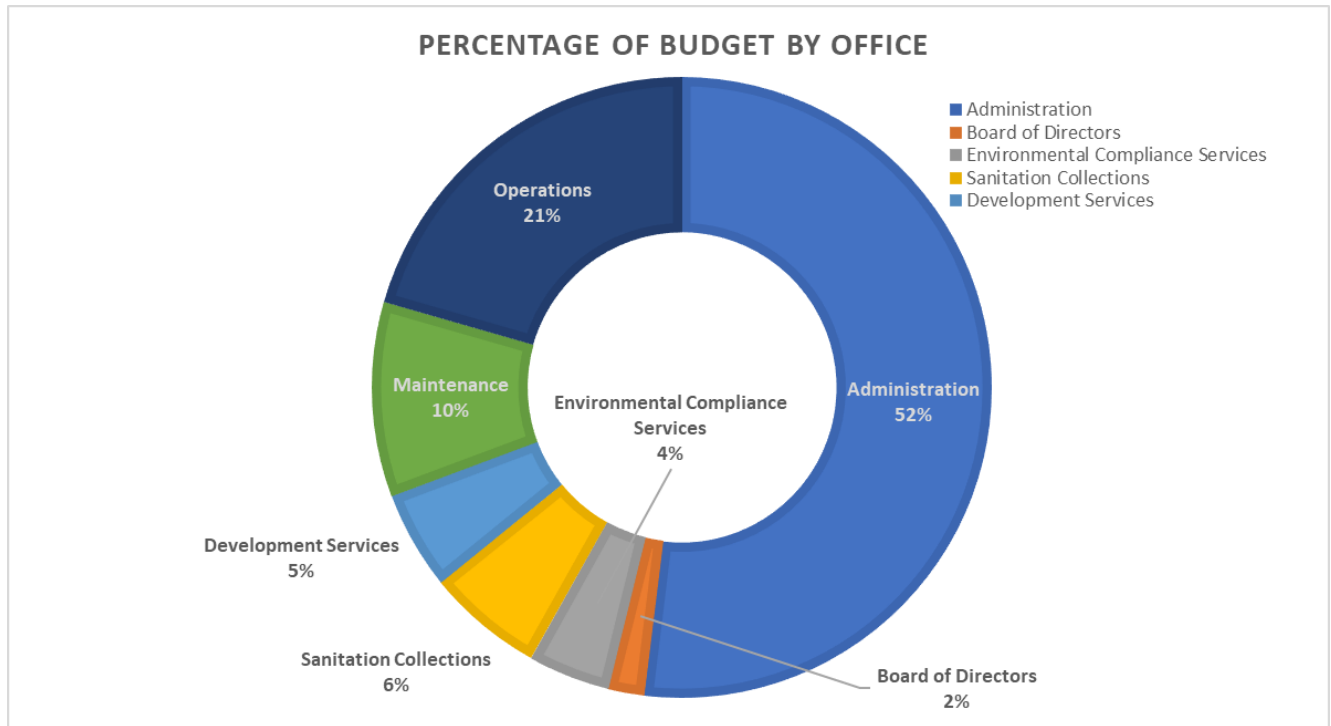
EXPENSE SUMMARY BY DEPARTMENT

The table below illustrates the expense summary by the department.

Department	Department Name	FY22 Budget	FY23 Budget	Variance
ADMINISTRATION				
414-3	Administration	\$ 3,794,757	\$ 8,408,388	\$ 4,613,631
414-4	Board of Directors	188,079	308,469	120,390
414-2	Environmental Compliance Services	606,834	689,928	83,094
ENGINEERING				
410-1	Sanitation Collections	904,457	983,201	78,744
414-1	Engineering	806,031	829,974	23,943
OPERATIONS				
412-1	Maintenance	1,562,021	1,642,188	80,167
411-1	Operations	3,104,976	3,326,928	221,952
Total		\$ 10,967,155	\$ 16,189,076	\$ 5,221,921

Budget By Department

The pie chart below depicts the percentage of the total operating budget by department.



BUDGET ALLOCATION

The budget process for the District is a collaborative effort among all departments that is based on sound financial management and longevity. For the fiscal year 2022/23 the operating budget focuses on allocating and using resources within the framework of the strategic plan to ensure long term success and development of the District as a whole. At the budget kick-off for the new budget, the department heads are given budget request spreadsheets. The spreadsheets include all expenditures by category that include the last two (2) fiscal year expenditures, current fiscal year budget, and current fiscal year projections. All non-recurring expenditures from the previous year are deleted, and new requests are submitted for review and approval.

WAGES AND BENEFITS

In alignment with Valley Sanitary Districts GOAL 1: Fully Staffed with a Highly Trained and Motivated Team, the fiscal year 2022/23 budget includes merit increases, promotional advancement for those expected to complete the next step in their certification process, a 5% Cost of Living Adjustment (COLA), an 8% increase to healthcare premiums. Like many entities, the District is not immune to the economic trend of “the Great Resignation”, an economic trend that commenced in 2021 whereby employees voluntarily resign. Economists state some probable causes include “wage stagnation amid the rising cost of living, long-lasting job dissatisfaction, safety concerns of the COVID-19 pandemic, and the desire to work

Budget By Department

for companies with better remote-working policies”¹. By ensuring that employees are adequately compensated the District is taking a proactive approach to ensure that employees are motivated and remain engaged as well as increase employee morale and retention.

The table below illustrates the personnel summary by the department from the fiscal year 2018/19 through the fiscal year 2022/23.

Department	FY19	FY20	FY21	FY22	FY23
Administration					
Administration	5.00	5.00	5.00	6.00	6.00
Environmental Compliance Services	1.00	2.00	3.00	3.00	3.00
Engineering					
Sanitation Collections	4.00	5.00	5.00	5.00	5.00
Engineering	4.00	5.00	4.00	5.00	5.00
Operations					
Maintenance	6.00	6.00	7.00	8.00	8.00
Operations	9.00	9.00	9.00	9.00	9.00
Total FTEs	29.00	32.00	33.00	36.00	36.00

1. Kaplan, Juliana. “The Psychologist Who Coined the Phrase ‘Great Resignation’ Reveals How He Saw It Coming and Where He Sees It Going. ‘Who We Are as an Employee and as a Worker Is Very Central to Who We Are.’” *Insider Inc.*, Insider Inc., 2022-10-02, www.businessinsider.com/why-everyone-is-quitting-great-resignation-psychologist-pandemic-rethink-life-2021-10.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)

The District participates in CalPERS one of the nation’s largest public pension fund. CalPERS serves an estimated 2 million members in the retirement system. CalPERS offers a defined benefit plan where retirement benefits are based on a formula, rather than contributions and earnings to a savings plan. Retirement benefits are calculated based on a member's years of service credit, age at retirement, and final compensation (average salary for a defined period of employment).

On January 1, 2013, the California Public Employees' Pension Reform Act (PEPRA) was enacted, creating a mandatory two (2) tiered CalPERS pension system. Employees hired before 01/01/2013 are part of Tier 1 also known as Classic Members. The retirement formula for Classic members is 2.5% @ 55. Employees hired after 12/31/12 and not a prior Classic Member of CalPERS are part of Tier 2 PEPRA Members. The retirement formula for PEPRA Members is 2.0% @ 62.

The public agency required employer contributions are determined by periodic actuarial valuations. These valuations are based on the benefit formulas the agency provides and the employee groups covered. The minimum required employer contribution includes the sum of two (2) components:

Budget By Department

Normal Cost (NC) Rate, which represents the annual cost of service accrual for the upcoming fiscal year, for active employees. Normal cost is shown as a percentage of payroll and paid as part of the payroll reporting process.

Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date. The UAL is billed at the beginning of the fiscal year, with the option of prepayment at a discounted rate or monthly payments².

Tier	Member Type	Hire Date	Retirement Formula	Employer Normal Contribution	Employer Amortization of Unfunded Accrued	Employee Contribution
1	Classic	Before 01/01/2013	2.5% @ 55	12.400%	\$ 719,198	7.960%
2	PEPRA	After 12/31/2012	2.0% @ 62	7.760%	\$ 17,408	7.250%

2. California Public Employees' Retirement System (CalPERS). (2021). Public Agency Required Employer Contributions. <https://www.calpers.ca.gov/page/employers/actuarial-resources/employer-contributions/public-agency-contributions>

OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The District contributes to a single employer-defined benefit plan to provide post-employment medical benefits. Specifically, the District offers post-retirement medical benefits to all employees who retire from the District after attaining age 50 with at least five (5) years of service. The District participates in the California Employers' Retiree Benefit Trust (CERBT) Fund, a Section 115 trust fund dedicated to pre-funding OPEB.

The benefits provided by the plan are as follow:

Benefits Provided by Plan	
Benefit Types Provided	Medical Only
Duration of Benefits	Lifetime
Required Services	5 Years
Minimum Age	50
Dependent Coverage	Yes
District Contribution Percentage	1
District Cap	\$133.00 per month*

*This amount will increase as provided in California Government Code Section 22892.

Annual OPEB costs are calculated based on the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement 45. In the fiscal year 2021/22 there is a budgeted payment of \$68,000.



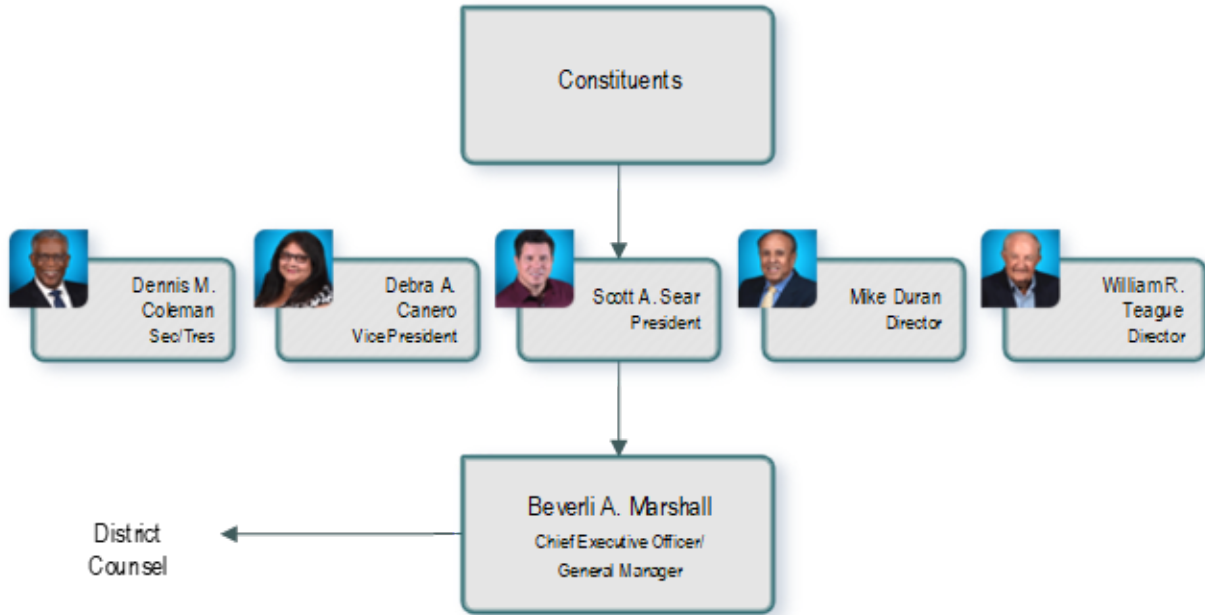
Coachella Valley History Museum



Board of Directors

1

Board of Directors



DESCRIPTION

Valley Sanitary District is governed by a five (5) member Board of Directors elected by ward from within the District's service area. Each Director represents a specific geographic area known as a ward. Under California law, the Board of Directors establishes and implements policies for the operation of the District. The Board of Directors establishes goals and objectives, manages sound fiscal policy and control, sets rates and fees, approves the annual operating and capital budget, approves capital improvement plans, maintains strong communication between the Board of Directors and the General Manager, and advocates for the District. The Board of Directors makes decisions to serve the best interests of the community. The District's Board of Directors meets on the second and fourth Tuesday each month. Meetings are publicly noticed and citizens are encouraged to attend.

METRICS

Board Items	FY2019/20	FY 2020/21	YTD-April FY2021/22
Regular Board Meetings	21	23	18
Special Board Meetings	7	4	2
East Valley Reclamation Authority Meetings	4	4	2
Budget & Finance Committee Meetings	0	7	5
Operations Committee Meetings	0	5	5
Community Engagement Committee Meetings	0	0	3
Board/Committee Minutes Compiled	32	43	35
General Manager's Reports	6	12	10
Documents Notarized	4	5	3
Public Records Requests	1	3	3

FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

- Completed strategic plan review workshop.
- Established Community Engagement Committee.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- GOAL 4: Increase Community Understanding and Support
- GOAL 6: Improve Planning, Administration, and Governance

GOALS

- Continue implementation of approved strategic plans, goals, and objectives.
- Ensure that all decisions executed uphold the District's mission, vision, and values.
- Continue to be a source of support for the community and the District.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base	FY23 Base	Variance
5	Director	5.00	5.00	0.00
5	Total	5.00	5.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030414-4 SALARIES AND WAGES	-	-	\$61,756	\$ 54,150	\$ 94,985	\$ 33,229	53.8%
11-5116414-4 FICA AND MEDICARE	-	-	13,171	14,180	14,180	1,009	7.7%
11-5126414-4 HEALTH INSURANCE	-	-	900	900	900	-	-
11-5225-414-3 ELECTION	-	-	-	-	70,000	70,000	-
11-5500414-4 CONTRACTS	-	-	25,000	21,750	35,000	10,000	40.0%
11-5552414-4 LEGAL SERVICES	-	-	25,625	25,350	30,000	4,375	17.1%
11-5400414-4 OFFICE SUPPLIES	-	-	1,500	1,092	2,500	1,000	66.7%
11-5950414-4 OTHER EXPENSES	-	-	10,000	8,306	10,000	-	-
11-5901414-4 TELEPHONE AND INTERNET	-	-	3,600	1,229	3,600	-	-
11-5800414-4 CONFERENCES AND MEETINGS	-	-	46,527	36,636	47,304	777	1.7%
Total Expenses	-	-	188,079	163,594	\$ 308,469	\$ 120,390	64.0%

BOARD OF DIRECTOR'S BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030414-4 SALARIES AND WAGES		\$ 61,756	\$ 94,985	\$ 33,229
11-5116414-4 FICA AND MEDICARE		13,171	14,180	1,009
11-5126414-4 HEALTH INSURANCE		900	900	-
Subtotal		\$ 75,827	\$ 110,065	\$ 34,238
11-5225-414-4 ELECTION				
A governing board member election shall be held biennially on the first Tuesday after the first Monday in November of each succeeding odd-numbered year to fill the offices of members whose terms expire on the first Friday in December next succeeding the election.		\$ -	\$ 70,000	\$ 70,000
Subtotal		\$ -	\$ 70,000	\$ 70,000
11-5500414-4 CONTRACTS				
Professional and Technical Services		\$ 25,000	\$ 35,000	\$ 10,000
Subtotal		\$ 25,000	\$ 35,000	\$ 10,000
11-5552414-4 LEGAL SERVICES				
Costs Associated with General Legal Counsel		\$ 25,625	\$ 30,000	\$ 4,375
Subtotal		\$ 25,625	\$ 30,000	\$ 4,375
11-5400414-4 OFFICE SUPPLIES				
Cost of Office Supplies and Services such as Postage, Courier, Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils, Pads, Mailing Labels, Etc.		\$ 1,500	\$ 2,500	\$ 1,000
Subtotal		\$ 1,500	\$ 2,500	\$ 1,000
11-5950414-4 OTHER EXPENSES				
Miscellaneous Expense Contingency Fund		\$ 10,000	\$ 10,000	\$ -
Subtotal		\$ 10,000	\$ 10,000	\$ -
11-5901414-4 TELEPHONE AND INTERNET				
Cell Phones-4 Board Members		\$ 3,600	\$ 3,600	\$ -
Subtotal		\$ 3,600	\$ 3,600	\$ -

Board of Directors

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5800414-4 CONFERENCES AND MEETINGS				
	Expenses Incurred for Attending the California Association of Sanitation Agencies (CASA) and or California Special Districts Association (CSDA) Conferences Held Two (2) Times a Year, Including Hotel and Travel Expenses Incurred While Attending Meetings, Conferences, and Various Educational Seminars.	\$ 46,527	\$ 47,304	\$ 777
	Subtotal	\$ 46,527	\$ 47,304	\$ 777
	Total Expenses	\$ 188,079	\$ 308,469	\$ 120,390

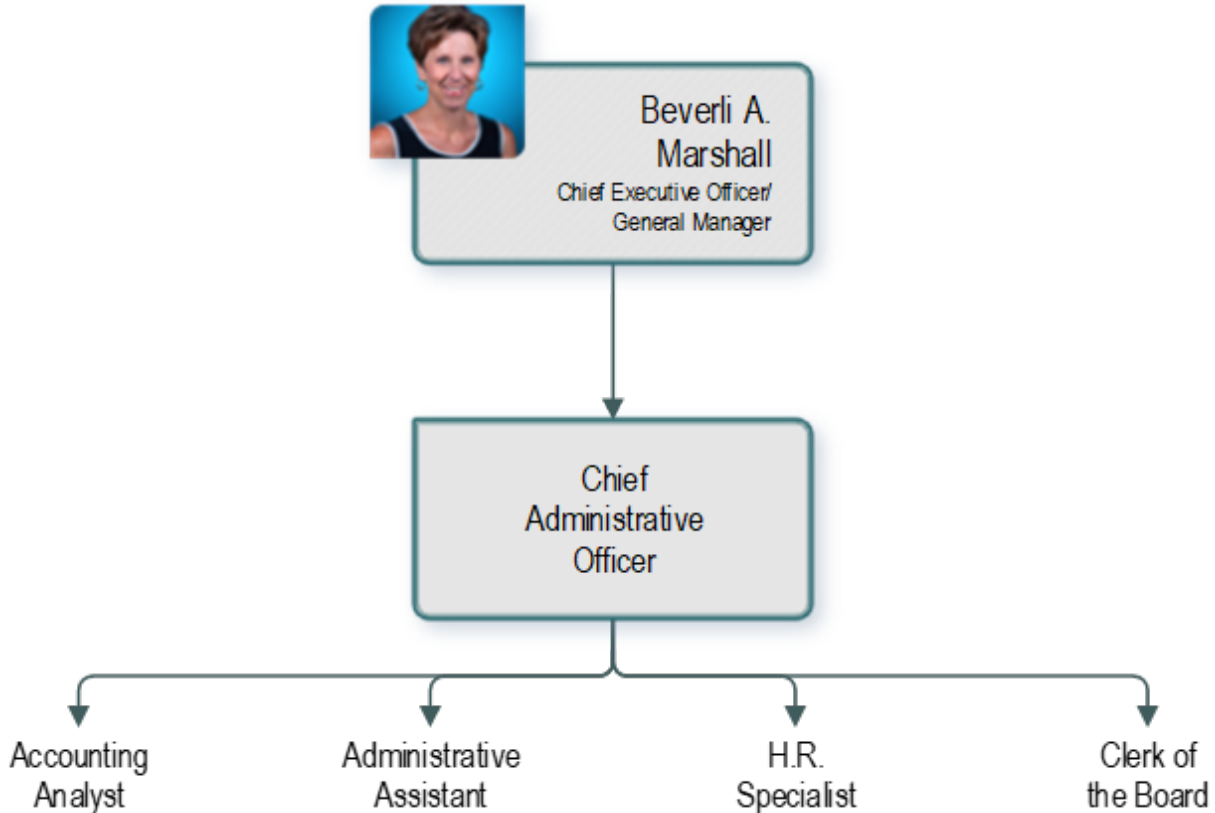
"Sludge Judging"



Administration

2

Administration



DESCRIPTION

The Administration Department includes Human Resources, Finance, the Clerk of the Board as well as functional areas including Media Relations, Safety, Drug and Alcohol, and Compliance.

Human Resources manages the recruiting and hiring of qualified talent, onboarding, training, benefits administration, and maintenance of employee records. Human Resources helps employees thrive by managing programs geared toward career growth, continuing education, training and support, and championing health and wellness initiatives.

Finance is responsible for financial accounting and reporting, cash management, payroll, investment portfolio, debt financing structure, contracts, procurement, and materials management. Finance is also responsible for all financial statements, coordination of financial audits, grant management, development and maintenance of the operating and capital budget, and preparation of long and short-term financial plans.

The Clerk of the Board is responsible for preparing and publishing postings, maintaining records of Board actions, processing public records requests, providing administrative support to the Board of Directors, and coordinating required legal filings.

Administration

The Administration Department provides the overall management and implementation of policies, goals, and strategic plans for the District.

METRICS

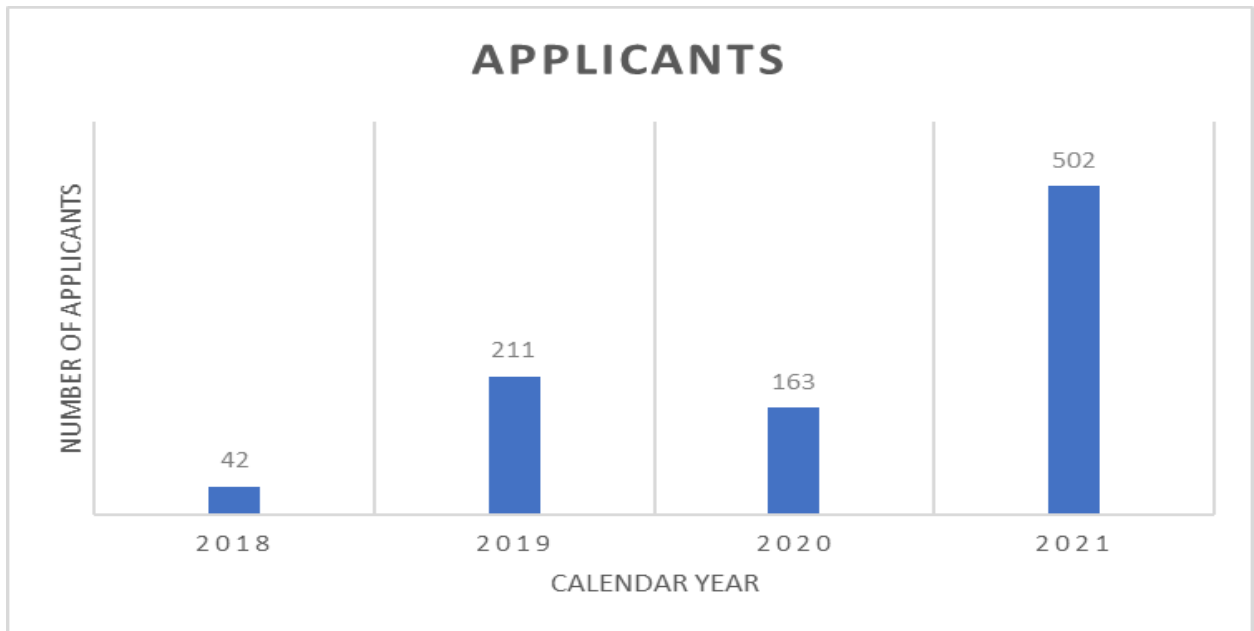
FINANCE

Under Construction

CLERK OF THE BOARD

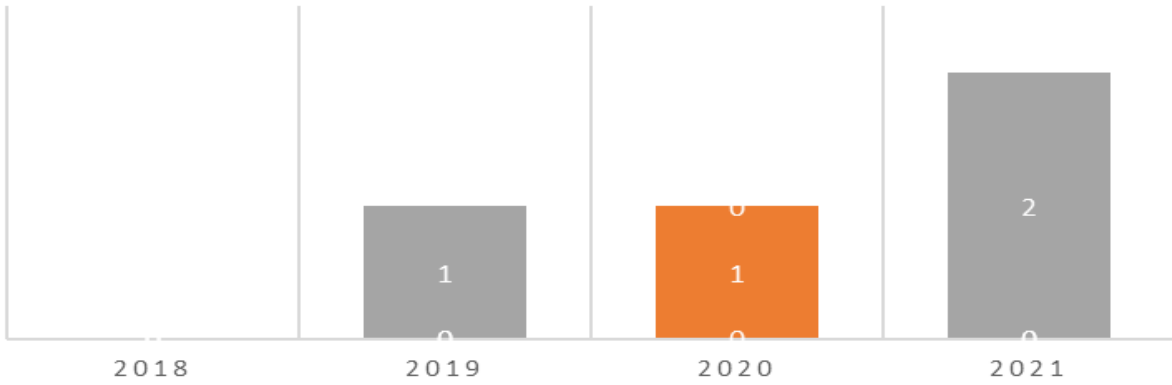
Board Items	FY2019/20	FY 2020/21
Regular Board Meetings	21	23
Special Board Meetings	7	4
East Valley Reclamation Authority Meetings	4	4
Budget & Finance Committee Meetings	0	7
Operations Committee Meetings	0	5
Community Engagement Committee Meetings	0	0
Board/Committee Minutes Compiled	32	43
General Manager's Reports	6	12
Documents Notarized	4	5
Public Records Requests	1	3

HUMAN RESOURCES



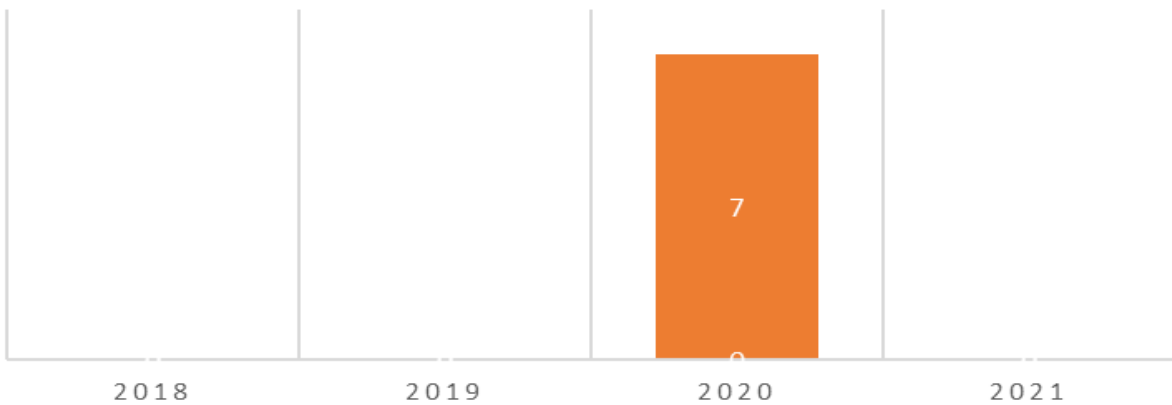
WORK RELATED INJURIES - NUMBER OF CASES

■ Days away from work ■ Job Transfer/Restrictions ■ Other Recordable Cases



WORK RELATED INJURIES - DAYS AWAY FROM WORK

■ Days Away From Work ■ Days with Job Transfer/Restrictions



FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

Finance

- Received GFOA's Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2021.
- Received CSMFO's Operating Budget Meritorious Award for the fiscal year 2021/2022.
- Submitted the sewer service fees to the County of Riverside using the new rate information per Resolution 2021-1142.
- Successfully billed and updated direct billing reports using the new rate information per Resolution 2021-1142.
- Published COVID-19 surveillance information on the District website.
- Completed debt financing for Recycled Water Project Phase 1 through Banc of America Corp.

Clerk of the Board

- Upgraded the audio-visual equipment in Board Room to accommodate live stream and virtual public meetings.
- Implementation of Peak Agenda Management software to streamline agenda creation and posting requirements.
- Implementation of iLegislate to optimize accessibility and transparency by publishing agenda and minutes to an online, searchable web portal that can generate and publish ADA-friendly agendas and minutes.
- Implementation of govMeetings Video to provide convenient access to live and archived streaming video. The indexed video is fully searchable, making it easy for the community to access meeting videos using keywords of the topics that are of interest to them.

Human Resources

- Fully staffed with 36 employees.
- No lost days due to work injuries in 2021.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- Strategic Goal 3: Excellent Facilities.
- Strategic Goal 6: Improve Planning, Administration, and Governance.
- Strategic Goal 4.1: Increase community understanding and support for the District.
- Strategic Goal 6.7: Maintain compliance with all regulatory, legislative, and permit requirements.
- Strategic Goal 1.1: Enough staff to fulfill goals and objectives safely and efficiently.
- Strategic Goal 3.2: Increase the use of technology to lower costs and improve reliability.

GOALS

FINANCE GOALS

- Research, select and implement a new timekeeping system.
- Complete upgrade conversion to accounting system cloud-based software.
- Conduct quarterly meetings with Chiefs and their selected staff to review the status of capital project funding to further advance the Capital Improvement Program.
- Improve efficiency and timeliness of procurements and improve inventory levels.
- Identify and maximize software utilization by staff to create efficiencies.
- Increase intradepartmental development through training.
- Analyze revenue streams and diversify revenue sources for the District.

CLERK OF THE BOARD GOALS

- Champion the Send Agenda feature of Peak that enables constituents to subscribe and get emailed the District's meeting agendas once they are posted.
- Implement an improved contract management process.

HUMAN RESOURCES GOALS

- Conduct outreach and promote the District and Wastewater industry jobs to local high school and community college students.
- Establish working relationships with the College of the Desert and Mt. San Jacinto College.

Administration

- Update and consolidate Human Resources policies.
- Update job descriptions.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	Chief Executive Officer/General Manager	0.00	1.00	1.00
1	Chief Administrative Officer	0.00	1.00	1.00
0	General Manager	1.00	0.00	(1.00)
1	Accounting Analyst	1.00	1.00	0.00
0	Accounting Technician	1.00	0.00	(1.00)
1	Administrative Assistant	0.00	1.00	1.00
0	Business Services Manager	1.00	0.00	(1.00)
1	Clerk of the Board	1.00	1.00	0.00
1	Human Resources Specialist	1.00	1.00	0.00
6	Total FTEs	6.00	6.00	0.00

Notes:

- Retitled General Manager to Chief Executive Officer/General Manager
- Retitled Accounting Technician to Administrative Assistant
- Retitled Business Services Manager to Chief Administrative Officer

Administration

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-3650000-0 CSWRCB RESERVE FUND	\$ -	\$ 553,361	\$ 553,361	\$ 553,361	\$ 553,361	\$ -	-
11-7010000-0 DEPRECIATION & AMORTIZATION	5,500	-	-	-	-	-	-
11-9160000-0 TRANSFER TO FUND 6	-	467,729	465,512	465,512	889,188	423,676	91.0%
11-5030414-3 SALARIES AND WAGES	575,227	604,533	684,410	678,720	785,662	101,252	14.8%
11-5060414-3 BONUS, AWARDS, AND RECERTIFICATION	-	1,300	2,500	2,440	2,800	300	12.0%
11-5110414-3 LONGEVITY	1,800	1,823	3,200	3,115	3,600	400	12.5%
11-5070414-3 OVERTIME	831	4,359	5,000	1,698	5,000	-	-
11-5116414-3 FICA AND MEDICARE	47,654	44,007	55,425	38,333	71,736	16,311	29.4%
11-5112414-3 RETIREMENT CONTRIBUTIONS	196,736	291,402	76,508	65,237	82,778	6,270	8.2%
11-5118414-3 UNEMPLOYMENT PAYMENTS	485	(142)	-	-	-	-	-
11-5128414-3 VISION INSURANCE	-	-	2,076	1,610	1,416	(660)	-31.8%
11-5122414-3 WORKERS' COMPENSATION	1,912	8,483	70,413	65,757	77,364	6,951	9.9%
11-5124414-3 LIFE INSURANCE	1,511	1,186	1,632	1,369	1,488	(144)	-8.8%
11-5126414-3 HEALTH INSURANCE	96,848	90,323	106,150	90,513	115,435	9,285	8.7%
11-5129414-3 DENTAL INSURANCE	15,317	16,999	8,004	6,974	7,548	(456)	-5.7%
11-5132414-3 LONG TERM DISABILITY	2,107	1,592	1,901	1,900	2,100	199	10.5%
11-5554414-3 ACCOUNTING SERVICES	-	-	87,707	61,581	77,771	(9,936)	-11.3%
11-5801414-3 CERTIFICATIONS	50	-	-	-	-	-	-
11-5300414-3 COMPREHENSIVE INSURANCE	289,120	309,876	340,993	329,747	371,193	30,200	8.9%
11-5500414-3 CONTRACTS	157,605	197,377	595,353	595,353	737,511	142,158	23.9%
11-5410414-3 COUNTY EXPENSE	16,611	20,521	22,000	20,507	23,100	1,100	5.0%
11-5225414-3 ELECTION EXPENSE	-	6,470	-	-	-	-	-
11-5552414-3 LEGAL SERVICES	346,817	294,241	30,000	27,172	40,000	10,000	33.3%
11-5555414-3 MEDICAL SERVICES	-	-	27,143	18,521	32,943	5,800	21.4%
11-5350414-3 MEMBERSHIPS	47,680	34,957	47,107	47,107	48,148	1,041	2.2%
11-5553414-3 MISC. PROFESSIONAL SERVICES	-	-	95,392	95,392	109,391	13,999	14.7%
11-5400414-3 OFFICE SUPPLIES	13,887	16,427	20,800	20,800	23,500	2,700	13.0%
11-5450414-3 SUPPLIES	7,810	10,775	11,000	6,233	11,000	-	0.0%
11-5545414-3 OPEB HEALTH INSURANCE	-	-	57,253	57,253	81,719	24,466	42.7%
11-5950414-3 OTHER EXPENSES	11,166	32,800	10,000	10,392	10,000	-	-
11-5420414-3 PERMITS AND FEES	3,049	2,957	3,000	-	3,000	-	-
11-5600414-3 PUBLICATIONS	3,717	3,673	2,500	2,334	3,500	1,000	40.0%
11-5700414-3 REPAIRS AND MAINTENANCE	4,397	2,651	17,375	20,850	19,375	2,000	11.5%
11-5810414-3 TUITION REIMBURSEMENT	-	-	12,000	6,450	12,000	-	-
11-5901414-3 TELEPHONE AND INTERNET	19,297	20,911	30,969	29,147	30,969	-	0.0%
11-5800414-3 CONFERENCES AND MEETINGS	59,725	25,008	44,523	44,523	97,764	53,241	119.6%
11-8680000-0 ADMINISTRATIVE FACILITIES	-	40,019	33,449	33,449	60,000	26,551	79.4%
11-5150414-4 DIRECTOR FEE	49,750	48,350	-	-	-	-	-
11-8660000-0 GENERAL PLANT FACILITIES	-	46,115	270,101	270,101	309,000	38,899	14.4%
11-22820000-0 UNFUNDED ACCRUED LIABILITY CALPERS	459,350	482,379	-	700,420	736,606	736,606	-
11-9170000-0 BANK OF AMERICA LOAN	-	-	-	-	2,970,422	2,970,422	-
Total Expenses	\$ 2,435,958	\$ 3,682,462	\$ 3,794,757	\$ 4,373,871	\$ 8,408,388	\$ 4,613,631	121.6%

Administration

ADMINISTRATION BUDGET DETAIL

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5030414-3 SALARIES AND WAGES	\$ 684,410	\$ 785,662	\$ 101,252
11-5060414-3 BONUS, AWARDS, AND RECERTIFICATION	2,500	2,800	300
11-5070414-3 OVERTIME	5,000	5,000	-
11-0000414-3 TOTAL FRINGE BENEFITS	254,896	286,101	31,205
Subtotal	\$ 946,806	\$ 1,079,563	\$ 132,757
11-3650000-0 CSWRCB RESERVE FUND			
Principal and Interest Payment for State Revolving Fund (SRF)	\$ 553,361	\$ 553,361	\$ -
Subtotal	\$ 553,361	\$ 553,361	\$ -
11-9160000-0 TRANSFER TO FUND 6			
Principal and Interest Payment for Revenue Refunding Bonds, 2015	\$ 463,012	\$ 886,688	\$ 423,676
Annual Administrative Expenses for Revenue Refunding Bonds, 2015	2,500	2,500	-
Subtotal	\$ 465,512	\$ 889,188	\$ 423,676
11-9170000-0 BANK OF AMERICA LOAN			
Principal and Interest Payment for Recycled Water Project Phase 1	\$ -	\$ 2,970,422	\$ 2,970,422
Subtotal	\$ -	\$ 2,970,422	\$ 2,970,422
11-5122414-3 WORKERS' COMPENSATION			
Workers Compensation Insurance Premium	\$ 70,413	\$ 77,364	\$ 6,951
Subtotal	\$ 70,413	\$ 77,364	\$ 6,951
11-5554414-3 ACCOUNTING SERVICES			
Annual Audit	\$ 30,810	\$ 31,105	\$ 295
Annual Sewer Service Charge Administration Services (NBS)	18,000	18,000	-
Annual Software Support (Blackbaud)	11,000	17,502	6,502
Payroll Processing	5,377	5,444	67
Timekeeping System (CTE)	3,600	3,600	-
Annual Report Submittal To GFOA	1,120	1,120	-
Budget Report Submittal To GFOA	1,000	1,000	-
Annual Software Support (Caselle)	16,800	-	(16,800)
Subtotal	\$ 87,707	\$ 77,771	\$ (9,936)

Administration

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5300414-3 COMPREHENSIVE INSURANCE			
Earthquake Insurance	\$ 192,000	\$ 202,902	\$ 10,902
Umbrella Business Insurance (e.g., Liability, Auto, and General)	125,000	133,798	8,798
Environmental Pollution	23,993	23,993	-
Cyber Insurance	-	10,500	10,500
Subtotal	\$ 340,993	\$ 371,193	\$ 30,200
11-5500414-3 CONTRACTS			
Public Relations (e.g., Outreach, Social Media, and Advertising)	\$ 97,025	\$ 117,416	\$ 20,391
Plant Security (Superior Protection Consultants)	101,492	134,004	32,512
Federal Advocacy	69,000	85,000	16,000
State Advocacy	30,000	86,071	56,071
Grant Assistance	100,000	80,000	(20,000)
Sewer Rate and Capacity Fee Study (NBS)	-	44,557	44,557
Computer Maintenance (Southwest Networks)	39,444	41,196	1,752
Other IT Support	39,500	36,256	(3,244)
Coachella Valley History Museum	30,000	30,000	-
Outreach Newsletter	23,392	23,392	-
General Consulting for Human Resource Training and Development, Benefits, and Legal Compliance	25,000	22,278	(2,722)
Temporary Help Services	15,700	13,367	(2,333)
Services Related to the Shadow Hills and Indio Terrace Assessment Districts (Willdan)	10,000	8,911	(1,089)
Backup/Disaster Recovery Storage (Southwest Networks)	8,400	7,859	(541)
CalPERS Actuarial Study for GASB 68 Requirements	1,800	2,216	416
Section 125 Plan	1,800	1,604	(196)
CalPERS Health Plan Annual Fee	1,400	1,247	(153)
Paper Shredding (Desert Arc)	-	891	891
Postage Meter Lease (Pitney Bowes)	700	623	(77)
CalPERS 218 Fee (Social Security Agreement)	700	623	(77)
Subtotal	\$ 595,353	\$ 737,511	\$ 142,158
11-5410414-3 COUNTY EXPENSE			
County Auditor Fees Special Assessments to the Tax Roll	\$ 11,000	\$ 11,550	\$ 550
County Treasurer Fees for Collection of Special Assessments	\$ 11,000	\$ 11,550	\$ 550
Subtotal	\$ 22,000	\$ 23,100	\$ 1,100

Administration

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5552414-3 LEGAL SERVICES			
Costs Associated with General Legal Counsel	\$ 30,000	\$ 40,000	\$ 10,000
Subtotal	\$ 30,000	\$ 40,000	\$ 10,000
11-5555414-3 MEDICAL SERVICES			
Wellness Program	\$ 24,700	\$ 29,500	\$ 4,800
Medical Exams-DMV & Pre-Employment	1,243	1,243	-
Background Checks	-	1,000	1,000
First Aid Medical	700	700	-
Drug/Alcohol Testing Five (5) Employees	\$ 500	\$ 500	\$ -
Subtotal	\$ 27,143	\$ 32,943	\$ 5,800
11-5350414-3 MEMBERSHIPS			
California Association of Sanitation Agencies (CASA)	\$ 14,000	\$ 14,000	\$ -
California Special Districts Association (CSDA)	7,805	7,805	-
National Association Clean Water Agency (NACWA)	7,680	7,680	-
Liebert Cassidy Whitmore (LCW)	5,625	5,625	-
Southern California Allowance of Publicly Owned Treatment Works (SCAP)	5,100	5,100	-
WateReuse Membership	3,103	3,418	315
Greater Coachella Valley Chamber of Commerce	760	760	-
California Society of Municipal Finance Officers (CSMFO)	600	800	200
Government Finance Officers Association (GFOA)	480	480	-
California Public Employer Labor Relations Association (CalPERLA)	370	740	370
American Water Works Association (AWWA)	300	300	-
California Clerk of The Board of Supervisors Association (CCBSA)	300	300	-
California Association of Public Procurement Officials (CAPPO)	225	225	-
Society for Human Resource Management (SHRM)	219	219	-
California Water Environment Association (CWEA)	200	200	-
International Public Management Association for Human Resources (IPMA-HR)	-	156	156
Professionals In Human Resources Association (PIHRA)	150	150	-
Palm Springs Desert Sun Subscription	100	100	-
Municipal Management Association of Southern California (MMASC)	90	90	-
Subtotal	\$ 47,107	\$ 48,148	\$ 1,041

Administration

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5553414-3 MISC. PROFESSIONAL SERVICES			
Computer Consulting	\$ 70,000	\$ 70,000	\$ -
Government Job Listing Service (NeoGov)	8,139	8,139	-
Office 365 Annual Billing	5,670	5,670	-
CART Captioning Services for Board Meeting Live Stream		4,800	4,800
Peak Agenda Management (Granicus)	-	4,305	4,305
Civic Plus	-	3,500	3,500
Body Temperature Scanner (Turing Video)	3,234	3,234	-
Board Meeting Software	3,150	3,150	-
Video Conferencing	3,000	3,000	-
Website Annual Service (CivicPlus)	2,199	2,199	-
Flipping Book	-	600	600
e skill	-	450	450
Canva Pro	-	200	200
Grammarly PRO	-	144	144
Subtotal	\$ 95,392	\$ 109,391	\$ 13,999
11-5400414-3 OFFICE SUPPLIES			
General Office Supplies (e.g., Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils)	\$ 15,353	\$ 17,500	\$ 2,147
Printed Employee Handbook	2,000	2,000	-
Printed Budget Book	2,000	2,000	-
Postage	1,447	2,000	553
Subtotal	\$ 20,800	\$ 23,500	\$ 2,700
11-5450414-3 SUPPLIES			
Office Software Upgrades	\$ 7,000	\$ 7,000	\$ -
Computer Supplies-Printer Cartridges and Toner	4,000	4,000	-
Subtotal	\$ 11,000	\$ 11,000	\$ -
11-5545414-3 OPEB HEALTH INSURANCE			
OPEB Annual Required Contribution (ARC)	\$ 43,534	\$ 68,000	\$ 24,466
CalPERS OPEB Health Insurance fees	10,119	10,119	-
Biennial OPEB Actuarial Study (Due in 2021/2022)	3,600	3,600	-
Subtotal	\$ 57,253	\$ 81,719	\$ 24,466
11-5950414-3 OTHER EXPENSES			
Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
Subtotal	\$ 10,000	\$ 10,000	\$ -

Administration

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-22820000-0 UNFUNDED ACCRUED LIABILITY CALPERS				
	Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date.	\$ -	\$ 736,606	\$ 736,606
	Subtotal	\$ -	\$ 736,606	\$ 736,606
11-5420414-3 PERMITS AND FEES				
	The Cortese Knox-Hertzberg Local Government Reorganization Act Of 2000 States that Special Districts are Responsible for Paying One-Third of the Cost of LAFCO.	\$ 3,000	\$ 3,000	\$ -
	Subtotal	\$ 3,000	\$ 3,000	\$ -
11-5600414-3 PUBLICATIONS				
	Costs For Publication of Official Notices and Bid Requests in Online Platforms	\$ 2,500	\$ 3,500	\$ 1,000
	Subtotal	\$ 2,500	\$ 3,500	\$ 1,000
11-5700414-3 REPAIRS AND MAINTENANCE				
	Replacement Computers	\$ 10,000	\$ 12,000	\$ 2,000
	Copier II Lease & Maintenance	3,875	3,875	-
	Innovative Document Solutions - Monthly Maintenance Costs For Copier	2,000	2,000	-
	Miscellaneous	1,500	1,500	-
	Subtotal	\$ 17,375	\$ 19,375	\$ 2,000
11-5810414-3 TUITION REIMBURSEMENT				
	Tuition Assistance Program	\$ 12,000	\$ 12,000	\$ -
	Subtotal	\$ 12,000	\$ 12,000	\$ -
11-5901414-3 TELEPHONE AND INTERNET				
	VOIP Main Telephone System (Spectrum)	\$ 14,000	\$ 14,000	\$ -
	Cell Phones Employee (Verizon Wireless)	13,314	13,314	-
	Fire Control Alarms (Frontier)	3,655	3,655	-
	Subtotal	\$ 30,969	\$ 30,969	\$ -

Administration

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5800414-3 CONFERENCES AND MEETINGS			
Leadership Academy	\$ 20,000	\$ 25,000	\$ 5,000
ARC Flash Training (Electrical Safety)	-	25,000	25,000
Costs Associated with Employee Travel and Training	12,000	14,302	2,302
Harassment Training		5,000	5,000
Confined Space & Temporary Traffic Control		5,000	5,000
DFK Solutions Group	-	4,740	4,740
Association of California Water Agencies (ACWA)	4,709	4,709	-
California Association of Sanitation Agencies (CASA)	4,709	4,709	-
Government Finance Officers Association (GFOA) Conference	-	2,500	2,500
CPR Training		2,500	2,500
CalPERLA	2,130	2,130	-
Government Finance Officers Association (GFOA)	575	575	-
Fire Extinguisher Training	-	500	500
Procurement Uniform Guidance Training	-	500	500
California Society of Municipal Finance Offices (CSMFO)	400	400	-
Pryor Learning	-	199	199
Subtotal	\$ 44,523	\$ 97,764	\$ 53,241
11-8680000-0 ADMINISTRATIVE FACILITIES			
New Time Keeping System	\$ 25,000	\$ 30,000	\$ 5,000
Procurement Software	-	30,000	30,000
Server Replacement	8,449	-	(8,449)
Subtotal	\$ 33,449	\$ 60,000	\$ 26,551
11-8660000-0 GENERAL PLANT FACILITIES			
Water Reuse Project (EVRA JPA)	\$ 124,116	\$ 200,000	\$ 75,884
Coachella Valley Integrated Regional Water Management Plan (IRWMP)	50,000	50,000	-
Salt and Nutrient Management Plan (SNMP)	50,000	50,000	-
Phase 1 Gap Monitoring Well Plan	9,000	9,000	-
Telemetric for District Vehicles	20,925	-	(20,925)
District Building Alarm System Replacement	16,060	-	(16,060)
Subtotal	\$ 270,101	\$ 309,000	\$ 38,899
Total Expense	\$ 3,794,757	\$ 8,408,388	\$ 4,613,631

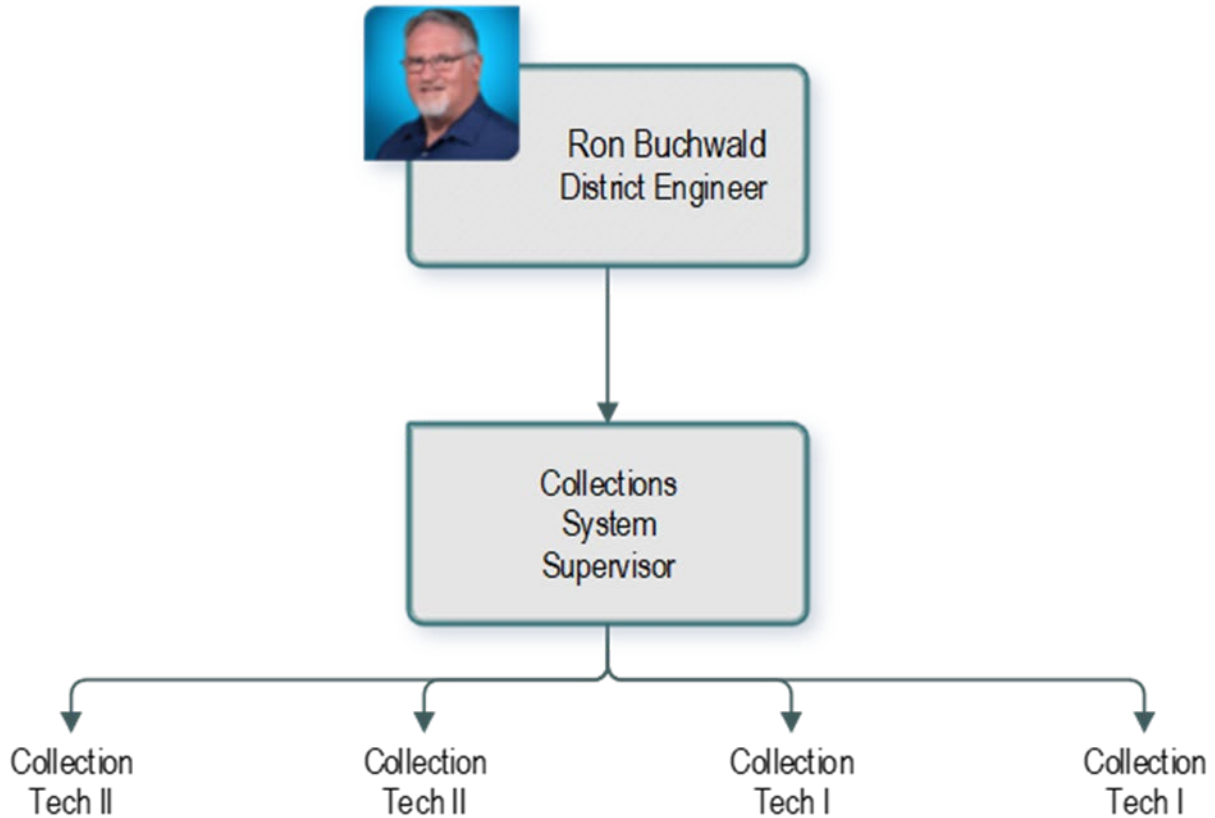


Digester Heating Pipes

*"Vactor
Truck"*

Sanitation Collections

3



DESCRIPTION

The Sanitation Collections Department services and maintains 254 miles of sewer main with pipe sizes ranging from 6 to 54 inches. There are four (4) lift stations that consist of a total of eight (8) pumps, wet wells, and dry wells that require periodic maintenance and inspection. There are a total of 4,500 manholes in the collection system that require periodic maintenance and inspections to prevent and/or identify deterioration of the structures.

METRICS

Collection Services Task Summary Report for 2021													
Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total To Date
Customer Service Calls	2	2	4	5	8	7	2	1	6	4	-	3	44
F.O.G. Inspection - Completed	27	26	47	39	18	29	12	27	33	15	17		290
F.O.G. Inspection - Fail	1												1
F.O.G. Inspection - Pass	26	26	47	39	18	29	12	27	33	15	17		289
Change of Ownership	1	1							1		1		4
Hot spot cleaning (total)*	26	-	-	36	-		26			36			124
Lift station inspection	19	19	19	23	23	23	19	16	19	19	19	19	237
Manhole inspection	157	125	216	163	154	161	117	93	150	141	148	137	1,762
Sewer line CCTV (feet)	0	0	32,428	28,289	16,224	3,888	19,739	6,470	19,873	19,874	19,038	20,630	186,453
Sewer line cleaning (feet)	58,522	50,400	70,368	68,722	52,573	59,063	65,193	30,295	55,419	51,650	50,092	40,229	652,526
SSO Response - Cat 1	0	0	0	0	0	0	0	0	0	0	0	0	-
SSO Response - Cat 2	0	0	0	0	0	0	0	0	0	0	0	0	-
SSO Response - Cat 3	0	0	1	0	0	0	0	0	0	0	0	0	1
USA Markings	37	33	55	31	53	69	79	54	34	35	41	26	547

Note:

- Hot spot cleaning is performed quarterly

FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

- Completed the Collection System Annual Pipeline Assessment Inspection (including an increase of CCTV inspection by 16%).
- Assisted with the design and planning of the Indio Blvd. rehab project #1. Lining 2,250 linear feet of sewer main.
- Completed the State-mandated 2-year Sanitary Sewer Master Plan (SSMP) self-assessment audit.
- Team members accomplished acquiring in-vocation certifications.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- Strategic Goal 1.1: Enough staff to fulfill goals and objectives safely and efficiently.
- Strategic Goal 3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan.
- Strategic Goal 6.7: Maintain compliance with all regulatory, legislative, and permit requirements.
- Strategic Goal 1.3: Improve training and professional development.

GOALS

- Meet or exceed annual sewer main cleaning production of 130 miles per year. To meet the 2-year benchmark for cleaning the entire sewer system.
- Meet or exceed annual CCTV production of 30 miles per year. To meet the 10-year benchmark of inspecting the entire system.
- To meet and exceed the requirements of the Statewide General Waste Discharge Requirements (WDR), Sewer System Management Plan (SSMP) to prevent Sanitary Sewer Overflows (SSO).
- Assist in the design and planning of the Collection system rehabilitation program. A 10-year project focusing on lift stations, manholes, and sewer main infrastructure.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	Collection System Supervisor	1.00	1.00	0.00
2	Collection System Technician I	2.00	2.00	0.00
2	Collection System Technician II	2.00	2.00	0.00
5	Total FTEs	5.00	5.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-7010000-0 DEPRECIATION & AMORTIZATION	\$ 710,000	\$ -	\$ -	\$ -	\$ -	\$ -	-
11-5030410-1 SALARIES AND WAGES	1,276,434	368,024	359,757	336,963	382,518	22,761	6.3%
11-5060410-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,200	1,111	1,250	50	4.2%
11-5080410-1 CALLOUT	3,615	2,950	2,500	3,871	5,000	2,500	100.0%
11-5110410-1 LONGEVITY	16,892	2,308	4,000	3,738	5,200	1,200	30.0%
11-5070410-1 OVERTIME	5,318	697	1,600	678	1,600	-	-
11-5090410-1 STANDBY PAY	17,403	18,794	34,100	27,926	41,216	7,116	20.9%
11-5116410-1 FICA AND MEDICARE	99,503	13,886	30,989	27,219	39,311	8,322	26.9%
11-5112410-1 RETIREMENT CONTRIBUTIONS	402,643	493,724	40,301	31,466	40,900	599	1.5%
11-5128410-1 VISION INSURANCE	10,815	-	1,308	1,161	1,392	84	6.4%
11-5122410-1 WORKERS' COMPENSATION	27,749	8,723	-	-	-	-	-
11-5124410-1 LIFE INSURANCE	2,960	785	1,244	793	912	(332)	-26.7%
11-5126410-1 HEALTH INSURANCE	205,092	84,940	85,704	83,624	110,153	24,449	28.5%
11-5129410-1 DENTAL INSURANCE	-	7,082	6,396	6,526	8,448	2,052	32.1%
11-5132410-1 LONG TERM DISABILITY	5,262	1,108	1,133	1,076	1,248	115	10.2%
11-5801410-1 CERTIFICATIONS	3,858	2,716	4,000	5,124	5,120	1,120	28.0%
11-5500410-1 CONTRACTS	131,894	74,767	118,375	78,917	112,583	(5,792)	-4.9%
11-5350410-1 MEMBERSHIPS	4,415	1,647	1,700	1,476	2,050	350	20.6%
11-5450410-1 SUPPLIES	37,693	5,400	5,000	2,712	5,000	-	-
11-5950410-1 OTHER EXPENSES	13,028	3,129	10,000	-	10,000	-	-
11-5420410-1 PERMITS AND FEES	15,516	16,998	18,500	17,852	23,600	5,100	27.6%
11-5430410-1 PRETREATMENT - COLLECTIONS	1,268	-	-	-	-	-	0.0%
11-5700410-1 REPAIRS AND MAINTENANCE	421,616	51,484	146,700	121,009	154,500	7,800	5.3%
11-5720410-1 TOOLS AND EQUIPMENT	24,647	292	2,000	2,246	2,000	-	-
11-5152410-1 UNIFORM SERVICES	13,061	6,798	6,950	4,387	5,700	(1,250)	-18.0%
11-5902410-1 ELECTRICITY	3,834	4,429	4,500	5,420	6,000	1,500	33.3%
11-5905410-1 WATER	5,673	5,849	6,500	5,250	7,500	1,000	15.4%
11-5800410-1 CONFERENCES AND MEETINGS	22,859	7,327	10,000	3,054	10,000	-	-
Total Expenses	\$ 3,483,049	\$ 1,183,857	\$ 904,457	\$ 773,599	\$ 983,201	\$ 78,744	8.7%

SANITATION COLLECTIONS BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030410-1 SALARIES AND WAGES		\$ 359,757	\$ 382,518	\$ 22,761
11-5060410-1 BONUS, AWARDS, AND RECERTIFICATION		1,200	1,250	50
11-5080410-1 CALLOUT		2,500	5,000	2,500
11-5070410-1 OVERTIME		1,600	1,600	-
11-5090410-1 STANDBY PAY		34,100	41,216	7,116
11-0000410-1 TOTAL FRINGE BENEFITS		171,075	207,564	36,489
Subtotal		\$ 570,232	\$ 639,148	\$ 68,916
11-5801410-1 CERTIFICATIONS				
	Pipe Assessment Certification Program (PACP) for Two (2) Employees	\$ 2,000	\$ 3,000	\$ 1,000
	California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)	1,400	1,400	-
	CWEA Technical Certification Programs Collection System Technician I and III (5)	480	600	120
	CWEA Technical Certification Programs Collection System Supervisor	120	120	-
Subtotal		\$ 4,000	\$ 5,120	\$ 1,120
11-5500410-1 CONTRACTS				
	Roach Control Program (Golden Bell)	\$ 49,400	\$ 51,300	\$ 1,900
	Emergency Contingency Service (Rain for Rent)	25,000	16,383	(8,617)
	Root Control Program (Duke's Root Control)	15,000	15,000	-
	Emergency Response Consultant	1,675	10,000	8,325
	ERICA Radio Member Fee (City of Indio)	6,000	6,000	-
	Dig Alerts and Board Fees (Underground Dig Alert)	3,500	4,000	500
	Annual Monitoring Fee/Pump Stations (2 yr Service Discount Rate)	2,000	3,500	1,500
	Software Support Fee (Pipelogix)	3,000	3,000	-
	After Hours Answering Service (Around the Clock)	1,800	2,000	200
	Miscellaneous Contractual Services	1,000	1,000	-
	Wireless Beepers (SPOK)		400	400
	Asset Management Annual Renewal (Lucity)	10,000	-	(10,000)
Subtotal		\$ 118,375	\$ 112,583	\$ (5,792)

Sanitation Collections

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5350410-1 MEMBERSHIPS			
CWEA Membership Renewal	\$ 1,350	\$ 1,650	\$ 300
National Association of Sewer Service Companies; Updates New Criteria Related to PACP Inspection Standards	350	400	50
Subtotal	\$ 1,700	\$ 2,050	\$ 350
11-5450410-1 SUPPLIES			
Traffic Control Signs/Cones/Safety Equipment	\$ 3,000	\$ 3,000	\$ -
Miscellaneous Supplies	2,000	2,000	-
Subtotal	\$ 5,000	\$ 5,000	\$ -
11-5950410-1 OTHER EXPENSES			
Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
Subtotal	\$ 10,000	\$ 10,000	\$ -
11-5420410-1 PERMITS AND FEES			
State General Waste Discharge Annual Permit Fee (SWRCB)	\$ 16,000	\$ 21,000	\$ 5,000
Annual Encroachment Permit (City Of Indio)	1,500	1,600	100
Miscellaneous Permits and/or Fees	1,000	1,000	-
Subtotal	\$ 18,500	\$ 23,600	\$ 5,100
11-5700410-1 REPAIRS AND MAINTENANCE			
Vactor Parts/Repairs/Planned Expenditures	\$ 75,200	\$ 80,500	\$ 5,300
Mainline Repair	20,000	20,000	-
TV Van Parts and Repair	15,000	16,500	1,500
Manhole Covers	15,000	15,000	-
Pump Station Repairs And Parts	11,000	12,000	1,000
Equipment Rentals	8,500	8,500	-
Equipment Repairs	2,000	2,000	-
Subtotal	\$ 146,700	\$ 154,500	\$ 7,800

Sanitation Collections

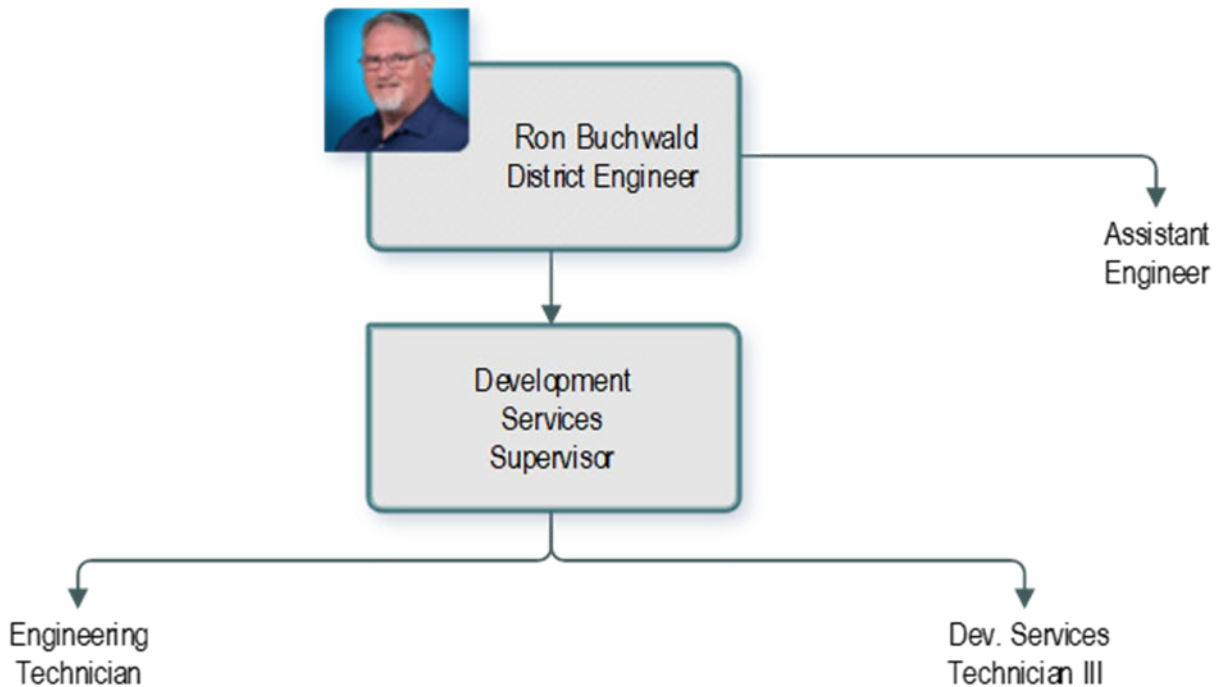
General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5720410-1 TOOLS AND EQUIPMENT			
Miscellaneous Small Tool Acquisition and Replacement	\$ 2,000	\$ 2,000	\$ -
Subtotal	\$ 2,000	\$ 2,000	\$ -
11-5152410-1 UNIFORM SERVICES			
Uniforms-Five (5) Employees (Cintas)	\$ 4,300	\$ 2,700	\$ (1,600)
PPE Gloves/Clothing/Gear	1,400	1,500	100
Boots-Five (5) Employees	1,250	1,500	250
Subtotal	\$ 6,950	\$ 5,700	\$ (1,250)
11-5902410-1 ELECTRICITY			
Imperial Irrigation District (IID)	\$ 4,500	\$ 6,000	\$ 1,500
Subtotal	\$ 4,500	\$ 6,000	\$ 1,500
11-5905410-1 WATER			
Hydrant Water (Indio Water Authority)	\$ 6,500	\$ 7,500	\$ 1,000
Subtotal	\$ 6,500	\$ 7,500	\$ 1,000
11-5800410-1 CONFERENCES AND MEETINGS			
Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 10,000	\$ 10,000	\$ -
Subtotal	\$ 10,000	\$ 10,000	\$ -
Total Expenses	\$ 904,457	\$ 983,201	\$ 78,744

"VSD Treatment Plant"



Engineering **4**

Engineering



DESCRIPTION

The Engineering Department is responsible for Development Services and the Capital Improvement Program.

Development Services is responsible for tracking new development within the District's service area to ensure that all District development standards are being followed. It conducts plan checks for new developments and provides permitting and inspection services for new construction and/or remodeling/tenant improvements involving commercial, industrial, and residential properties.

The District has a robust Capital Improvement Program including the Reclaimed Water Phase 1 Treatment Upgrade project, the Influent Pump Station Rehabilitation project, and the Collection System Sewer Main Rehabilitation and Replacement Program as well as many smaller projects.

METRICS

	FY21	FY22
New Projects	32	56
Projects Permitted	37	28
Projects Finaled	31	28
Single Family Finaled	208	160
Development Review Comments	31	16
Request for Sewer location	19	15

FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

- Provided high-quality and customer-friendly Plan Check process.
- Provided high-quality and developer-friendly inspection services.
- Returned plan check comments within 30 days.
- Hired a new employee to fill a new Asset Management position within the department.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- Strategic Goal 1.1: Fully Staffed
- Strategic Goal 3.2: Increase the use of technology
- Strategic Goal 4.2: Increase community understanding
- Strategic Goal 6: Improve Planning, Administration, and Governance

GOALS

- To provide a high-quality and customer-friendly Plan Check process.
- To provide high-quality and developer-friendly inspection services.
- To the return plan check comments within 30 days.
- To coach the employee in the newly developed Engineering Technician position so he can be successful in supporting the plant maintenance and operations personnel in their endeavor to manage the plant assets with the recently launched Lucity asset management system.

Engineering

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	District Engineer	0.00	1.00	1.00
0	Engineering Services Manager	1.00	0.00	(1.00)
1	Assistant Engineer	1.00	1.00	0.00
1	Development Services Supervisor	1.00	1.00	0.00
1	Development Services Technician III	1.00	1.00	0.00
1	Engineering Technician	1.00	1.00	0.00
5	Total FTEs	5.00	5.00	0.00

Notes

- Retitled Engineering Services Manager to District Engineer

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030414-1 SALARIES AND WAGES	\$ -	\$ 485,492	\$ 549,295	\$ 521,517	\$ 612,551	\$ 63,256	11.5%
11-5060414-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,000	760	1,250	250	25.0%
11-5070414-1 OVERTIME	-	-	-	61	1,000	1,000	-
11-5110414-1 LONGEVITY	-	5,769	6,600	6,577	7,500	900	13.6%
11-5116414-1 FICA AND MEDICARE	-	46,951	44,552	34,457	56,007	11,455	25.7%
11-5112414-1 RETIREMENT CONTRIBUTIONS	-	61,221	67,578	57,048	68,485	907	1.3%
11-5128414-1 VISION INSURANCE	-	-	1,908	718	932	(976)	-51.2%
11-5122414-1 WORKERS' COMPENSATION	-	1,789	-	-	-	-	-
11-5124414-1 LIFE INSURANCE	-	1,000	1,065	1,019	1,248	183	17.2%
11-5126414-1 HEALTH INSURANCE	-	27,183	42,435	28,023	51,774	9,339	22.0%
11-5129414-1 DENTAL INSURANCE	-	2,822	4,836	3,209	4,896	60	1.2%
11-5132414-1 LONG TERM DISABILITY	-	1,469	1,542	1,523	1,800	258	16.7%
11-5801414-1 CERTIFICATIONS	-	-	3,470	144	3,870	400	11.5%
11-5500414-1 CONTRACTS	-	-	64,850	4,767	4,000	(60,850)	-93.8%
11-5350414-1 MEMBERSHIPS	-	-	1,200	447	1,200	-	-
11-5950414-1 OTHER EXPENSES	-	-	4,000	-	-	(4,000)	-100.0%
11-5420414-1 PERMITS AND FEES	-	-	1,000	-	1,000	-	-
11-5720414-1 TOOLS AND EQUIPMENT	-	-	1,000	-	1,000	-	-
11-5152414-1 UNIFORM SERVICES	-	-	4,700	2,360	4,700	-	-
11-5800414-1 CONFERENCES AND MEETINGS	-	-	5,000	2,678	6,761	1,761	35.2%
Total Expenses	\$ -	\$ 633,696	\$ 806,031	\$ 665,306	\$ 829,974	\$ 23,943	3.0%

ENGINEERING BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030414-1 SALARIES AND WAGES		\$ 549,295	\$ 612,551	\$ 63,256
11-5060414-1 BONUS, AWARDS, AND RECERTIFICATION		1,000	1,250	250
11-5080414-1 CALLOUT		-	-	-
11-5070414-1 OVERTIME		-	1,000	1,000
11-5090414-1 STANDBY PAY		-	-	-
11-0000414-1 TOTAL FRINGE BENEFITS		170,516	192,642	22,126
Subtotal		\$ 720,811	\$ 807,443	\$ 86,632
11-5801414-1 CERTIFICATIONS				
	Pipe Assessment Certification Program	\$ 2,000	\$ 2,400	\$ 400
	California Water Environment Association	450	450	-
	American Water Works Association (AWWA)	300	300	-
	State Water Resource Control Board	170	170	-
	SWRCB Board Operator Certification	170	170	-
	Professional Engineer (PE) (District Engineer	150	150	-
	CWEA Technical Certification Programs	120	120	-
	CWEA Technical Certification Programs	110	110	-
Subtotal		\$ 3,470	\$ 3,870	\$ 400
11-5500414-1 CONTRACTS				
	ESRI ARCVIEW 10.0 Annual Renewal	\$ 3,000	\$ 3,000	\$ -
	Autocad Annual Maintenance and Helpdesk	1,000	1,000	-
	Consultant For General Master Plan	60,000	-	(60,000)
	Cell Phones-Two (2) Employees (Verizon	850	-	(850)
Subtotal		\$ 64,850	\$ 4,000	\$ (60,850)

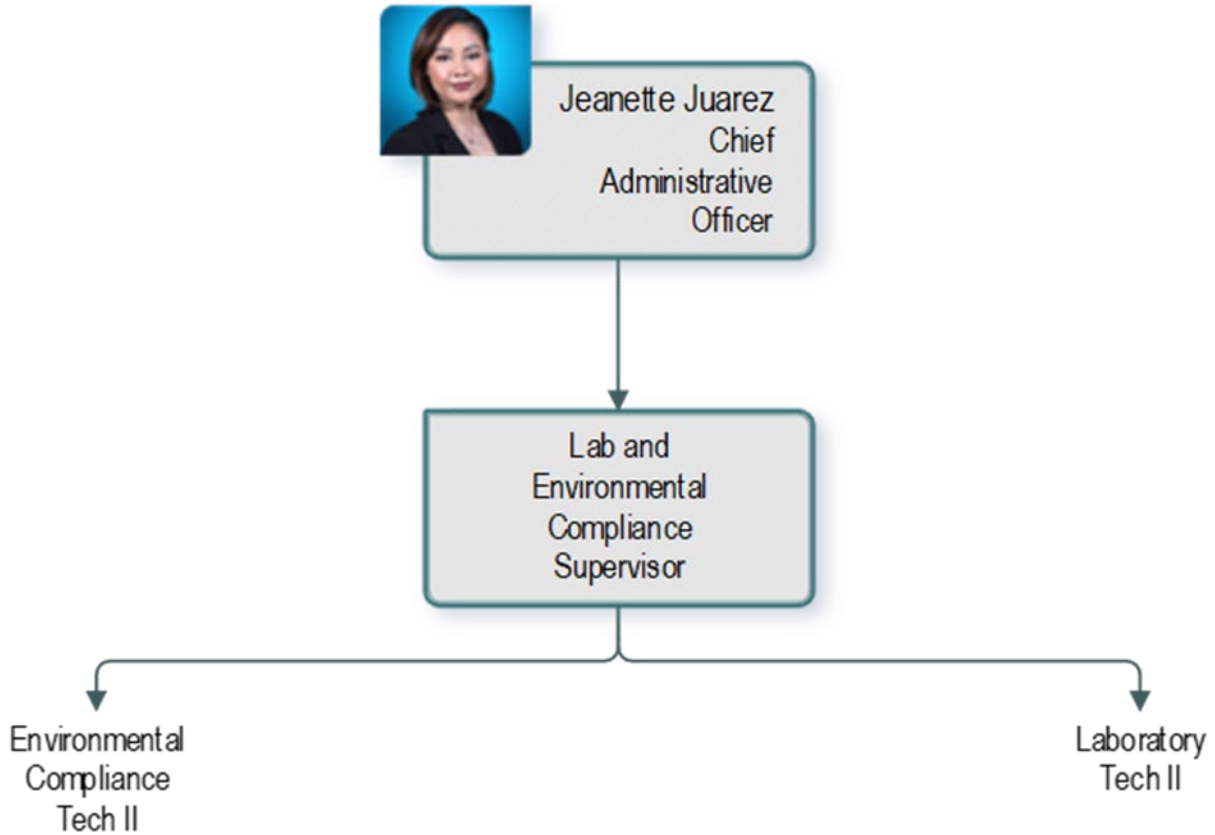
Engineering

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5350414-1 MEMBERSHIPS				
	California Water Environment Association	\$ 1,200	\$ 1,200	\$ -
	Subtotal	\$ 1,200	\$ 1,200	\$ -
11-5950414-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 4,000	\$ -	\$ (4,000)
	Subtotal	\$ 4,000	\$ -	\$ (4,000)
11-5420414-1 PERMITS AND FEES				
	Miscellaneous Permits and/or Fees	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5720414-1 TOOLS AND EQUIPMENT				
	Small Tool Acquisition and Replacement	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5152414-1 UNIFORM SERVICES				
	Uniforms-Three (4) employees (Cintas)	\$ 2,700	\$ 2,700	\$ -
	Boots-Three (4) Employees	1,000	1,000	-
	Gloves	1,000	1,000	-
	Subtotal	\$ 4,700	\$ 4,700	\$ -
11-5800414-1 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training	\$ 5,000	\$ 6,761	\$ 1,761
	Subtotal	\$ 5,000	\$ 6,761	\$ 1,761
	Total Expenses	\$ 806,031	\$ 829,974	\$ 23,943



Environmental
Compliance
Services

5



DESCRIPTION

The Environmental Compliance Services Department is comprised of the Laboratory Division and the Pretreatment Division. The focus of the divisions is to develop and implement programs to comply with local, state, and federal regulations protecting water quality and environmental resources.

LABORATORY

Maintains a state-certified laboratory to perform timely and high-quality sample analysis and reporting need to determine compliance with water quality regulations.

Implements a Laboratory Information Management System (LIMS) needed to meet state and federal electronic reporting requirements and prove an effective data storage system for performing water quality evaluations.

Trains District staff to perform sample collection and water quality analysis

PRETREATMENT

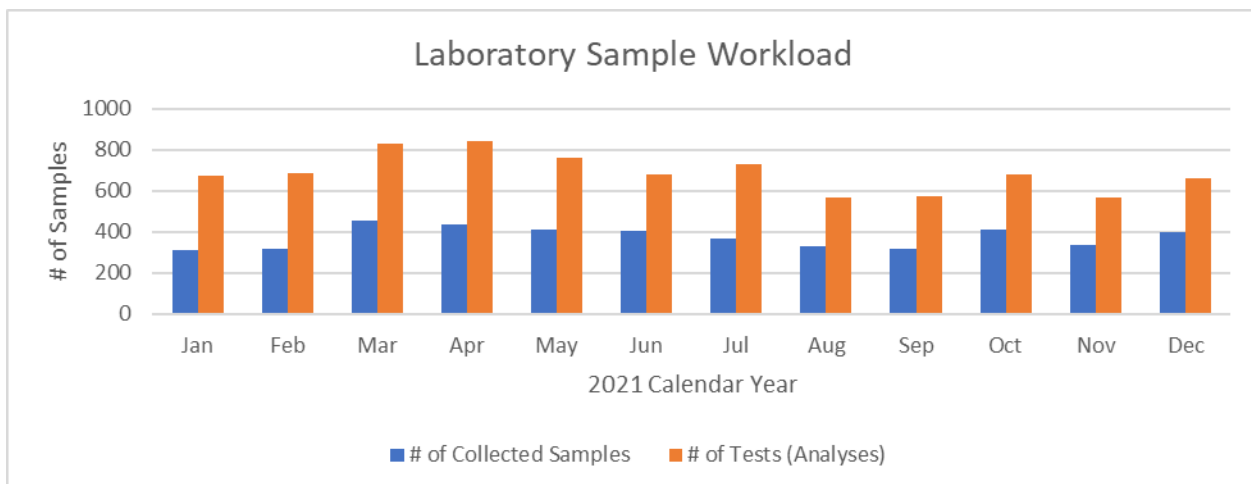
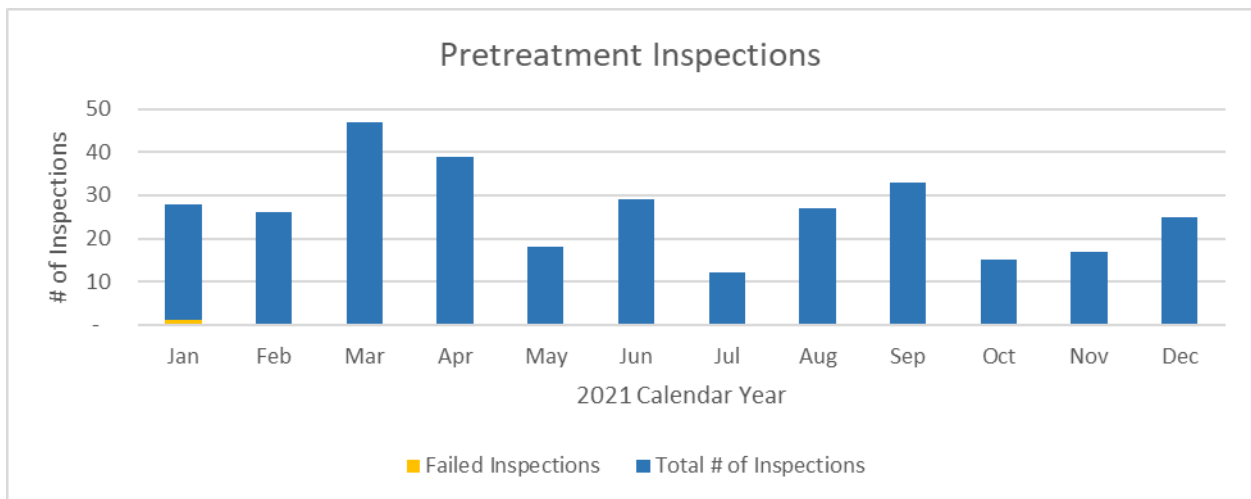
Evaluates, inspects, and permits the commercial use of District wastewater collection and treatment facilities.

Develops and implements programs that enforce sanitation regulations protecting District wastewater collection and treatment facilities.

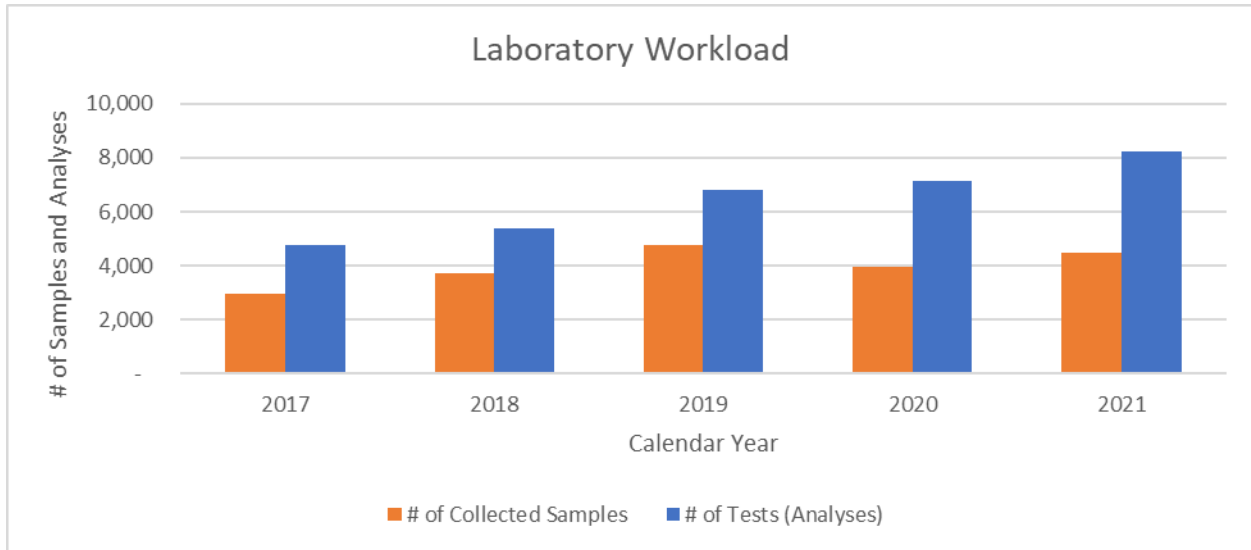
Inspects manufacturing processes as sources of industrial waste and their effects on wastewater treatment processes by monitoring sample handling and preservation, field testing equipment and procedures, and documentation of the sample chain of custody (COC).

METRICS

Compliance Services metrics are reflected in calendar year (CY) versus fiscal year (FY), because of existing state reporting requirements. The first graph shows the number of inspections performed by the pretreatment division staff, while the second graph depicts the number of samples collected and the number of analyses performed by the laboratory division staff.



Laboratory Division metrics for number of samples collected and number of analyses performed in-house for the past five calendar years are reflected in the following graph. Samples collected and analyzed include the NPDES compliance samples, operational process control samples, and those for special projects.



Compliance Services Key Performance Indicator Metrics for 2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Pretreatment													
Change of Ownership Inspection	1	1							1		1		
FOG-FSE Inspections Completed	27	26	47	39	18	29	12	27	33	15	17	25	315
Failed Inspections	1												1
Total # of Inspections	27	26	47	39	18	29	12	27	33	15	17	25	315
Laboratory													
# of Collected Samples	309	315	453	438	414	407	369	331	316	410	334	399	4,495
# of Tests (Analyses)	674	685	831	841	762	679	729	566	576	680	566	658	8,247
# of Samples sent to Contract Labs	4	4	5	11	19	14	12	27	14	21	13	19	163
% of Samples performed In-House	98.7%	98.7%	98.9%	97.5%	95.4%	96.6%	96.7%	91.8%	95.6%	94.9%	96.1%	95.2%	96.4%

FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

LABORATORY

- Participant in 12-week grant funded program to establish national wastewater surveillance program for COVID-19.
- Selected to participate in 6-month, grant funded public health program to monitor presence of COVID, its variants and influenza on a national scale.
- Obtained approval from ELAP for biennial renewal of Laboratory certification.
- Laboratory Analyst obtained laboratory analyst certification – Grade I.

PRETREATMENT DIVISION

- Completed assisting RWQCB with Dental Amalgam Rule compliance within VSD service area.
- Updated the inspection report forms, Kitchen BMPs, and Wastewater Discharge Application forms.
- Updated and streamlined the VSD website with the new pretreatment forms for the public and contractors.
- Environmental Compliance Inspector (ECI) obtained a higher level of environmental compliance inspector certification – Grade II.
- Environmental Compliance Inspector (ECI) awarded CWEA's P3S Person of the Year. Recognition for P3S professionals for exceptional achievement and contribution to the profession.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- Strategic Goal 1.1: Enough staff to fulfil goals and objectives safely and efficiently.
- Strategic Goal 1.3: Improve training and professional development.
- Strategic Goal 3.2: Increase use of technology to lower costs and improve reliability.
- Strategic Goal 4.1: Increase community understanding and support for the District and its program.
- Strategic Goal 6.1: Meet evolving operational and customer demands.
- Strategic Goal 6.7: Maintain compliance with all regulatory, legislative and permit requirements.

GOALS

LABORATORY GOALS

- Complete onsite assessment of laboratory per new State Board Environmental Laboratory Accreditation Program (ELAP) regulations.

- Implement and complete data migration into the new Laboratory Information Management System (LIMS).
- Recruit and train new Quality Control (QC) Analyst.

PRETREATMENT GOALS

- Update the Sewer Use Ordinance (SUO), Enforcement Response Plan (ERP) and Local Limit documents to maintain NPDES State regulatory compliance.
- Improve Key Performance Indicator (KPI) metrics to evaluate the successes of the division.
- Participation in Engineering Services and Collections Department monthly meetings to ensure interdepartmental communications and notification of investigations are resolved in a timely manner.

PERSONNEL SUMMARY

FY23		FY22	FY23	
Physical Count	Classification	Base FTEs	Base FTEs	Variance
1	Environmental Compliance Technician II	0.00	1.00	1.00
0	Environmental Technician I	1.00	0.00	(1.00)
0	Lab and Compliance Supervisor	1.00	0.00	(1.00)
1	Laboratory and Environmental Compliance Supervisor	0.00	1.00	1.00
0	Laboratory Technician I	1.00	0.00	(1.00)
1	Laboratory Technician II	0.00	1.00	1.00
3	Total FTEs	3.00	3.00	0.00

Notes

- Retitled Laboratory and Compliance Supervisor to Laboratory and Environmental Compliance Supervisor
- Removed Laboratory Technician I
- Added Laboratory Technician II
- Removed Environmental Technician I
- Added Environmental Compliance Technician II

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030414-2 SALARIES AND WAGES	\$ -	\$208,272	\$252,612	\$258,310	\$289,422	\$36,810	14.6%
11-5060414-2 BONUS, AWARDS, AND RECERTIFICATION	-	-	600	570	750	150	25.0%
11-5080414-2 CALLOUT	-	560	-	-	-	-	-
11-5110414-2 LONGEVITY	-	1,108	1,200	554	1,200	-	-
11-5070414-2 OVERTIME	-	469	3,300	189	2,500	(800)	-24.2%
11-5090414-2 STANDBY PAY	-	1,840	-	-	-	-	-
11-5116414-2 FICA AND MEDICARE	-	20,269	20,353	14,930	26,448	6,095	29.9%
11-5112414-2 RETIREMENT CONTRIBUTIONS	-	18,974	22,524	16,070	22,552	28	0.1%
11-5128414-2 VISION INSURANCE	-	-	864	445	612	(252)	-29.2%
11-5122414-2 WORKERS' COMPENSATION	-	6,089	-	-	-	-	-
11-5124414-2 LIFE INSURANCE	-	552	732	428	648	(84)	-11.5%
11-5126414-2 HEALTH INSURANCE	-	31,196	31,440	19,216	45,840	14,400	45.8%
11-5129414-2 DENTAL INSURANCE	-	2,976	3,216	2,026	3,576	360	11.2%
11-5132414-2 LONG TERM DISABILITY	-	756	643	585	924	281	43.7%
11-5801414-2 CERTIFICATIONS	-	283	1,250	752	1,350	100	8.0%
11-5500414-2 CONTRACTS	-	9,096	51,750	26,255	87,600	35,850	69.3%
11-5350414-2 MEMBERSHIPS	-	4,828	3,100	2,550	3,100	-	-
11-5450414-2 SUPPLIES	665	25,091	52,000	33,290	45,806	(6,194)	-11.9%
11-5950414-2 OTHER EXPENSES	-	611	10,000	-	10,000	-	-
11-5420414-2 PERMITS AND FEES	-	5,902	9,700	6,014	11,200	1,500	15.5%
11-5700414-2 REPAIRS AND MAINTENANCE	-	11,443	25,000	17,710	20,000	(5,000)	-20.0%
11-5750414-2 RESEARCH AND MONITORING	55,941	54,698	100,000	76,479	97,000	(3,000)	-3.0%
11-5720414-2 TOOLS AND EQUIPMENT	-	4,020	8,000	460	8,000	-	-
11-5152414-2 UNIFORM SERVICES	-	2,650	4,050	3,995	5,400	1,350	33.3%
11-5800414-2 CONFERENCES AND MEETINGS	-	2,937	4,500	2,736	6,000	1,500	33.3%
Total Expenses	\$56,607	\$414,620	\$606,834	\$483,562	\$689,928	\$83,094	13.7%

ENVIRONMENTAL COMPLIANCE SERVICES

BUDGET DETAIL

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5030414-2 SALARIES AND WAGES		\$ 252,612	\$ 289,422	\$ 36,810
11-5060414-2 BONUS, AWARDS, AND		600	750	150
11-5080414-2 CALLOUT		-	-	-
11-5070414-2 OVERTIME		3,300	2,500	(800)
11-5090414-2 STANDBY PAY		-	-	-
11-0000414-2 TOTAL FRINGE BENEFITS		80,972	101,800	20,828
Subtotal		\$ 337,484	\$ 394,472	\$ 56,988
11-5801414-2 CERTIFICATIONS				
	California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)	\$ 800	\$ 800	\$ -
	CWEA Lab Analyst (Supervisor)	100	100	-
	CWEA Lab Analyst (Lab)	100	100	-
	CWEA Lab Analyst (Lab)	-	100	100
	Environmental Compliance Inspector	100	100	-
	State Water Resources Control Board (SWRCB) Wastewater Operator V	150	150	-
Subtotal		\$ 1,250	\$ 1,350	\$ 100

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5500414-2 CONTRACTS				
	National Pollutant Discharge Elimination System (NPDES) Permit Implementation Consulting Services	\$ 37,300	\$ 37,300	\$ -
	Temporary Laboratory Analyst (4month assignment)	-	35,000	35,000
	Lab Information Management System (LIMS) Annual Support	6,000	6,000	-
	Third Party Assessor Authority (TPAA for On-Site Assessment (OSAs)	-	5,000	5,000
	Calibration/Replacement of Class I Scale Weights	1,300	1,300	-
	Hazardous Waste Disposal	5,000	1,000	(4,000)
	Calibration/Certification of Fume Hood	1,000	1,000	-
	Scale Calibration Service (2 Balances)	750	500	(250)
	Calibration of NIST Certified Thermometer	400	500	100
	Subtotal	\$ 51,750	\$ 87,600	\$ 35,850
11-5350414-2 MEMBERSHIPS				
	Coalition of Accredited Laboratories (CAL)	\$ 2,000	\$ 2,000	\$ -
	California Water Environment Association (CWEA) Membership Renewal	600	600	-
	Water Environment Federation	400	400	-
	TNI (NELAC) Association	100	100	-
	Subtotal	\$ 3,100	\$ 3,100	\$ -
11-5450414-2 SUPPLIES				
	Laboratory Chemicals, Reagents, Detergents, Filters, Glassware, Instrument Batteries, Dissolved Oxygen (DO) Probe Modules, Buffers, Storage Solutions, Medias, Quality Controls and Miscellaneous Supplies	\$ 25,000	\$ 18,806	\$ (6,194)
	Field Ammonia Sensors and DO Sensor Probe Replacements	16,900	16,900	-
	Distilled Water for Laboratory	5,000	5,000	-
	Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, etc.	2,000	2,000	-
	Outreach Materials for Distribution for Public Relations Efforts	1,600	1,600	-
	Office supplies (i.e. computer, printer, etc.)	1,500	1,500	-
	Subtotal	\$ 52,000	\$ 45,806	\$ (6,194)

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5950414-2 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
				-
11-5420414-2 PERMITS AND FEES				-
	Environmental Laboratory Certification Program (ELAP) + Onsite Assessment (OSA)	\$ 8,000	\$ 10,000	\$ 2,000
	Quality Assurance Proficiency Testing Required by the Health and Safety Code §100870	1,500	1,000	(500)
	Contingency	200	200	-
	Subtotal	\$ 9,700	\$ 11,200	\$ 1,500
11-5700414-2 REPAIRS AND MAINTENANCE				
	Laboratory Instrument Replacement	\$ 15,000	\$ 10,000	\$ (5,000)
	Contingency for Instrument Repairs and Maintenance	5,000	5,000	-
	Meter and Probe Replacement	5,000	5,000	-
	Subtotal	\$ 25,000	\$ 20,000	\$ (5,000)
11-5750414-2 RESEARCH AND MONITORING				
	Contingency for Two (2) Toxicity Identification Evaluation Ph. I, Ph. II and III Base Line, Estimated Ten (10) Accelerated Monitoring of Bioassays, and Grit/Screening Samples	\$ 35,000	\$ 35,000	\$ -
	Monthly EFF-001C Plant Effluent Testing	15,000	15,000	-
	Biosolids Testing for Sludge 12 Samples	15,000	10,000	(5,000)
	Delivery for Lab Samples (Courier Service)	5,000	10,000	5,000
	Additional Testing - Laboratory Reserve	4,000	10,000	6,000
	Bioassay Monitoring (Nautilus Environmental)	10,000	5,000	(5,000)
	Pretreatment IU Sampling Requirements	6,000	5,000	(1,000)
	California Toxics Rule (CTR) Annually	4,000	5,000	1,000
	Quarterly Testing (RSW-002, EFF-001C, INF)	4,000	2,000	(2,000)
	Additional Testing as Required by Permit Overlimit Regulations	2,000	-	(2,000)
	Subtotal	\$ 100,000	\$ 97,000	\$ (3,000)

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5720414-2 TOOLS AND EQUIPMENT				
	Composite Sampler Supplies	\$ 5,000	\$ 5,000	\$ -
	Sampling Bottles	2,000	2,000	-
	Sampling Equipment Acquisition and Replacement	1,000	1,000	-
	Subtotal	\$ 8,000	\$ 8,000	\$ -
11-5152414-2 UNIFORM SERVICES				
	Uniforms-Four (4) Employees (Cintas)	\$ 3,000	\$ 4,000	\$ 1,000
	Boots-Four (4) Employees	750	1,000	250
	Gloves, Ear Plugs, Safety Items-Four (4) Employees	300	400	100
	Subtotal	\$ 4,050	\$ 5,400	\$ 1,350
11-5800414-2 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 4,500	\$ 6,000	\$ 1,500
	Subtotal	\$ 4,500	\$ 6,000	\$ 1,500
	Total Expenses	\$ 606,834	\$ 689,928	\$ 83,094



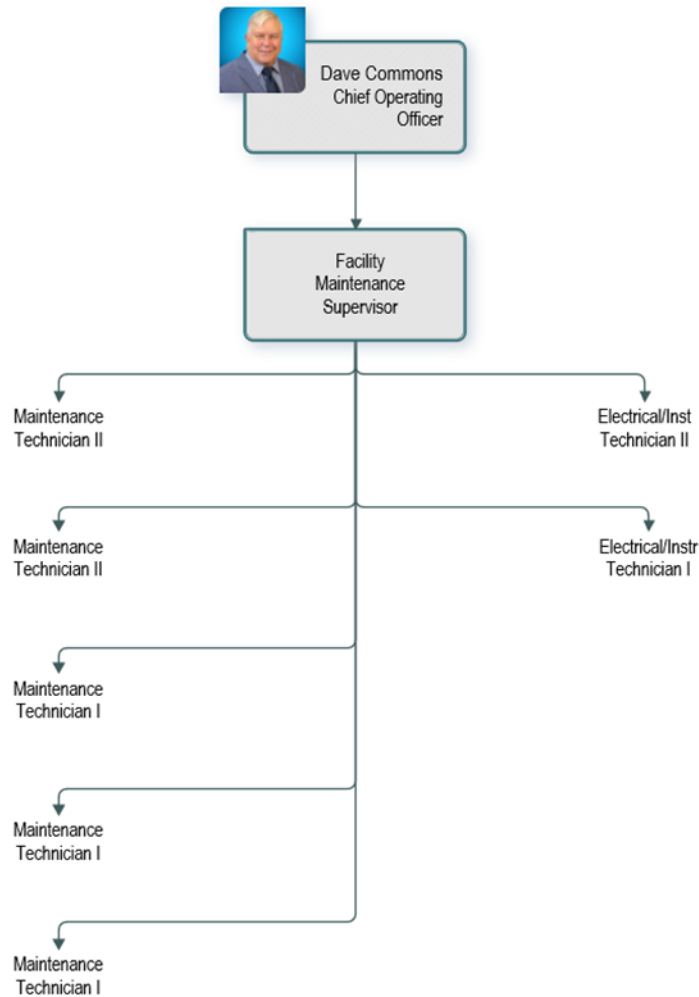
Old Town Indio Murals

"Headworks"



Maintenance **6**

Maintenance



DESCRIPTION

The Maintenance Department is responsible for all mechanical, electrical and instrumentation equipment at the district's main plant and assists with the four (4) lift stations located throughout the District service area. The department performs necessary preventative maintenance on all equipment located throughout the facility including office and plant buildings. The department is also responsible for the maintenance of all fleet and construction equipment such as trucks, tractors, and heavy-duty equipment. The department also installs new equipment including pumps, meters and electrical switchgear. The department works closely with all departments and outside contractors to ensure safety and compliance with all federal, state and local regulatory agencies.

METRICS

		FY22
Maintained	Fleet Vehicles	40
Replaced	Vehicles	2
Replaced	Backhoe	1
New	EV Carts	4
Replaced	Flow Meters	3
Replaced/ Repair	Pumps	4
Replaced/Repair	Motors	5
Completed	Projects	42
Maintained	Buildings	20
Maintained	Assets	1356
Completed	Work orders	520

FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

- The maintenance team started using Lucity, the new asset management program.
- Several team members took and passed CWEA Mechanical & Electrical/ Instrumentation test.
- Staff also trained on utility locations and emergency shutdown procedures.
- Maintenance staff worked with US metals to recycle all retired metal equipment and worked with Desert Arc, recycling cardboard and electronic waste.
- Staff also sold several District vehicle's and replaced them with new more efficient hybrid models.
- The team worked to find a lower cost vendor for drinking and lab water. Staff reduced cost by 40 percent.
- The Maintenance team completed the following projects related to Excellent Facilities,
- The rental and installation of a temporary Maintenance trailer, Beautification projects for the Administration Building and lawn & painting inside of main office.
- The Maintenance team also completed the following work,
- Rebuilding the Plant water pumps, ordering all parts for the rebuilding of the Belt Filter Presses, Diesel and Gas fuel tanks and replacing the Weirs on the Secondary Clarifiers.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- Strategic Goal 1: Fully Staffed, highly trained & motivated team
- Strategic Goal 2: Increase recycling, reuse & sustainability
- Strategic Goal 3: Excellent Facilities

GOALS

- Train Maintenance and Electrical staff on plant processes, location of utilities, staff reports, Board reports, Budget and Excel through online courses.
- Continue to learn and improve the District's Lucity database.
- Have the Maintenance crew work on inputting plant equipment assets in Lucity. Arranging work orders to reduce power consumption by having efficient running equipment.

PERSONNEL SUMMARY

FY23		FY22	FY23	
Physical Count	Classification	Base FTEs	Base FTEs	Variance
0	Electrician/Instrumentation Supervisor	1.00	0.00	(1.00)
1	Electrician/Instrumentation Technician I	1.00	1.00	0.00
1	Electrician/Instrumentation Technician II	0.00	1.00	1.00
1	Facilities Maintenance Supervisor	1.00	1.00	0.00
0	Maintenance Technician-In-Training	1.00	0.00	(1.00)
3	Maintenance Technician I	3.00	3.00	0.00
2	Maintenance Technician II	0.00	2.00	2.00
0	Maintenance Technician III	1.00	0.00	(1.00)
8	Total FTEs	8.00	8.00	0.00

Notes

- Added Electrical/Instrumentation Technician II
- Added two (2) Maintenance Technician II
- Removed Electrical/Instrumentation Supervisor
- Removed Maintenance Technician-In-Training
- Removed Maintenance Technician III

Maintenance

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-5030412-1 SALARIES AND WAGES	\$ -	\$ 554,920	\$ 546,118	\$ 490,715	\$ 615,401	\$ 69,283	12.7%
11-5060412-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,600	1,713	2,000	400	25.0%
11-5080412-1 CALLOUT	-	807	1,000	1,204	1,500	500	50.0%
11-5110412-1 LONGEVITY	-	9,046	9,700	8,723	9,700	-	-
11-5070412-1 OVERTIME	-	4,125	5,000	2,232	5,000	-	-
11-5090412-1 STANDBY PAY	-	3,316	3,820	4,322	2,473	(1,347)	-35.3%
11-5116412-1 FICA AND MEDICARE	-	49,305	50,699	38,461	57,247	6,548	12.9%
11-5112412-1 RETIREMENT CONTRIBUTIONS	-	55,964	68,574	42,950	52,577	(15,997)	-23.3%
11-5128412-1 VISION INSURANCE	-	-	2,292	1,684	2,100	(192)	-8.4%
11-5122412-1 WORKERS COMPENSATION	-	12,692	-	-	-	-	-
11-5124412-1 LIFE INSURANCE	-	1,240	2,124	1,262	1,380	(744)	-35.0%
11-5126412-1 HEALTH INSURANCE	-	107,903	128,712	124,139	144,797	16,085	12.5%
11-5129412-1 DENTAL INSURANCE	-	9,330	10,092	8,234	11,232	1,140	11.3%
11-5132412-1 LONG TERM DISABILITY	-	1,691	1,764	1,704	1,860	96	5.4%
11-5801412-1 CERTIFICATIONS	-	960	4,830	-	4,960	130	2.7%
11-5500412-1 CONTRACTS	-	105,911	215,281	144,451	180,520	(34,761)	-16.1%
11-5350412-1 MEMBERSHIPS	-	1,327	2,635	1,703	2,900	265	10.1%
11-5450412-1 SUPPLIES	-	36,937	59,240	41,499	63,000	3,760	6.3%
11-5950412-1 OTHER EXPENSES	-	9,665	10,000	1,944	10,000	-	-
11-5420412-1 PERMITS AND FEES	-	2,103	2,800	-	2,100	(700)	-25.0%
11-5700412-1 REPAIRS AND MAINTENANCE	-	345,680	321,120	261,046	392,762	71,642	22.3%
11-5720412-1 TOOLS AND EQUIPMENT	-	10,155	25,000	18,827	32,300	7,300	29.2%
11-5152412-1 UNIFORM SERVICES	-	6,524	14,620	8,005	14,620	-	-
11-5650412-1 COVID-19 SUPPLIES	-	-	34,000	4,426	15,759	(18,241)	-53.7%
11-5800412-1 CONFERENCES AND MEETINGS	-	6,074	41,000	7,491	16,000	(25,000)	-61.0%
Total Expenses	\$ -	\$ 1,335,676	\$ 1,562,021	\$ 1,216,736	\$ 1,642,188	\$ 80,167	5.1%

Maintenance

MAINTENANCE BUDGET DETAIL

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5030412-1 SALARIES AND WAGES	\$ 546,118	\$ 615,401	\$ 69,283
11-5060412-1 BONUS, AWARDS, AND RECERTIFICATION	1,600	2,000	400
11-5080412-1 CALLOUT	1,000	1,500	500
11-5070412-1 OVERTIME	5,000	5,000	-
11-5090412-1 STANDBY PAY	3,820	2,473	(1,347)
11-0000412-1 TOTAL FRINGE BENEFITS	273,957	280,893	6,936
Subtotal	\$ 831,495	\$ 907,267	\$ 75,772
11-5801412-1 CERTIFICATIONS			
California Water Environment Association (CWEA) Allowance For Advancement (Certification Testing)	\$ 3,200	\$ 2,520	\$ (680)
CWEA Maintenance Technician I (7)	360	840	480
CWEA Electrical/Instrumentation Technician (4)	120	480	360
AWWA/Ca AWWA	120	400	280
State Water Resource Control Board (SWRCB) Operator III	300	300	-
SWRCB Operator T3	170	190	20
CWEA Electrical Instrumentation Supervisor	150	150	-
SWRCB Operator D2	170	80	(90)
CWEA Collection System Technician I (1)	120	-	(120)
CWEA Maintenance Technician III (1)	120	-	(120)
Subtotal	\$ 4,830	\$ 4,960	\$ 130

Maintenance

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5500412-1 CONTRACTS			
Janitorial And Landscaping Services (Desert Arc)	\$ 60,000	\$ 65,000	\$ 5,000
Central Square EAM Asset Management Lucity	17,500	30,000	12,500
Boiler Maintenance Service Contract	14,000	14,000	-
Trailer Rental	25,000	10,000	(15,000)
Tree Trimming and Spraying	15,000	10,000	(5,000)
Annual Fire Suppression Service for Sodium Hypochlorite Facility	8,000	8,000	-
Geotab Electronic Logs Vehicles	-	8,000	8,000
Offsite Restroom Rental Diamond Environmental	6,000	6,600	600
Building Alarm Monitoring (Alliance)	5,000	5,500	500
Parts, Washer Service, Light Bulb Disposal and Batteries (Safety Kleen)	5,000	5,000	-
Annual AQMD Test (Western Pump)	3,500	3,500	-
Annual Fire Extinguisher Service	2,800	3,080	280
Pest Control Service for Building and Facilities (Rudy's)	4,000	3,000	(1,000)
Gantry Crane Service, Kono Crane	2,500	2,500	-
Fire Alarm Monitoring (Pyro Comm)	1,750	2,000	250
Used Oil Filter Disposal (Safety Kleen)	1,050	2,000	950
Miscellaneous Contractual Services	1,000	1,100	100
Fuel Station monitoring	-	800	800
Recycling (Desert Arc)	400	440	40
COVID-19 Cubicle Rentals ABM	35,781	-	(35,781)
My Safety Officer, Arc Flash & Confined Space Training	7,000	-	(7,000)
Subtotal	\$ 215,281	\$ 180,520	\$ (34,761)
11-5350412-1 MEMBERSHIPS			
California Water Environment Association (CWEA) Membership Renewal	\$ 1,760	\$ 1,937	\$ 177
National Fire Protection Association (NFPA)	475	523	48
Water Environmental Federation (WEF)	400	440	40
Subtotal	\$ 2,635	\$ 2,900	\$ 265

Maintenance

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5450412-1 SUPPLIES			
Mats, Shop Towels, Etc. (Cintas)	\$ 20,240	\$ 22,500	\$ 2,260
Landscaping Supplies	12,500	12,500	-
Drinking Water Service	12,000	12,000	-
55-Gallon Cleaning Concentrates, Cleaning Supplies, Paper Towels, Toilet Paper, Cups, Soap, and Cleaners	7,000	8,500	1,500
First Aid	5,000	5,000	-
Miscellaneous Supplies	2,500	2,500	-
Subtotal	\$ 59,240	\$ 63,000	\$ 3,760
11-5950412-1 OTHER EXPENSES			
Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
Subtotal	\$ 10,000	\$ 10,000	\$ -
11-5420412-1 PERMITS AND FEES			
Fire Department (Fuel Tank Permit)	\$ 2,800	\$ 2,100	\$ (700)
Subtotal	\$ 2,800	\$ 2,100	\$ (700)
11-5700412-1 REPAIRS AND MAINTENANCE			
Routine Miscellaneous Repairs and Maintenance Contingency	\$ 83,600	\$ 93,500	\$ 9,900
Boiler Maintenance	30,000	30,000	-
Plant structure painting	-	30,000	30,000
General Facility Maintenance	27,000	27,000	-
Rebuild Two (2) Primary Sludge Pumps	25,000	25,000	-
Equipment Rentals	25,000	25,000	-
Flare Parts	20,000	20,000	-
Asphalt, concrete and rubble removal	-	20,000	20,000
Belt Press Building Maintenance Parts	15,000	15,000	-
Service Generators 2,3 & 4	15,000	15,000	-
Dredge Panel and Spare Parts	14,000	14,000	-
Vehicle Repairs and Smog Checks	8,000	8,800	800
90 Day Bit Inspections	4,000	8,000	4,000
Clean District Flooring	7,000	7,700	700
Turblex Blower Parts	7,000	7,700	700
Cat Tractor and Dump Truck Repairs	5,000	5,500	500
Fleet Vehicle Operating Supplies	5,000	5,500	500
Gas Detectors for Confined Space Entry	5,000	5,500	500
Aerator Maintenance	5,000	5,000	-
Safety Equipment for Confined Space Entry	4,100	4,100	-
Arc Flash Safety Equipment	2,750	3,025	275
Irrigation Repairs and Maintenance	3,000	3,000	-
Road Base for All Dirt Roads Around Treatment Plant	3,000	3,000	-
District camera replacement	-	3,000	3,000
Replacement of Facilities Equipment	2,500	2,750	250
Hose Replacement	2,100	2,310	210
Replace Hose Reel Swivels	1,900	2,090	190
Gallery Sump Pump Replacements	1,170	1,287	117
Subtotal	\$ 321,120	\$ 392,762	\$ 71,642

Maintenance

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5720412-1 TOOLS AND EQUIPMENT				
	Safety Table Saw and Fabrication Tooling	\$ 12,500	\$ 18,550	\$ 6,050
	Miscellaneous Small Tool Acquisition and Replacement	12,500	13,750	1,250
	Subtotal	\$ 25,000	\$ 32,300	\$ 7,300
11-5152412-1 UNIFORM SERVICES				
	Uniforms Eight (8) Employees (Cintas)	\$ 7,820	\$ 7,820	\$ -
	VSD Uniform UV Exposure PPE	4,000	4,000	-
	Boots Eight (8) Employees	2,000	2,000	-
	Gloves Eight (8) Employees	800	800	-
	Subtotal	\$ 14,620	\$ 14,620	\$ -
11-5650412-1 COVID-19 SUPPLIES				
	Personal Protective Equipment (PPE)	\$ 14,000	\$ 10,000	\$ (4,000)
	COVID-19 Compliance Expenditures	20,000	5,759	(14,241)
	Subtotal	\$ 34,000	\$ 15,759	\$ (18,241)
11-5800412-1 CONFERENCES AND MEETINGS				
	Allowance for Eight (8) Employees	\$ 16,000	\$ 16,000	\$ -
	Safety Training	25,000	-	(25,000)
	Subtotal	\$ 41,000	\$ 16,000	\$ (25,000)
	Total Expenses	\$ 1,562,021	\$ 1,642,188	\$ 80,167



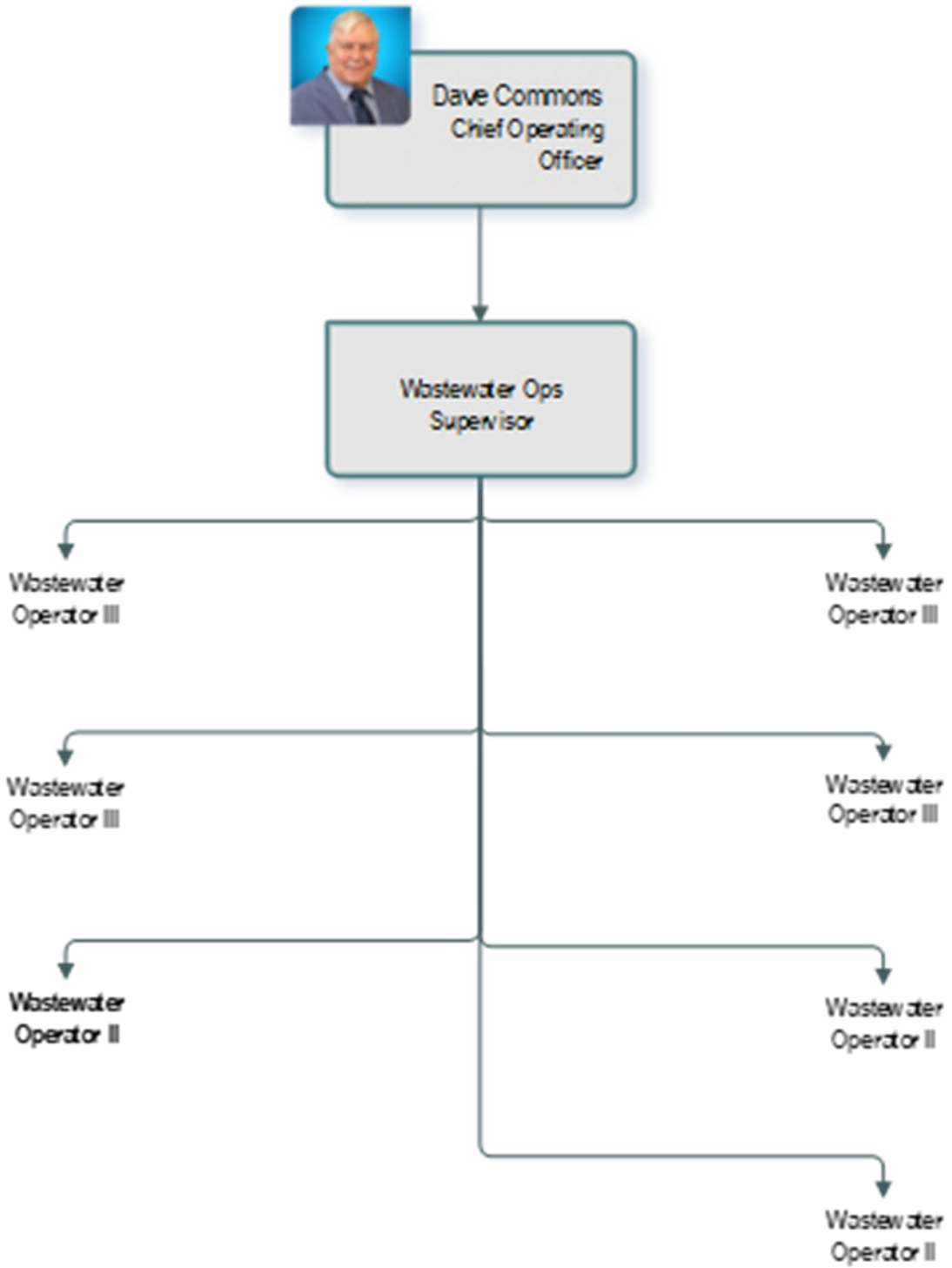
Ferric Chloride Tank



*"Treatment
Plant"*

Operations **7**

Operations



DESCRIPTION

Valley Sanitary District operates its own Water Reclamation Facility to treat wastewater within its 19.5 square mile service area. The District complies with all local, state, and federal regulations and endeavors to develop and maintain a sustainable environmental process to safeguard public health and safety.

The Water Reclamation Facility treats approximately 5.5 – 6.5 million gallons per day (MGD) of wastewater. The wastewater is treated through one of two individual treatment processes:

- Activated Sludge Process
- Oxidation Ponds

The activated sludge process treats most of the wastewater that enters the Water Reclamation Facility which is currently 5.5 - 6.5 million gallons each day. The activated sludge process currently has a maximum treatment capacity of 10 million gallons per day.

The oxidation ponds receive all waste solids and approximately 0.5 million gallons of wastewater each day. The maximum treatment capacity of the oxidation ponds is 2.5 million gallons per day.

The two treatment processes combined give the Water Reclamation Facility a total treatment capacity of 12.5 million gallons per day. The treated wastewater is discharged into the whitewater storm channel and becomes a source of freshwater replenishment to the Salton Sea.

METRICS

Biosolids Transport Summary (Metric Tons)

Month	CY2020	CY2021
Jan		89
Feb		88
Mar		112
Apr		95
May		90
Jun		108
Jul		90
Aug	16	90
Sept	102	119
Oct	98	92
Nov	69	95
Dec	66	65
Total	350	1,135

Chemical Use By Calendar Year Sodium Bisulfite (Gallons)

Month	CY19	CY20	CY21
Jan	5,919	6,428	5,306
Feb	5,458	5,129	4,856
Mar	6,315	5,767	5,531
Apr	5,806	4,912	4,575
May	5,076	4,019	4,717
Jun	5,540	4,948	4,360
Jul	6,336	5,739	5,558
Aug	6,697	4,261	5,795
Sep	5,328	5,213	5,521
Oct	4,655	5,528	6,031
Nov	5,353	4,930	5,786
Dec	5,771	5,622	5,502
Total	68,254	62,496	63,538

Chemical Use By Calendar Year Sodium Hypochlorite (Gallons)

Month	CY19	CY20	CY21
Jan	8,914	7,130	10,916
Feb	8,339	8,231	9,507
Mar	7,901	9,322	16,640
Apr	8,008	13,479	13,405
May	11,517	16,278	11,872
Jun	11,301	16,792	14,613
Jul	14,328	13,383	11,564
Aug	10,619	15,777	13,488
Sep	13,813	13,172	14,561
Oct	11,646	9,604	9,459
Nov	11,780	14,078	10,838
Dec	9,564	11,146	12,799
Total	127,730	148,392	149,662

FISCAL YEAR 2021/2022 ACCOMPLISHMENTS

Retired the North Cell.

Piloted an ammonia study to determine if 3.0 P.P.M could be achieved.

Completed aeration basin #4 pilot study.

No longer discharging from ponds.

Installed scale for biosolids.

FISCAL YEAR 2022-2023 GOALS

STRATEGIC PLAN

- Strategic Goal 1: Fully Staffed with a Highly Trained and Motivated Team

GOALS

- Strive for 100% compliance of the National Pollutant Discharge Elimination System (NPDES) permit effluent requirements.
- Continue to develop operator skills and knowledge through education, training, experience, and certification advancement.
- Continue staff involvement with the Water Reclamation Facility upgrades.

PERSONNEL SUMMARY

FY23 Physical Count	Classification	FY22 Base FTEs	FY23 Base FTEs	Variance
1	Chief Operating Officer	0.00	1.00	1.00
0	Facility Operation Manager	1.00	0.00	(1.00)
0	Wastewater Operator-In-Training	3.00	0.00	(3.00)
0	Wastewater Operator I	1.00	0.00	(1.00)
3	Wastewater Operator II	1.00	3.00	2.00
4	Wastewater Operator III	2.00	4.00	2.00
1	Wastewater Operations Supervisor	1.00	1.00	0.00
9	Total FTEs	9.00	9.00	0.00

Operations

EXPENSE BUDGET SUMMARY

General Ledger Code	FY20 Actual	FY21 Actual	FY22 Budget	FY22 Projected	FY23 Budget	Budget Change	Percent Change
11-7010000-0 DEPRECIATION & AMORTIZATION	\$ 1,863,315	\$ -	\$ -	\$ -	\$ -	\$ -	-
11-5030411-1 SALARIES AND WAGES	852,318	785,754	737,785	692,890	858,046	120,261	16.3%
11-5060411-1 BONUS, AWARDS, AND RECERTIFICATION	-	-	1,800	2,077	2,250	450	25.0%
11-5080411-1 CALLOUT	9,008	3,278	6,000	2,886	6,500	500	8.3%
11-5110411-1 LONGEVITY	15,416	14,862	16,900	14,262	15,800	(1,100)	-6.5%
11-5070411-1 OVERTIME	18,839	13,491	18,000	13,432	18,000	-	-
11-5090411-1 STANDBY PAY	18,225	15,077	15,270	15,048	18,135	2,865	18.8%
11-5116411-1 FICA AND MEDICARE	66,323	60,173	63,660	58,906	82,686	19,026	29.9%
11-5112411-1 RETIREMENT CONTRIBUTIONS	259,990	376,559	89,387	76,156	89,785	398	0.4%
11-5128411-1 VISION INSURANCE	-	-	2,712	1,628	1,704	(1,008)	-37.2%
11-5122411-1 WORKERS' COMPENSATION	21,850	16,494	-	-	-	-	-
11-5124411-1 LIFE INSURANCE	1,499	1,482	1,680	1,641	1,584	(96)	-5.7%
11-5126411-1 HEALTH INSURANCE	109,640	84,942	114,789	125,869	146,475	31,686	27.6%
11-5129411-1 DENTAL INSURANCE	5,597	6,787	7,620	8,020	8,532	912	12.0%
11-5132411-1 LONG TERM DISABILITY	3,282	2,165	2,468	2,464	2,484	16	0.6%
11-5801411-1 CERTIFICATIONS	758	471	7,185	2,597	8,780	1,595	22.2%
11-5470411-1 CHEMICALS	385,206	407,342	464,521	424,324	529,620	65,099	14.0%
11-5500411-1 CONTRACTS	107,663	131,868	301,723	136,562	370,122	68,399	22.7%
11-5250411-1 GAS OIL AND FUEL	29,179	34,094	52,000	43,782	58,000	6,000	11.5%
11-5350411-1 MEMBERSHIPS	3,112	1,152	2,500	977	2,900	400	16.0%
11-5450411-1 SUPPLIES	81,778	115,608	113,600	79,745	122,500	8,900	7.8%
11-5950411-1 OTHER EXPENSES	5,677	28,692	20,000	9,574	20,000	-	-
11-5420411-1 PERMITS AND FEES	61,912	14,650	69,750	6,521	77,025	7,275	10.4%
11-5700411-1 REPAIRS AND MAINTENANCE	58,759	78,498	115,015	45,508	64,000	(51,015)	-44.4%
11-5720411-1 TOOLS AND EQUIPMENT	236	273	1,000	1,342	1,000	-	-
11-5152411-1 UNIFORM SERVICES	9,368	7,512	10,400	9,832	15,200	4,800	46.2%
11-5902411-1 ELECTRICITY	557,553	591,519	783,988	742,914	720,000	(63,988)	-8.2%
11-5903411-1 NATURAL GAS	2,926	3,886	6,000	5,237	7,000	1,000	16.7%
11-5904411-1 GRIT AND SCREENING REMOVAL	30,681	28,502	31,865	26,821	40,000	8,135	25.5%
11-5905411-1 WATER	13,427	12,846	20,858	19,469	20,000	(858)	-4.1%
11-5800411-1 CONFERENCES AND MEETINGS	21,501	7,718	26,500	4,562	18,800	(7,700)	-29.1%
Total Expenses	\$ 4,615,036	\$ 2,845,694	\$ 3,104,976	\$ 2,575,046	\$ 3,326,928	\$ 221,952	7.1%

OPERATIONS BUDGET DETAIL

General Ledger Code	FY22 Budget	FY23 Budget	Variance
11-5030411-1 SALARIES AND WAGES	\$ 737,785	\$ 858,046	\$ 120,261
11-5060411-1 BONUS, AWARDS, AND RECERTIFICATION	1,800	2,250	450
11-5080411-1 CALLOUT	6,000	6,500	500
11-5070411-1 OVERTIME	18,000	18,000	-
11-5090411-1 STANDBY PAY	15,270	18,135	2,865
11-0000411-1 TOTAL FRINGE BENEFITS	299,216	349,050	49,834
Subtotal	\$ 1,078,071	\$ 1,251,981	\$ 173,910
11-5801411-1 CERTIFICATIONS			
Allowance for Advancement (Certification Testing)	\$ 2,515	\$ 2,800	\$ 285
State Water Resource Control Board (SWRCB) Certification Application	1,920	2,200	280
California Water Environment Association (CWEA) Technical Certification (Test)	1,800	2,000	200
SWRCB Operator III (Renewal)	300	600	300
CWEA Technical Certification (Renewal)	500	500	-
SWRCB Operator II (Renewal)	150	450	300
SWRCB Operator V (Renewal)	-	110	110
Distribution II		60	60
Treatment II	-	60	60
Subtotal	\$ 7,185	\$ 8,780	\$ 1,595
11-5470411-1 CHEMICALS			
Sodium Hypochlorite (Univar)	\$ 279,217	\$ 307,200	\$ 27,983
Sodium Bisulfite (Univar)	114,231	126,000	11,769
Ferric Chloride (Univar)	66,073	90,920	24,847
Calcium Hypochlorite (Foster Gardner)	5,000	5,500	500
Subtotal	\$ 464,521	\$ 529,620	\$ 65,099

Operations

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5500411-1 CONTRACTS				
	Sludge Disposal And Transportation	\$ 90,000	\$ 200,000	\$ 110,000
	Trimax Treatment Plant Upgrades for SCADA System	45,000	45,000	-
	Temporary Help Service	36,000	36,000	-
	Piping and Instrumentation Diagram Drawing Updates	32,000	35,500	3,500
	Contractor Contingency	50,000	21,122	(28,878)
	IT Upgrades	15,000	16,500	1,500
	Switchboard "S" Cleaning and Testing	10,000	10,000	-
	MCR Technologies - Annual Calibrations	5,000	6,000	1,000
	Cell Phones-Five (5) Employees (Verizon Wireless)	3,750	-	(3,750)
	Trimax PLC Upgrades	14,973	-	(14,973)
	Subtotal	\$ 301,723	\$ 370,122	\$ 68,399
11-5250411-1 GAS OIL AND FUEL				
	Gas and Oil for District Vehicles (SC Fuels)	\$ 52,000	\$ 58,000	\$ 6,000
	Subtotal	\$ 52,000	\$ 58,000	\$ 6,000
11-5350411-1 MEMBERSHIPS				
	California Water Environment Association (CWEA) Membership Renewal	\$ 2,100	\$ 2,100	\$ -
	Water Environment Federation	400	800	400
	Subtotal	\$ 2,500	\$ 2,900	\$ 400
11-5450411-1 SUPPLIES				
	Polymer for Belt Press 18 Totes at \$3,700 per Tote (Polydyne)	\$ 66,600	\$ 74,000	\$ 7,400
	Miscellaneous Operating Supplies Including Reagents for Chlorination and Dichlorination Analyzers	20,000	20,000	-
	Four (4) Belts for Belt Press at \$3,750 per Belt	15,000	16,500	1,500
	Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, Etc.	7,000	7,000	-
	Lock Out/Tag Out Supplies	3,000	3,000	-
	Student Materials for Distribution for Public Relations Efforts	2,000	2,000	-
	Subtotal	\$ 113,600	\$ 122,500	\$ 8,900

Operations

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5950411-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 20,000	\$ 20,000	\$ -
	Subtotal	\$ 20,000	\$ 20,000	\$ -
11-5420411-1 PERMITS AND FEES				
	Annual NPDES Permit Fee (SWRCB)	\$ 47,000	\$ 52,000	\$ 5,000
	South Coast Air Quality Management District (SCAQMD) Facility Permits	15,500	17,000	1,500
	Dept of Environmental Health	3,500	3,900	400
	Fire Service Permit (City of Indio)	2,000	2,200	200
	Alarm System Permit (City of Indio)	500	550	50
	Occupational Lead Poisoning Prevention/Toxic Substance	500	550	50
	Miscellaneous	500	550	50
	Hot Spot Program (SCAQMD)	250	275	25
	Subtotal	\$ 69,750	\$ 77,025	\$ 7,275
11-5700411-1 REPAIRS AND MAINTENANCE				
	Contingency	\$ 35,000	\$ 35,000	\$ -
	Iron Sponge Media and Nets	18,500	21,000	2,500
	Analyzer Parts	7,500	8,000	500
	MCC A and F Breaker Upgrades	15,000	-	(15,000)
	MCC-Power Meters	12,000	-	(12,000)
	Activated Sludge Plant Flow Meters	7,515	-	(7,515)
	Flare Parts	7,500	-	(7,500)
	Clarifier Density Meter	4,800	-	(4,800)
	Mag-Flow Meter for the Belt Press	4,700	-	(4,700)
	Bar Screen Panel Upgrades	2,500	-	(2,500)
	Subtotal	\$ 115,015	\$ 64,000	\$ (51,015)
11-5720411-1 TOOLS AND EQUIPMENT				
	Miscellaneous Small Tool Acquisition and Replacement	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -

Operations

General Ledger Code		FY22 Budget	FY23 Budget	Variance
11-5152411-1 UNIFORM SERVICES				
	Uniforms Nine (9) Employees	\$ 6,500	\$ 7,000	\$ 500
	Boots Nine (9) Employees	3,000	3,200	200
	Hats	-	4,000	4,000
	Gloves, Ear Plugs, Safety Items Nine (9) Employees	900	1,000	100
	Subtotal	\$ 10,400	\$ 15,200	\$ 4,800
11-5902411-1 ELECTRICITY				
	Imperial Irrigation District (IID)	\$ 644,521	\$ 580,533	\$ (63,988)
	Tesla PPA	139,467	139,467	-
	Subtotal	\$ 783,988	\$ 720,000	\$ (63,988)
11-5903411-1 NATURAL GAS				
	Natural Gas Usage for the Administration, Laboratory, Operations Buildings and Digester Boiler (SoCalGas)	\$ 6,000	\$ 7,000	\$ 1,000
	Subtotal	\$ 6,000	\$ 7,000	\$ 1,000
11-5904411-1 GRIT AND SCREENING REMOVAL				
	Screenings and Grit Hauling to Lambs Canyon, California (Burrtec)	\$ 31,865	\$ 40,000	\$ 8,135
	Subtotal	\$ 31,865	\$ 40,000	\$ 8,135
11-5905411-1 WATER				
	Potable Water (Indio Water Authority)	\$ 20,858	\$ 20,000	\$ (858)
	Subtotal	\$ 20,858	\$ 20,000	\$ (858)
11-5800411-1 CONFERENCES AND MEETINGS				
	Conferences, Training Seminars, Lodging and Related Expenses	\$ 13,500	\$ 14,900	\$ 1,400
	National Fire Protection Agency (NFPA) and NEC Training	3,500	3,900	400
	Safety Training	9,500	-	(9,500)
	Subtotal	\$ 26,500	\$ 18,800	\$ (7,700)
	Total Expenses	\$ 3,104,976	\$ 3,326,928	\$ 221,952

*"New Training
and
Office Buidling"*



Capital Budget

8

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) is a separate twenty-year planning document that details planned capital expenditures. The capital projects include rehabilitation and replacement of infrastructure and equipment, as well as large construction projects including Recycled Water Project Phase 1 Design-Build, Office and Training Building, and Sewer Main Rehabilitation or Replacement Construction. The CIP aligns capital projects to various funding sources and the projected timeframe of when the work will take place. For some of the larger projects that require financing the financial impact can span over twenty to thirty years.

PRIORITIZATION OF CAPITAL IMPROVEMENT PROJECTS

The District has developed a capital planning process that optimizes the use of available resources for projects competing from the same fund or multiple fund sources. The department heads or designees develop a needs list including a scope of work and submit the information to the District Engineer. The District Engineer develops capital projects based on the needs list. The District's management team then reviews and scores each project using a capital project ranking scorecard that prioritizes projects based on specific criteria and scoring weights.

CRITERIA

- Risk to Health, Safety, and Environment, and Regulatory or Mandated Requirements 25%
- Asset Condition, Annual Recurring Costs, and Asset Longevity 20%
- Community Investment and Economic Prosperity 20%
- Level and Quality of Service 10%
- Sustainability and Conservation 10%
- Funding Availability 5%
- Project Readiness 10%

Once the projects are scored the District Engineer implements the projects into the twenty-year capital improvement program for the Board of Directors to review and approve.

CIP BUDGET OVERVIEW

The capital budget incorporates key projects to further advance the District’s Capital Improvement Program (CIP). There are 18 capital projects requested in the fiscal year 2022/23 at a total of \$33,195,663. The capital budget for the fiscal year 2022/23 includes the Recycled Water Project Phase I, the Influent Pump Station Rehabilitation project, and the Collection System Sewer Main Rehabilitation and Replacement Program. These projects are intended to maintain, repair, and expand infrastructure.

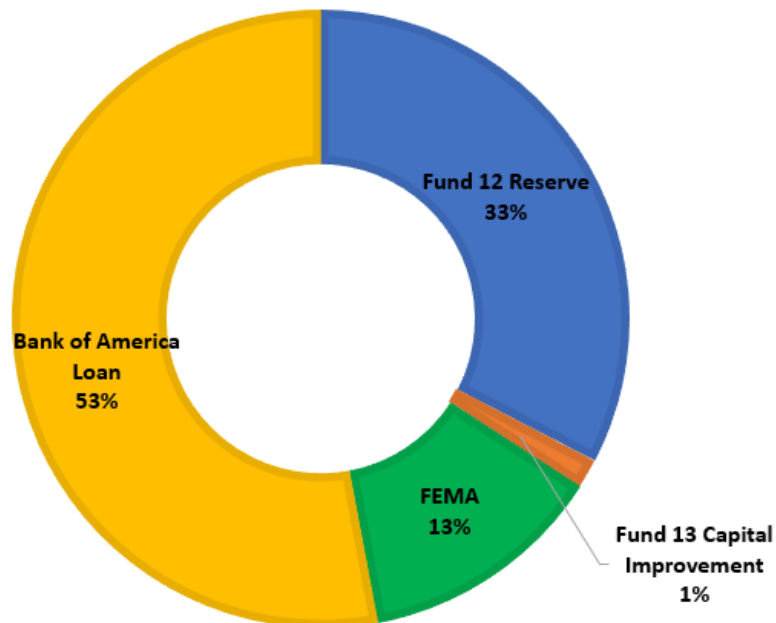
System	Recurring Project	Project Number	Project	Fund 12	Fund 13	FEMA	B of A Loan	Total
Plant Facility	✓	21-0001	Vehicle and Equipment Replacement Fund	\$ 760,000	\$ -	\$ -	\$ -	\$ 760,000
Sewage Collection	✓	21-0002	Lateral Grant Program	50,000	-	-	-	50,000
Sewage Collection	✓	21-0003	Sewer Emergency Repairs	115,000	-	-	-	115,000
Sewage Collection	✓	21-0004	Contingency for Emergency Repairs	100,000	-	-	-	100,000
Sewage Collection		21-0005	Sewer Main Rehabilitation or Replacement Design	1,228,340	-	-	-	1,228,340
Sewage Collection		21-0006	Sewer Main Rehabilitation or Replacement Const.	3,666,667	-	-	-	3,666,667
Plant Facility		21-0007	Recycled Water Project Phase 1	-	-	-	17,763,656	17,763,656
Sewage Collection		21-0008	Emergency Sewer Siphon Replacement Design/CM	95,700	-	542,300	-	638,000
Sewage Collection		21-0009	Emergency Sewer Siphon Replacement Const.	669,600	-	3,794,400	-	4,464,000
Plant Facility		21-0010	Influent Pump Station Rehabilitation Project	3,300,000	-	-	-	3,300,000
Plant Facility		21-0013	Laboratory Information Management System (LIMS)	-	70,000	-	-	70,000
Plant Facility		23-0001	Asphalt Repairs Treatment Plant	50,000	-	-	-	50,000
Plant Facility		23-0002	Concrete Repairs to ASP Plant	50,000	-	-	-	50,000
Plant Facility		23-0003	Electrical Control Panel Replacements Blower Building	120,000	-	-	-	120,000
Plant Facility		23-0004	New Office Building for Belt Filter Press	-	20,000	-	-	20,000
Plant Facility		23-0005	Trimax PLC Upgrades SCADA	-	120,000	-	-	120,000
Plant Facility		23-0006	Water Reclamation Facility Master Plan	300,000	300,000	-	-	600,000
Plant Facility		23-0007	12.5 Ton Air Conditioner, Blower Building	30,000	-	-	-	30,000
Plant Facility		23-0008	Steel Waterline Replacement Phase 2	350,000	-	-	-	350,000
Sewage Collection		23-0009	Replacement of Calhoun Lift Station Pumps (2)	50,000	-	-	-	50,000
Total				\$ 10,935,307	\$ 510,000	\$ 4,336,700	\$ 17,763,656	\$ 33,545,663

FUNDING SUMMARY

Funding for the planned capital improvement projects is provided through four (4) funding sources. Most of the funding approximately 53.5% or \$17.8M will come from issued debt issued through Bank of America for the Recycled Water Project Phase 1 Design-Build. The District will also use Federal Emergency Management Agency (FEMA) funding of 13.1% or \$4.3M for the Emergency Sewer Siphon Replacement Design and Construction. All other projects will be funded using the District’s Capital Improvement Fund 13 and Replacement Fund 12.

Funding Source	FY23 Budget
Fund 12 Reserve	\$ 10,935,307
Fund 13 Capital Improvement	510,000
FEMA	4,336,700
Bank of America Loan	17,763,656
Total Funds Requested	\$ 33,545,663

CAPITAL FUNDING SUMMARY BY SOURCE



TWENTY YEAR CAPITAL IMPROVEMENT PROGRAM

The following table lists all capital projects included in the fiscal year 2022-2042 CIP by system.

Project Description	2021/22	2022/23	2023/24	2024/25	2025/26
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ 8,007,676	\$ 17,763,656	\$ 32,214,017	\$ 11,954,246	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	4,952,347	20,403,670
Recycled Water Project Phase 3 Design	-	-	-	-	10,456,564
Recycled Water Project Phase 3 Construction	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Influent Pump Station Rehabilitation Design Build	1,000,000	3,300,000	-	-	-
New Office Building for Belt Filter Press	-	20,000	-	-	-
Laboratory Building - Final Design	-	-	1,000,000	-	-
Laboratory Building - Construction	-	-	-	4,000,000	3,000,000
Training & Office Building - Design (Carry Over)	-	-	1,000,000	-	-
Training & Office Building - Construction	-	-	-	5,000,000	4,000,000
Master Plan	-	600,000	-	-	-
Steel Waterline Replacement	-	350,000	-	-	-
12.5 Ton Air conditioner, Blower Building	-	30,000	-	-	-
Electrical Control Panel Replacements Blower Building	-	120,000	-	-	-
Vehicle & Major Equipment Replacement Fund	740,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	70,000	-	-	-
Treatment Plant Asphalt Repair	-	50,000	-	-	-
ASP Concrete Repair	-	50,000	-	-	-
Additional Parking & Landscaping	-	-	-	500,000	-
SCADA	-	120,000	-	-	-
SUBTOTAL - PLANT	\$ 9,747,676	\$ 23,233,656	\$ 34,974,017	\$ 27,166,593	\$ 38,620,234
SEWAGE COLLECTION					
Lateral Grant Program	\$ 50,000	\$ 50,000	\$ 51,000	\$ 52,020	\$ 53,060
Sewer Main Rehabilitation or Replacement Design	700,000	1,228,340	1,468,000	1,191,667	1,272,570
Sewer Main Rehabilitation or Replacement Const.	2,200,000	3,666,667	5,433,333	6,250,000	5,973,890
Manhole Rehabilitation	-	-	-	-	-
Replacement of Calhoun Lift Station Pumps (2)	-	50,000	-	-	-
Sewer Main Emergency Repairs	115,000	115,000	118,450	122,004	125,664
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Emergency Sewer Siphon Replacement Design	320,258	638,000	-	-	-
Emergency Sewer Siphon Replacement Const.	-	4,464,000	-	-	-
SUBTOTAL - COLLECTIONS	\$ 3,385,258	\$ 10,212,007	\$ 7,070,783	\$ 7,615,691	\$ 7,425,184
CONTINGENCY	\$ 100,000	\$ 100,000	\$ 102,000	\$ 104,040	\$ 106,121
TOTAL	\$ 13,232,934	\$ 33,545,663	\$ 42,146,800	\$ 34,886,324	\$ 46,151,539

Capital Improvement

Project Description	2026/27	2027/28	2028/29	2029/30	2030/31
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	35,005,414	36,055,577	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Influent Pump Station Rehabilitation Design Build	-	-	-	-	-
New Office Building for Belt Filter Press	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Master Plan	-	-	-	-	-
Steel Waterline Replacement					
12.5 Ton Air conditioner, Blower Building	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	760,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	-	-	-	-
Treatment Plant Asphalt Repair	-	-	-	-	-
ASP Concrete Repair	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
SCADA	-	-	-	-	-
SUBTOTAL - PLANT	\$ 35,765,414	\$ 36,815,577	\$ 760,000	\$ 760,000	\$ 760,000
SEWAGE COLLECTION					
Lateral Grant Program	\$ 54,121	\$ 55,203	\$ 56,307	\$ 57,433	\$ 58,582
Sewer Main Rehabilitation or Replacement Design	1,027,430	782,280	537,130	537,130	291,990
Sewer Main Rehabilitation or Replacement Const.	4,989,490	4,005,080	3,020,670	2,036,260	1,051,850
Manhole Rehabilitation	-	-	-	-	-
Replacement of Calhoun Lift Station Pumps (2)	-	-	-	-	-
Sewer Main Emergency Repairs	129,434	133,317	137,317	141,437	145,680
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 6,200,475	\$ 4,975,880	\$ 3,751,424	\$ 2,772,260	\$ 1,548,102
CONTINGENCY					
	\$ 108,243	\$ 110,408	\$ 112,616	\$ 114,868	\$ 117,165
TOTAL	\$ 42,074,132	\$ 41,901,865	\$ 4,624,040	\$ 3,647,128	\$ 2,425,267

Capital Improvement

Project Description	2031/32	2032/33	2033/34	2034/35	2035/36
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Influent Pump Station Rehabilitation Design Build	-	-	-	-	-
New Office Building for Belt Filter Press	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Master Plan	-	-	-	-	-
Steel Waterline Replacement					
12.5 Ton Air conditioner, Blower Building	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	760,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	-	-	-	-
Treatment Plant Asphalt Repair	-	-	-	-	-
ASP Concrete Repair	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
SCADA	-	-	-	-	-
SUBTOTAL - PLANT	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000
SEWAGE COLLECTION					
Lateral Grant Program	\$ 59,754	\$ 60,949	\$ 62,168	\$ 63,411	\$ 64,679
Sewer Main Rehabilitation or Replacement Design	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	-	-	-	-
Manhole Rehabilitation	150,000	154,500	159,135	163,909	168,826
Replacement of Calhoun Lift Station Pumps (2)	-	-	-	-	-
Sewer Main Emergency Repairs	150,050	154,552	159,189	163,965	168,884
Avenue 48 Sewer Main Upgrade Design	248,455	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	2,387,715	-	-	-
Interim Collection System CIP Design	-	-	302,856	-	-
Interim Collection System CIP Construction	-	-	-	2,912,776	-
Build-out Collection System CIP projects	-	-	-	-	7,020,147
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 608,259	\$ 2,757,716	\$ 683,348	\$ 3,304,061	\$ 7,422,536
CONTINGENCY	\$ 119,508	\$ 121,898	\$ 124,336	\$ 126,823	\$ 129,359
TOTAL	\$ 1,487,767	\$ 3,639,614	\$ 1,567,684	\$ 4,190,884	\$ 8,311,895

Capital Improvement

Project Description	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42
PLANT FACILITY						
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-	146,981,233
Influent Pump Station Rehabilitation Design Build	-	-	-	-	-	-
New Office Building for Belt Filter Press	-	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-	-
Master Plan	-	-	-	-	-	-
Steel Waterline Replacement	-	-	-	-	-	-
12.5 Ton Air conditioner, Blower Building	-	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	760,000	760,000	760,000	760,000	760,000	760,000
Laboratory Information Management System (LIMS)	-	-	-	-	-	-
Treatment Plant Asphalt Repair	-	-	-	-	-	-
ASP Concrete Repair	-	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-	-
SCADA	-	-	-	-	-	-
SUBTOTAL - PLANT	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000	\$ 760,000	\$ 147,741,233
SEWAGE COLLECTION						
Lateral Grant Program	\$ 65,973	\$ 67,292	\$ 68,638	\$ 70,011	\$ 71,411	\$ -
Sewer Main Rehabilitation or Replacement Design	-	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	-	-	-	-	-
Manhole Rehabilitation	173,891	179,108	184,481	190,015	195,715	-
Replacement of Calhoun Lift Station Pumps (2)	-	-	-	-	-	-
Sewer Main Emergency Repairs	173,951	179,170	184,545	190,081	195,783	-
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-	-
Emergency Sewer Siphon Replacement Design	-	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 413,815	\$ 425,570	\$ 437,664	\$ 450,107	\$ 462,909	\$ -
CONTINGENCY						
	\$ 131,946	\$ 134,585	\$ 137,277	\$ 140,023	\$ 142,823	\$ 142,823
TOTAL	\$ 1,305,761	\$ 1,320,155	\$ 1,334,941	\$ 1,350,130	\$ 1,365,732	\$ 147,884,056



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0001 Recurring Project

Project Name: Vehicle and Equipment Replacement Fund

Category: Equipment – Heavy Duty
Vehicle – Truck, Heavy Duty (Hydro, Vactor, Dump, etc.)

Sub-Category: Replacement

Project Description: This fund is used to replace District vehicles and significant, higher cost equipment. The annual contribution is based on data collected on all vehicles and equipment using a 10 to twenty 20 year replacement schedule. The total cost is calculated over a 20 year window using an estimated

Project Justification: This fund is necessary in order to maintain an efficient vehicle fleet and equipment to proper specifications.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8660000-0	2022/23	\$ 760,000
Total			\$ 760,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0002 Recurring Project

Project Name: Lateral Grant Program

Category: Infrastructure – Sewer Lines

Sub-Category: Replacement - Private Lateral

Project Description: The Private Lateral Replacement Grant Program is designed to help the property owner defray a portion of the costs required to replace or repair their lateral. The maximum amount of assistance for any one (1) private sewer lateral replacement or repair is 50% of the approved cost up to a maximum reimbursement of \$4,000.

Project Justification: This grant program is offered to customers to help offset the major cost of repairing or replacing a sewer lateral.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 50,000
Total			\$ 50,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0003 Recurring Project

Project Name: Sewer Emergency Repairs

Category: Infrastructure – Sewer Lines

Sub-Category: Emergency Repairs

Project Description: This fund is to repair sewer mains that are in need of emergency repair such as holes or severe cracks which could lead to sink holes or cause other damage.

Project Justification: Video inspection of sewer pipelines may reveal deficiencies that include severe cracks or holes that require immediate attention or may create further damage to the sewer main or street above.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 115,000
Total			\$ 115,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0004 Recurring Project

Project Name: Contingency for Emergency Repairs

Category: Improvements – General

Sub-Category: Emergency Repairs

Project Description: There are no anticipated expenditures to be funded from this category; however, this account provides a contingency amount in the Capital Improvement Program for replacement of critical equipment or systems which could unexpectedly fail during the fiscal year.

Project Justification: Contingency fund needed to pay for the repair or replacement of critical equipment or systems

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 50,000
12 Replacement Fund	12-8660000-0	2022/23	\$ 25,000
12 Replacement Fund	12-8680000-0	2022/23	\$ 25,000
Total			\$ 100,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0005

Project Name: Sewer Main Rehabilitation or Replacement Design

Category: Infrastructure – Sewer Lines

Sub-Category: Rehabilitation/Improvement

Project Description: This is a 12-year repair, rehabilitation and replacement program for the collections system. The purpose of this project is to repair, rehabilitate, replace and/or realign aging or defective pipelines and/or segments projected to reach capacity within the foreseeable future.

Project Justification: Defective sewer mains lead to sewer overflows, sink holes and other costly issues and may lead to regulatory violations. Maintaining the sewer collection system requires repairing, rehabilitation and/or replacement of sewer mains and manholes.

Project Schedule:

Start Date	Completion Date
Jul-21	Jun-26

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 1,228,340
Total			\$ 1,228,340



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0006

Project Name: Sewer Main Rehabilitation or Replacement Const.

Category: Infrastructure – Sewer Lines

Sub-Category: Rehabilitation/Improvement

Project Description: This is a 12-year repair, rehabilitation and replacement program for the collections system. The purpose of this project is to repair, rehabilitate, replace and/or realign aging or defective pipelines and/or segments

Project Justification: Defective sewer mains lead to sewer overflows, sink holes and other costly issues and may lead to regulatory violations. Maintaining the sewer collection system requires repairing, rehabilitation and/or replacement of sewer mains and manholes.

Project Schedule:

Start Date	Completion Date
Jul-21	Jun-26

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 3,666,667
Total			\$ 3,666,667



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0007

Project Name: Recycled Water Project Phase 1

Category: Infrastructure – Treatment Plant

Sub-Category: Expansion

Project Description: Reclaimed Water Project Phase 1 will replace an aging and capacity restricting Grit Chamber, and provide redundancy by adding a second digester, expanding the bar screens, adding a biofilter, a sludge holding tank and a sludge thickener.

Project Justification: These improvements are necessary in order to meet future regulations and produce reclaimed water.

Project Schedule:

Start Date	Completion Date
Jul-20	Dec-25

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
Bank of America Loan	12-8642000-0	2022/23	\$ 17,763,656
Total			\$ 17,763,656



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0008

Project Name: Emergency Sewer Siphon Replacement Design/CM

Category: Infrastructure – Sewer Lines

Sub-Category: Replacement

Project Description: Replace the sewer siphon crossing the Coachella Stormwater channel at Westward Ho Drive damaged and exposed by the flooding event on February 14, 2019.

Project Justification: The existing siphon is only slightly buried and would be damaged beyond repair during the next flood event. The new siphon will be constructed below the new scour depth of the channel to avoid the sewer main becoming exposed during future storm events.

Project Schedule:

Start Date	Completion Date
Feb-19	Dec-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 95,700
FEMA	12-8632000-0	2022/23	\$ 542,300
Total			\$ 638,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0009

Project Name: Emergency Sewer Siphon Replacement Construction

Category: Infrastructure – Sewer Lines

Sub-Category: Replacement

Project Description: Replace the sewer siphon crossing the Coachella Stormwater channel at Westward Ho Drive damaged and exposed by the flooding event on February 14, 2019.

Project Justification: The existing siphon is only slightly buried and would be damaged beyond repair during the next flood event. The new siphon will be constructed below the new scour depth of the channel to avoid the sewer main becoming exposed during future storm events.

Project Schedule:

Start Date	Completion Date
Feb-19	Dec-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 669,600
FEMA	12-8632000-0	2022/23	\$ 3,794,400
Total			\$ 4,464,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0010

Project Name: Influent Pump Station Rehabilitation Project

Category: Infrastructure – Treatment Plant

Sub-Category: Rehabilitation/Improvement

Project Description: Rehabilitate the Influent Pump Station to allow for proper operation and extend it's lifecycle. Proposed improvements to the pump station include: repair/replacement of leaking and broken valves, repair of interior concrete

Project Justification: The Influent Pump Station structure is showing significant signs of deterioration and is in need of improvements.

Project Schedule:

Start Date	Completion Date
Jul-20	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8642000-0	2022/23	\$ 3,300,000
Total			\$ 3,300,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 21-0013

Project Name: Laboratory Information Management System (LIMS)

Category: Software

Sub-Category: Systems

Project Description: Laboratory Information Management System (LIMS) is a type of software designed to improve laboratory productivity and efficiency by keeping track of data associated with samples, experiments, laboratory workflows and

Project Justification: Environmental Laboratory Accreditation Program (ELAP) regulations are adopting the TNI 2016 Standard. The updated regulations require additional documentation and management of inventory, equipment maintenance, consumables, samples, and scientific data and results. Utilizing LIMS

Project Schedule:

Start Date	Completion Date
Jul-21	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
13 Capital Improvement	13-8643000-0	2022/23	\$ 70,000
Total			\$ 70,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0001

Project Name: Asphalt Repairs Treatment Plant

Category: Improvements-General

Sub-Category: Rehabilitation/Improvement

Project Description: Seal and repair damaged asphalt in the treatment plant.

Project Justification: Wear and tear on asphalt can be caused by many things such as for overweight trucks, constant vehicle traffic, water, and age. As time goes by, the structural integrity of asphalt can weaken and fail – even without water or mechanical forces acting upon it. Crack sealing can help increase the life of the asphalt pavement by sealing small cracks that will allow water to seep and cause structural failure.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8660000-0	2022/23	\$ 50,000
Total			\$ 50,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0002

Project Name: Concrete Repairs to ASP Plant

Category: Improvements-General

Sub-Category: Rehabilitation/Improvement

Project Description: Repair broken and damaged concrete on ASP Plant basins and related tanks.

Project Justification: Concrete repair is the process of fixing a hardened concrete surface that over time has lost the ability to hold the binding concrete materials together due to damage or environmental exposure.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-866000-00	2022/23	\$ 50,000
Total			\$ 50,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0003

Project Name: Electrical Control Panel Replacements Blower Building

Category: Infrastructure – Treatment Plant

Sub-Category:

Project Description: Replacement of the Master Control Panel (MCP) and three (3) Local Control Panels (LCP) in the Blower Building.

Project Justification: The panels have met their useful life and must be replaced.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8642000-0	2022/23	\$ 120,000
Total			\$ 120,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0004

Project Name: New Office Building for Belt Filter Press

Category: Buildings – Modular

Sub-Category: Upgrade

Project Description: New office building for belt filter press work area.

Project Justification: The new office building will provide a better work environment for the belt filter press operator as well as protect office equipment.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	13-866000-0	2022/23	\$ 20,000
Total			\$ 20,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0005

Project Name: Trimax PLC Upgrades SCADA

Category: Software

Sub-Category: Upgrade

Project Description: Upgrade and improve the SCADA system for the Treatment Plant

Project Justification: The SCADA system needs upgrades and improvements to better allow employees to operate the treatment plant remotely.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
13 Capital Improvement	13-8643000-0	2022/23	\$ 120,000
Total			\$ 120,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0006

Project Name: Water Reclamation Facility Master Plan

Category: Improvements General

Sub-Category: Study

Project Description: Review and revise the facilities master plan.

Project Justification: A facilities master plan establishes a framework for orderly growth and development of capital improvements on campus.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Reserve Fund	12-8660000-0	2022/23	\$ 300,000
13 Capital Improvement	13-8660000-0	2022/23	\$ 300,000
Total			\$ 600,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0007

Project Name: Air Conditioner for Blower Building

Category: Improvement/ General

Sub-Category: Rehabilitation/Improvement

Project Description: Install an additional air conditioner for the Blower Building.

Project Justification: The additional air conditioner will assist in regulating the temperature in the Blower Building. The Blower building now has two (2) air blowers online and requires an additional air conditioning unit to keep the temperature controlled.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
13 Capital Improvement	13-8660000-0	2022/23	\$ 30,000
Total			\$ 30,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0008

Project Name: Steel Waterline Replacement Phase 2

Category: Infrastructure – Treatment Plant

Sub-Category: Replacement

Project Description: Replace the above ground, steel waterline adjacent to the aeration basins and activated sludge tank including adjacent piping and froth sprayers.

Project Justification: The steel waterline and adjacent pipelines are old and prone to leaks, especially at the grooved joints, and has outlived its useful life. The new steel waterline will have traditional joints that will provide a longer life.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8642000-0	2022/23	\$ 350,000
Total			\$ 350,000



**FY 2022/23 Capital Expenditures
Valley Sanitary District
Capital Project Justification**

Project Number: 23-0009

Project Name: Replacement of Calhoun Lift Station Pumps (2)

Category: Infrastructure – Manholes

Sub-Category: Replacement

Project Description: Replace two (2) pumps.

Project Justification: Due to the use of flushable wipes, the current pumps are becoming plugged. This has led to an increase in unscheduled maintenance and after-hour response.

Project Schedule:

Start Date	Completion Date
Jul-22	Jun-23

Project Funding Sources (Requested):

Fund Type	GL No.	Fiscal Year	Amount
12 Replacement Fund	12-8632000-0	2022/23	\$ 50,000
Total			\$ 50,000



Biosolids Collection

"India Railway"



Valley Sanitary District

45500 Van Buren Street

Indio, CA 92201

(760) 238-5400

www.valley-sanitary.org

RESOLUTION NO. 2022-1166

A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ADOPTING THE OPERATION BUDGET AND CAPITAL BUDGET FOR FISCAL YEAR 2022/23

The Board of Directors declares that the following statements are true and accurate.

On April 19, 2022, the General Manager submitted to the Board of Directors a proposed Operating and Capital Budget, and a list of capital improvement projects for the fiscal year beginning July 1, 2022 and ending June 30, 2023.

On April 19, 2022, the Board of Directors reviewed the proposed Operating and Capital Budget; including projected revenues, employee benefits, fees and charges for District services and capital projects.

On June 14, 2022, the Board of Directors held an advertised public hearing at their regular Board meeting to hear public testimony on the proposed changes to fees and charges and establishing the Gann Appropriations Limit for Fiscal Year 2022-23.

The Board of Directors determined that the budget is necessary for the operation and maintenance of District services and facilities.

The Board of Directors of Valley Sanitary District **RESOLVES** that the Operating and Capital Budget for Fiscal Year 2022-23 is approved as presented.

Total Operating Budget	\$16,189,076
Total Capital Budget	\$33,545,663
Total Revenue (General Fund)	\$16,766,920
Total Revenue (Capital Fund)	\$ 1,001,526

This resolution is passed, approved, and adopted this 14th day of June 2022, by the following roll call vote.

AYES:
NAYES:
ABSENT:
ABSTAIN:

Scott Sear, President

ATTEST:

Dennis Coleman, Secretary/Treasurer



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors
THROUGH: Beverli A. Marshall, General Manager
FROM: Jeanette Juarez, Business Services Manager
SUBJECT: **Set a Public Hearing Date for July 26, 2022 – Determining Certain Accounts to be Delinquent and Directing the Placement of these Accounts on the Property Tax Rolls for Collection.**

<input checked="" type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is to present to the Board of Directors the charges on outstanding invoices of all properties within the District.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 6: Improve Planning, Administration, and Governance.

Fiscal Impact

The delinquent account balance to be placed on the tax roll equals \$9,319.23

Background

Annually, District staff review the outstanding invoices of all properties that have not paid their invoices for various fees. To collect the unpaid charges and to ensure adequate procedural due process is provided, a Public Hearing date is required, and notice is sent to each specific property and posted on the District website. At the Public Hearing, the Board of Directors will adopt a resolution allowing the delinquent invoices to be placed on the property tax roll for collection.

If approved at the July 26, 2022, meeting of the Board of Directors the collectability of the amounts placed on the tax rolls will be secured.

Recommendation

Staff recommends that the Board set a public hearing date for July 26, 2022, to consider placing delinquent service charges on the county tax rolls.

Attachments

Attachment A: Notice of Public Hearing



June 14, 2022

**NOTICE OF PUBLIC HEARING
PLACEMENT OF DELINQUENT SERVICE FEES ON THE COUNTY TAX ROLLS**

NOTICE IS HEREBY GIVEN that Valley Sanitary District will hold a public hearing in the Conference Room at Valley Sanitary District, 45-500 Van Buren Street, Indio, California beginning at 1:00 p.m. on July 26, 2022, to consider the following:

Pursuant to Health and Safety Code Sections 5470, 5473.5, 5473.6, 5473.7 and 5473.8, a written report has been filed with the District Secretary of Valley Sanitary District, containing a description of each parcel of real property receiving services for which payment is delinquent and containing the amount of delinquent service charges for each such parcel for the period ending June 30, 2022.

The purpose of the hearing is to determine whether the delinquent charges described in said report shall be collected on the tax roll in the same manner, by the same person and at the same time as, together with and not separately from, the general taxes. This means that, if the delinquent charges are not paid in a timely manner, they may be assessed against the property and collected as a tax lien. Delinquent charges collected on the tax roll shall be subject to an additional administrative fee of \$25.00.

A copy of the invoice detailing the delinquent charges and the parcel information in which they pertain is enclosed for your review. Please contact Jeanette Juarez, Business Services Manager at (760) 238-5400 if you have additional questions regarding the delinquent service charges.

Response to this notice can be made verbally at the Public Hearing and/or in writing before the hearing. Written comments can be made to the Board of Directors by letter (for mail or hand delivery) to:

VALLEY SANITARY DISTRICT, BOARD OF DIRECTORS
45500 VAN BUREN STREET, INDIO, CA 92201

Any challenge of the proposed charge in court may be limited to raising only those issues raised at the public hearing described in this notice, or in written correspondence

delivered to the Administration Department at, or prior, to the public hearing.
(Government Code Section 65009(b)(2)).

To avoid having a lien placed against your property you must make payment directly to the Valley Sanitary District by July 26, 2022. When making payment please write LIEN on your payment envelope as well as your check/money order.

Sincerely,

Beverli A. Marshall
General Manager



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

FROM: Ronald Buchwald, Engineering Services Manager

SUBJECT: Authorize General Manager to Execute Task Order No. 22-01 with Birdseye Planning Group for CEQA Requirements for a Total Not to Exceed Amount of \$23,915

<input checked="" type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input checked="" type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input checked="" type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is for the Board of Directors to review and discuss the proposal submitted by Birdseye Planning Group for CEQA requirements for the Westward Ho Sewer Siphon Replacement Project for a not to exceed amount of \$23,915.

Strategic Plan Compliance

This item complies with VSD Strategic Plan Objective 6.7: Maintain Compliance with all regulatory, legislative, and permit requirements.

Fiscal Impact

This fiscal impact of this proposal is \$23,915. This work is included in the CIP budget as part of the Westward Ho Sewer Siphon Replacement Project budget for both the FY 2021/22 and FY 2022/23 budgets.

Environmental Review

This item is not a “project” as defined by CEQA and does not require any CEQA action. However, this item will provide the CEQA action necessary to perform construction work on the Westward Ho Sewer Replacement Project

Background

The District solicited proposals through a Request for Proposal process for engineering, planning and environmental services involving the Indefinite Delivery / Indefinite Quantity as needed consulting services. In July 2018, the Board awarded a 5-year contract to Birdseye Planning Group to provide environmental and planning services to VSD for various as needed projects. Staff solicited a proposal from Birdseye Planning

Group to perform an Initial Study / Mitigated Negative Declaration for the Westward Ho Sewer Siphon Replacement Project, a requirement to meet the CEQA regulatory process prior to going to construction. This project design has been finalized and permitted through CVWD is awaiting approval from FEMA prior to going through the bidding and award process. Staff has reviewed the proposal and determined it meets the needs of this project and the CEQA requirements.

Recommendation

Staff recommends that the Board of Directors authorize the General Manager to execute Task Order No. 22-01 with Birdseye Planning Group for a not to exceed amount of \$23,915.

Attachments

Attachment A: Birdseye Planning Group Proposal, dated June 6, 2022



June 6, 2022

Mr. Ron Buchwald, PE
District Engineer
Valley Sanitary District
45500 Van Buren Street
Indio, CA 92253

SUBJECT: Proposal to Prepare an Initial Study/Mitigated Negative Declaration for the Westward Ho Syphon Replacement Project

Dear Mr. Buchwald:

Birdseye Planning Group (BPG) is pleased to submit this proposal to assist the Valley Sanitary District (VSD) with the preparation of an Initial Study-Mitigated Negative Declaration (IS-MND) pursuant to the California Environmental Quality Act (CEQA). This proposal outlines our approach to major work tasks and our proposed cost and schedule to prepare an IS-MND with related technical reports addressing cultural and biological resources.

We understand that in February 2019, a major rain event exposed the existing 12-inch diameter sewer siphon pipeline (also known as Avenue 46 Channel Siphon) which crosses the Coachella Stormwater Channel (CSWC) at eastern terminus of Westward-Ho Drive in Indio, California. The exposed sewer siphon was undermined as a result of the storm event. It was determined by Valley Sanitary District (VSD) that the existing sewer siphon should be replaced with a deeper buried pipeline that would be safe from future storm erosions. The proposed project would replace the existing siphon between the western terminus of Westward-Ho Drive on the west side of the CSWC and Avenue 46 on the east side of the CSWC. The new segment would be installed under the CSWC using directional drilling to avoid direct impacts to the channel. Entrance/exit pits would be excavated within Westward-Ho Drive and in a dirt area west of the terminus of Avenue 46 on property owned by the Indio Water Authority at the location of the existing siphon connection points.

Included in our scope of work is preparation of a Cultural Resource Report and Biological Resources memorandum. The project area is known to be sensitive for cultural resources; thus, a completed Cultural Resources Report is recommended for use in consulting with Native American Tribes. Both documents are required to address potential impacts to resources within the study area and identify mitigation measures as needed to ensure impacts are avoided or less than significant. We have included PaleoWest, LLC (Cultural Resources) and ELMT Consultants (Biological Resources) as part of our team to perform this work.

TASK 1: PREPARE ADMINISTRATIVE DRAFT IS-MND

BPG will prepare the draft IS-MND for the project in accordance with Section 15063(d) of the *CEQA Guidelines*, which defines the required contents of an IS-MND.

Task 1.1: Introduction. The IS-MND will provide introductory sections that lay the groundwork for and summarize the analysis to follow. The introduction will describe the purpose of the study and provide a discussion of lead and responsible agencies. The environmental setting will provide a general description of the existing physical character of the area and the immediate site vicinity. This information will draw directly from existing information and site observations of the project site.

Task 1.2: Environmental Impact Analysis. Each of the environmental issue areas included in the CEQA Environmental Checklist Form will be addressed at a level of detail sufficient to reach an impact conclusion. Where appropriate, impacts will be quantified. If existing data does not allow definitive quantification, reasonable assumptions will be used to qualitatively forecast potential impacts. Where impacts may be potentially significant, mitigation measures will be provided for consideration by VSD. Mitigation measures will be presented in a format that can be directly incorporated into project design and applied as conditions of approval.

BPG will deliver the administrative draft IS-MND for VSD review in PDF and Microsoft Word format (no hard copies will be provided). BPG will respond to one round of comments on the administrative Draft IS-MND.

TASK 2: PUBLICATION OF DRAFT IS-MND

BPG will provide a Notice of Completion/Notice of Availability for signature to VSD. The notices, draft Initial Study and technical material will be uploaded to the State Clearinghouse for a 20-day local review. BPG will provide PDFs to VSD for posting on the website.

TASK 3: RESPONSE TO COMMENTS

This approach will serve as the formal documentation that VSD has considered all comments received. After receipt of all comments, BPG will respond to public comments after review with VSD staff and provide draft Responses to Comments for review.

TASK 4: FINAL IS-MND

After adoption of the IS-MND, BPG will transmit an electronic copy of the Final IS-MND to VSD. BPG will prepare a Mitigation Monitoring and Reporting Program (MMRP) with corresponding mitigation measures to accompany the Final IS-MND. The MMRP will include:

- Implementation Responsibility;

- Timing;
- Monitoring Division; and,
- Standard for Success.

BPG will draft a Notice of Determination and submit to VSD for review and filing with the Riverside County Clerk.

TASK 5: PREPARE CULTURAL RESOURCES REPORT

PaleoWest has reviewed on-file cultural resources records and though records for the entire site are not current for the entire corridor, a sensitive prehistoric archaeological site was recorded approximately 1,100 feet south of the project site. Further, the ground surface of the eastern pit is located at approximately 35 feet above mean sea level, near the maximum high stand of ancient Lake Cahuilla, which is sensitive throughout the Coachella Valley. Thus, area tribes will be interested in the potential sensitivity of the project. For this reason, preparation of a complete cultural resource report is recommended.

The cultural resources investigation will consist of a Phase I cultural resources investigation of the approximately 0.16-acre project site (both pit locations and adjacent work areas). PaleoWest will obtain a cultural resources records search from the Eastern Information Center (EIC) that includes a 0.5-mile search radius. We will conduct Native American scoping that includes a Native American Heritage Commission (NAHC) Sacred Lands File search and letters to contacts provided by NAHC. PaleoWest will conduct a pedestrian survey of the Project site with transects spaced no greater than 10 meters. Upon completion of the records search, Sacred Lands File search, and field survey, PaleoWest will prepare a technical report that presents the results of the study and includes appropriate figures and management recommendations regarding cultural resources and CEQA.

Assumptions

- The Project is subject to CEQA and there is no federal nexus.
- The EIC records search will not exceed \$600 in direct expenses.
- Valley Sanitary District will provide full access/right of entry to the Project site(s).
- No cultural resources (i.e., archaeological, historic built environment, or tribal cultural) will be identified in the project site that require recordation, updating, or evaluation. If cultural resources are identified within or adjacent to the project site, a scope and budget augment would be necessary to record or evaluate the resources.
- No subsurface testing will be conducted, nor will any artifacts, samples, or specimens be collected during the survey.
- The report will be submitted electronically and up to one round of revisions will be addressed based on agency comments.

TASK 6: PREPARE BIOLOGICAL RESOURCES REPORT

Literature Review. ELMT will review all technical survey reports and regulatory approvals previously prepared for the proposed project and vicinity, including the North City Specific Plan, and any data for the site to determine which special-status¹ biological resources are likely to occur on or within the general vicinity of the project site. A database search of the California Natural Diversity Database (CNDDDB) and California Native Plant Society (CNPS) Electronic Inventory of Rare and Endangered Vascular Plants of California listings regarding special-status biological resources known to occur in the region and vicinity of the site will also be conducted. Literature detailing existing wildlife movement corridors and linkages will be reviewed to determine if the proposed project will have any adverse impacts to local or regional wildlife movement corridors. This will allow ELMT to focus its field investigation on those biological resources and habitats known to occur or that have the potential to occur within the general vicinity of the project site.

Additionally, aerial photography will be reviewed prior to conducting the field investigation in order to locate and inspect any potential natural drainage features, ponded areas, or water bodies that may fall under the jurisdiction of the United States Army Corps of Engineers (Corps), Regional Water Quality Control Board (Regional Board), and/or CDFW. ELMT will review relevant information topographic maps, soil surveys, historic and current aerial photography, flood maps, hydrology/climate information and watershed data to gain an understanding of the impact of land-use on natural drainage patterns in the area. The USFWS National Wetland Inventory (NWI) and Environmental Protection Agency (EPA) Water Program “My Waters” data layers will also be reviewed to determine whether any hydrologic features and wetland areas have been documented on or within the vicinity of the project site.

The proposed project is located within the boundaries of the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP). A detailed review of the CVMSHCP will be conducted prior to the field investigation. The CVMSHCP will be queried to determine if the project site has the potential to provide suitable habitat for any of the potentially occurring special-status biological resources identified in the CVMSHCP, and to determine if the project site is located within any CVMSHCP conservation areas. Based on a preliminary review of the CVMSHCP, the proposed project footprint is not located within any designated conservation areas.

Field Investigation. Following the literature review, ELMT will systematically survey the project site and immediately adjacent areas that could potentially be indirectly impacted from project implementation to document baseline conditions from which to evaluate the sites potential to support special-status or CVMSHCP-covered species, sensitive habitat types, and jurisdictional drainages. The fieldwork will be conducted by qualified biologists in order to document the presence/absence of special-status biological

¹ As used in this proposal, “special-status” refers to those plant and wildlife species that are federally, State or CVMSHCP listed, proposed, or candidates; plant species that have been designated a California Native Plant Society Rare Plant Rank; and species that are designated by the CDFW as fully protected, species of special concern, or watch list species.

resources, or to determine the potential for occurrence of such resources that may not be detectable when the literature review is conducted. The location of any special-status biological resources (i.e., plants, plant communities, drainage features, wildlife), if present onsite, will be recorded in the field with a handheld GPS unit. Additionally, the suitability of the vegetation on and surrounding the proposed project site will be surveyed for its ability to provide suitable avian nesting opportunities. Notes will be taken on all plant and wildlife species observed on-site during the survey. This survey will provide an understanding of the overall project setting and biological resources occurring in the area.

ELMT will also conduct a jurisdictional assessment to document the jurisdictional limits of the Coachella Valley Stormwater Channel (i.e., Whitewater River) located within the boundaries of the project site to ensure that the proposed directional drilling will not impact jurisdictional areas. This task does not include the preparation of a formal delineation of state and federal jurisdictional waters report.

These data will be used to devise an appropriate clearance/conservation strategy for implementation of the proposed project. The habitat assessment does not include species specific focused surveys.

Biological Resources Report. A biological resources report (technical letter) will be prepared with the results from the literature review and field investigation that will document all plant and wildlife species observed, all sensitive and non-sensitive habitats occurring within the proposed project footprint, the potential for any special-status species to occur within the proposed project footprint, and will document the jurisdictional limits of the Coachella Valley Stormwater Channel within the project footprint.

In addition, the report will include an analysis of the project's potential to impacts special-status biological resources (i.e., special-status biological resources, jurisdictional waters, Critical Habitat), if any, and describe wildlife movement opportunities in the region and local wildlife movement through the area. The report will also include suggestions for further studies that may be needed prior to development, mitigation measures, and permit requirements, if needed.

The report will also address all CVMSHCP requirements for the proposed project to demonstrate that the proposed project complies with the conservation goals of the CVMSHCP. The final report will be sufficient to make the appropriate consistency determination for compliance with the CVMSHCP, and will be sufficient to satisfy the requirements of the California Environmental Quality Act (CEQA).

COST ESTIMATE AND SCHEDULE

Our budget for Tasks 1-6 of the above work program is summarized in Table 1 on page 7. Our fee estimate for completing the scope of work above is **\$23,915**. We anticipate completing the draft IS within two weeks of receiving a Notice to Proceed and the technical reports. All documents will be

Mr. Ron Buchwald
Valley Sanitary District
June 6, 2022
Page 6

transmitted electronically to VSD. No hard copies will be provided. If you have any questions about this proposal or the environmental review process, please contact us.

Thank you for the opportunity to submit a proposal for the above referenced services and interest in working with the Birdseye Planning Group. If you have questions or need additional information, please contact us via email at ryan@birdseyeplanninggroup.com or call 760-712-2199. We look forward to again working with VSD.

Regards,

A handwritten signature in blue ink, appearing to read 'R. Birdseye', is positioned above the typed name.

Ryan Birdseye
Principal

Table 1			
Westward-Ho Siphon Replacement			
Cost Estimate			
Task	Rate	Estimated Hours	Cost
Task 1. Prepare Draft Initial Study			
Principal Planner	\$ 165.00	40	\$ 6,600.00
Associate Planner	\$ 95.00	22	\$ 2,090.00
			\$ 8,690.00
Task 2. Publication of Draft IS			
Principal Planner	\$ 165.00	8	\$ 1,320.00
Associate Planner	\$ 95.00	4	\$ 380.00
			\$ 1,700.00
Task 3. Respond to Comments			
Principal Planner	\$ 165.00	8	\$ 1,320.00
Associate Planner	\$ 95.00	4	\$ 380.00
			\$ 1,700.00
Task 4. Prepare Final IS-MND and MMRP			
Principal Planner	\$ 165.00	8	\$ 1,320.00
Associate Planner	\$ 95.00	4	\$ 380.00
			\$ 1,700.00
Expenses (mileage, reproduction, etc.)			\$500.00
Subtotal			\$ 14,290.00
Task 5: Cultural Resources Report			\$5,725.00
Task 6: Biological Resources Report			\$3,900.00
Subtotal			\$ 9,625.00
Total			\$ 23,915.00



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

FROM: Matthew Pittelli, Electrical/ Instrumentation Technician I

SUBJECT: **Authorize Increase in Purchase Order to Alfa Laval Inc. for the Sludge Spiral Heat Exchanger**

<input checked="" type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input type="checkbox"/> Board Information	<input checked="" type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is to discuss the request of additional funds.

Strategic Plan Compliance

This item complies with the VSD Strategic Goal 3: Excellent Facilities.

Fiscal Impact

The total request of additional funds for this project is \$5,348 for a total Not to Exceed amount of \$66,458. This project is an allocation of funds from the FY 2021/22 budget under Repairs and Maintenance.

Background

On February 22, 2022, the Board approved the purchase a Sludge Spiral Heat Exchanger for an amount not to exceed \$61,110. However, the quote submitted to the Board in February did not include sales tax. To maintain integrity and transparency, staff requests \$5,348 to cover the sales tax due on the purchase.

Recommendation

Staff requests that the Board of Directors authorize an increase in the purchase order with Alfa Laval Inc. for the Sludge Spiral Heat Exchanger for a total Not to Exceed Amount of \$66,458.

Attachments

Attachment A: Alfa Laval Quote No. 2201-ENVMPEE-0254884
Attachment B: Alfa Laval Invoice No. 283754167

February 2, 2022
Alfa Laval Quote No. 2201-ENVMPEE-0254884



Alfa Laval Inc.
5400 International Trade Drive
Richmond, VA 23231

Tel: +1 804- 222-5300
Fax: +1 804-236-1364
www.alfalaval.com

**Subject: Valley Sanitary District – Indio, CA
Sludge Spiral Heat Exchanger Replacement**

Alfa Laval is pleased to provide this quotation for a duplicate Spiral Heat Exchanger for the referenced Project.

Sludge Spiral Heat Exchanger

Alfa Laval Sludge Spiral Heat Exchanger, drop-in replacement for Serial Number 30112-68492. All nozzles and anchor bolt locations for the new exchanger will match the existing exchanger such that no piping or foundation bolting changes need to be made. New unit will be fabricated to current ASME code and Alfa Laval shop practices.

Price: \$61,110 (for quantity one)

- Material of construction is carbon steel SA-516-70.
- Unit will be designed, Fabricated, Tested and Stamped in accordance with the ASME code Section VIII, Div 1.
- Qty. (2) 4" Carbon Steel 150# Flange, Sch. 40 Sludge Inlet and outlet nozzles.
- Qty. (2) 4" Carbon Steel 150# Flange, Sch. 40 Hot Water Inlet and outlet nozzles.
- 1" Sludge channel spacing with no obstructions (pins) through the sludge channel. Tangential sludge entry to promote even disbursement of sludge across channel.
- Qty. (1) Hinged cover for easy access to sludge channel. The water side is welded closed.
- Qty. (1) 4" Cleanout port for easy access to sludge inlet.
- Qty. (2) 2" NPT Backflush connections on Sludge connections
- 1 – 3/8" 3000# coupling drain per hot water channel spiral winding.
- Qty. (1) 1" 3000# coupling sludge side drain located at the lowest point in cover.
- GA drawing and databook – email submission
- Standard packaging for covered indoor storage up to 12 months.
- Standard paint system. Surface preparation includes sandblasting in accordance to SSPC-SP-6. External carbon steel surfaces, except machined surfaces of flanges, painted with International Interlac 789, 3-4 mils, in Alfa Laval blue.

Not included in our pricing under this scope are the following:

- Piping, Valves, Temperature or Pressure Gauges
- Insulation
- Anchor bolts
- Taxes, Bonds
- Unloading at job-site
- Installation

Shipment: 22-24 Weeks after receipt of approved drawings or order if drawing approval is waived. Approval drawings shall be submitted 5 weeks ARO

Validity: Price is valid for 30 days

Terms: Subject to Alfa Laval Standard Terms and Conditions

Payment: 20% at approved drawings, 80% at delivery, Net 30 days from invoice.

Freight: FOB Jobsite. Freight is included in price.

Thank you for this opportunity to provide our proposal for this project. Please feel free to contact me at the number shown below should you have any questions.

Best Regards,

Michelle Peel
Alfa Laval, Inc.
Process Technologies Division Sales Engineer
Ph: 804-986-3942
E-Mail: michelle.peel@alfalaval.com

TERMS AND CONDITIONS OF SALE

These Terms and Conditions Apply to All Quotations, Orders, and Contracts for Alfa Laval Inc. Products (hereafter "Equipment"). As used in these Terms and Conditions of Sale, the word "Equipment" includes all hardware, parts, components, software and options.

1. ACCEPTANCE: Our sale to you is limited to and expressly made conditional on your assent to the terms and conditions of sale herein and, if applicable, on the attendant quotation, both of which form a part of this order and which supersede and reject all prior agreements, representations, discussions or negotiations, whether written or oral, with respect hereto and any conflicting terms and conditions of yours, or any statement therein, whether or not signed by you. We will furnish only the quantities and Equipment specifically listed on the face hereof or the pages attached hereto. We assume no responsibility for terms or conditions of, or for furnishing other equipment or material shown in, any plans and/or specifications for a project to which the Equipment quoted or ordered herein pertain or refer.

2. PRICES: Unless otherwise specified in writing, all quoted prices are firm for thirty (30) days from the date of offer. Stenographic, clerical and mathematical errors are subject to correction.

3. DELIVERY: Dates for the furnishing of services and/or delivery or shipment of Equipment are approximate only and are subject to change. Quoted lead times are figured from the date of receipt of complete technical data and approved drawings as such may be necessary. We shall not be liable, directly or indirectly, for any delay in or failure to deliver caused by carriers or delays from labor difficulties, shortages, strikes or stoppages of any sort, failure or delay in obtaining materials from ordinary sources, fires, floods, storms, accidents, or other acts of God or *force majeure*, by any statute, regulation, administrative order or decree or order or judgment of a court of law or other causes beyond our reasonable control. Unless otherwise specifically agreed in writing by us, in no event shall we be liable for any damages or penalties whatsoever, or however designated, resulting from our failure to perform or delay in performing due to any of the causes specified in this paragraph 3.

4. SHIPMENT, RISK OF LOSS, TAXES: Prices are in U.S. Dollars, F.O.B. Alfa Laval shipping point, unless otherwise noted. Duty, brokerage fees, insurance, packing and handling as applicable are not included unless otherwise noted. Our prices do not include federal, state, municipal or other government excise, sales, use, occupational, processing, transportation or like taxes now in force or enacted in the future. You shall pay any taxes we may be required to collect or pay now or at any time in the future (including interest and penalties imposed by any governmental authority), or any taxes you may be required to pay, that are imposed upon the sale, delivery or support of Equipment purchased or licensed as a part of this order, or you shall provide us with a tax exemption certificate acceptable to the appropriate taxing authorities.

5. CREDIT AND PAYMENT: Unless otherwise noted on the face hereof payment for Equipment shall be (30) days net. *Pro rata* payments shall become due with partial shipments. Any discount period which may be granted by us begins on the invoice date and all payments are due 30 days after the invoice date. All payments shall be made without deduction, deferment, set-off, lien or counterclaim of any nature. All amounts due not paid within 30 days after the date such amounts are due and payable shall bear interest at the lesser of 1.5 percent per month or the maximum rate of interest allowed by law. We reserve the right at any time to suspend credit or to change credit terms provided herein, when, in our sole opinion, your financial condition so warrants. Failure to pay invoices when such invoices are due and payable, at our election, shall make all subsequent invoices immediately due and payable irrespective of terms, and we may withhold all subsequent deliveries until the full account is settled. We shall not, in such event, be liable for delay of performance or nonperformance of contract in whole or in part subsequent to such event.

www.alfalaval.com

Classified by Alfa Laval as: Business

6. CANCELLATIONS AND CHANGES: Orders which have been accepted by us are not subject to cancellation or changes in specification except upon prior written agreement by us and upon terms that will indemnify us against all losses resulting from or arising out of such cancellation or change in specifications. In the absence of such indemnification, we shall be entitled to recover all damages and costs of whatever nature permitted by the Uniform Commercial Code.

7. DEFERRED SHIPMENT: If shipment is deferred at your request, payment of the contract price shall become due when you are notified that the Equipment is ready for shipment. If you fail to make payment or furnish shipping instructions we may either extend the time for so doing or cancel the contract. In case of deferred shipment at your request, storage and other reasonable expenses attributable to such delay shall be payable by you.

8. EQUIPMENT WARRANTY AND REMEDY:

(a) For new Equipment only, we warrant to you that the Equipment that is the subject of this sale is free from defects in design (provided that we have design responsibility), material and workmanship. The duration of this warranty is twelve (12) months from delivery to you (the "Warranty Period"). If you discover within the Warranty Period a defect in design, material or workmanship, you must promptly notify us in writing. Within a reasonable time after such notification, we will correct any such defect with either new or used replacement parts, at our option. Such repair, including both parts and labor, is at our expense.

(b) For repairs, parts and service provided by us, we warrant to you that the repairs parts and service we provide to you will be free from defects in material and workmanship. The duration of this warranty is ninety (90) days from as applicable (i) the date the machine which required the repairs, parts or service is returned to you by us, (ii) the date of your receipt of the part, or (iii) the date of repair, if performed at your facility. If during this ninety day period you discover a defect in the repairs, parts or service you must promptly notify us in writing.

(c) All warranty service is subject to our prior examination and approval and will be performed by us at your facility or at service centers designated by us. All transportation to and from the designated service center will be at our expense. If we are unable to repair the Equipment to conform to the warranty after a reasonable number of attempts, we will provide, at our option, one of the following: (i) a replacement for such Equipment, or (ii) full refund of the purchase price. These remedies are your exclusive remedies for breach of warranty. Unless otherwise agreed in writing by us, our warranty extends only to you and is not assignable to or assumable by any subsequent purchaser, in whole or in part, and any such attempted transfer shall render all warranties provided hereunder null and void and of no further force or effect.

(d) We will use all reasonable efforts to obtain for you any manufacturer's guarantees or warranties for any sub-assemblies included in the Equipment. To the extent such warranties are assignable, we hereby assign to you all warranties that are granted to us by our suppliers of any sub-assemblies contained in the Equipment.

(e) The warranties set forth above are inapplicable to and exclude (i) any product, components or parts not manufactured by us or covered by the warranty of another manufacturer, (ii) damage caused by accident or the negligence of you or any third party, normal wear and tear, erosion, corrosion or by disasters such as fire, flood, wind and lightning, (iii) damage caused by your failure to follow all installation and operation instructions or manuals or to provide normal maintenance, (iv) damage caused by unauthorized or improper installation of attachments, repairs or modifications, (v) damage caused by a product or component part which we did not design, manufacture, supply or repair, or (vi) any other abuse or misuse by you or any third party.

9. LIMITATION OF LIABILITY: In no event shall we be liable, and you hereby waive any claims against us and release us from liability to you, for any indirect, special, punitive, incidental, or consequential damages whatsoever based upon breach of warranty, breach of contract, negligence, strict tort, or any other legal theory. Excluded damages include, but are not limited to, loss of profits, loss of savings or revenue, loss of use of the Equipment or any associated equipment, cost of capital, cost of any substitute Equipment, facilities or services, downtime, the claims of third parties including customers, and injury to property. This limitation does not apply to claims for personal injury. Some states do not allow limits on warranties, or on remedies for breach in certain transactions. In such states, certain of the limitations in this paragraph and in subparagraph 8(c) may not apply.

10. OWNERSHIP: All drawings, designs and specifications supplied by us have been prepared or assembled by us and are solely our property. Such drawings, designs and specifications have been furnished in order to provide full documentation and on the condition that they shall not be reproduced or copied in any manner whatsoever, in whole or in part, except for your internal use as necessary, and upon the further condition that, as our sole property, they shall not be used, in whole or in part, for furnishing information to others or for any purpose not specifically authorized in a writing signed by one of our corporate officers. These ownership provisions shall not be superseded by any printed form used in connection with or arising out of a sale induced by a proposal or otherwise.

11. PATENT INFRINGEMENT (a) We warrant that the Equipment in the condition sold to you is free of the rightful claim of infringement of any apparatus claims of any third-party U.S. patent issued as of the date of our acknowledgment and acceptance of your order, and we will defend, indemnify and hold you harmless from such claims; provided, however, we make no express or implied warranties of non-infringement and undertake no indemnification in respect of third-party rights where the alleged patent infringement is based upon or related to (i) any method, process or product claims in third-party U.S. patents; (ii) any combination of the Equipment with other equipment not supplied by us; or (iii) any modifications of the Equipment made by you and not approved by us.

(b) You shall notify us within 30 days of your receipt of notice of an alleged third-party patent infringement claim that would entitle you to patent infringement indemnification pursuant to paragraph 11(a), and we shall thereupon assume defense of the claim at our expense. We shall have the sole right to settle or otherwise compromise such a third-party claim, including but not limited to the right to either (i) modify the Equipment to avoid infringement if you are agreeable to the modification, (ii) repurchase the Equipment from you at a price equal to the then-current fair market value of the Equipment, or (iii) secure rights by assignment or license to permit continued use of the Equipment.

(c) If a third party charges us with patent infringement relating to Equipment sold by us to you, we shall have the right to either (i) modify the Equipment to avoid infringement if you are agreeable to the modification, (ii) repurchase the Equipment from you at a price equal to the then-current fair market value of the Equipment, or (iii) secure rights by assignment or license to permit continued use of the Equipment. If a third party charges us with patent infringement on the bases set forth in paragraph 11(a)(i), (ii) or (iii), you shall hold us harmless for all expenses and awards of damage assessed against us, and we shall also have the right to modify or repurchase the Equipment or to secure rights for continued use by way of assignment or license as set forth in this paragraph.

(d) Our total, cumulative liability under paragraphs 11(a), (b) and/or (c) is limited to 100% of the price paid to us by you for the Equipment.

12. SAFETY AND HEALTH STANDARDS: The Equipment described herein (or on the specifications provided herewith) complies with applicable safety and health standards issued pursuant to the Occupational Safety and Health Act of 1970 (the Act) and in effect on this date as such standards are interpreted and understood by us. These standards may be amended and/or their meaning may be clarified prior to shipment or performance, and if such change or clarification requires changes in the Equipment described herein, we shall make the necessary changes available to you. You shall pay for any and all such changes at our prices therefor in effect at time of shipment or performance, as the case may be. Because actual compliance by employers with the Act is beyond our control, we cannot and do not represent that the use of the Equipment described herein, nor the location, installation or maintenance thereof, will comply with the Act or regulations and standards issued pursuant thereto. We make no representation of compliance with safety and health standards contained in any statute, regulations or ordinance of any state or political subdivision thereof applicable to the Equipment described herein unless you have notified us of the existence and contents of such standards and we have agreed in writing to the incorporation of such standards in the specifications relating to such Equipment. Nothing in this provision shall

operate to modify or affect in any manner whatsoever our disclaimer of any liability for consequential damages contained elsewhere in these terms and conditions of sale.

13. INSPECTION: Upon prior written notice, you may make reasonable inspections of Equipment at our facility. We reserve the right to determine the reasonableness of the request and to select an appropriate time and location for such inspection. You agree to execute appropriate confidentiality provisions upon our request prior to visiting our facility. All costs of inspection shall be solely determined by us and shall be payable by you. No inspection or expediting by you at the facilities of our suppliers is authorized.

14. SOFTWARE PROVISIONS: If software is provided hereunder, you are granted a nonexclusive, royalty free license only for your use of the software provided with our Equipment. Under this license you may: (i) use our software in machine readable object code only and only with the Equipment provided; (ii) copy our software into any machine readable object code form for back up purposes in support of your use of our software on the Equipment provided; and (iii) create one additional copy of the software for archival purposes only. This license may not be assigned, sublicensed or otherwise transferred by you without our prior written consent. You hereby recognize and acknowledge that the software provided to you hereunder comprises valuable trade secret and/or copyright property of Alfa Laval [or its licensor] and you covenant that you will take adequate precautions against access to the software by, or disclosure of the software to, anyone not authorized hereunder to use or have access to the software.

15. TIME LIMIT FOR BRINGING SUIT: Any action you file against us, whether for breach of contract, including but not limited to breach of warranty, or for negligence or strict tort, must be commenced within 90 days following the expiration of the Warranty Period.

16. MODIFICATION OF TERMS: The terms and conditions of sale set forth herein are an integral part of our proposal and/or confirmation of order. These terms shall not be deemed altered or modified by printed or other "standard" terms in a purchase order, acceptance or similar document. Our confirmation or acknowledgment of any order is with the express understanding that all printed or other "standard" language on any such documents submitted by you will be entirely disregarded to the extent that it varies from the terms and conditions of this proposal/order which may be modified only by typed or handwritten language in the body of your order, acceptance or similar document, together with a written acknowledgment and acceptance of such modification by us.

17. LIMITATION ON WARRANTIES: THE WARRANTIES SET FORTH HEREIN ARE IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING AN IMPLIED WARRANTY OF MERCHANTABILITY, AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND AN IMPLIED WARRANTY OF NONINFRINGEMENT. WE HEREBY EXPRESSLY EXCLUDE FROM THIS CONTRACT THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND THE IMPLIED WARRANTY OF NONINFRINGEMENT. OUR WARRANTIES AND LIABILITIES HEREUNDER ARE LIMITED AS STATED HEREIN.

18. APPLICABLE LAW: Any controversy or claim arising out of the contract or the breach thereof shall be finally decided with binding effect on both parties by the courts of Virginia and in accordance with the laws of the Commonwealth of Virginia, without giving effect to the provisions thereof relating to conflict of laws.

THE EQUIPMENT AND PARTS DESCRIBED IN THESE TERMS AND CONDITIONS OF SALE MAY CAUSE INJURY IF NOT OPERATED PROPERLY AND FOR THIS REASON ALL OPERATORS SHOULD BECOME THOROUGHLY FAMILIAR WITH THE OPERATING INSTRUCTIONS BEFORE OPERATING THE EQUIPMENT.

Invoice



Recipient
 Valley Sanitary District
 Attn: Accts Payable
 45500 VAN BUREN ST
 Indio, CA 92201-3435
 UNITED STATES

Delivery address
 Valley Sanitary District
 45500 VAN BUREN ST
 Matthew Pittelli
 Indio, CA 92201-3435
 UNITED STATES
Delivery contact
 Matthew Pittelli

Page :
 1(2)

Your reference

Customer
 Valley Sanitary District
 45500 VAN BUREN ST

 Indio, CA 92201-3435
 UNITED STATES
Our reference

Your reference
 Matthew Pittelli
Your order date
 02/24/2022
Your order no
 02232022MP

Please state at payment
Invoice no 283754167

Your VAT reg no
Goodsmark
 HEX-748

 02232022MP

Contact person
 Michelle Peel
 +1 804 545 8319
Delivery method
 Truck Freight
Delivery terms (Incoterms 2020*)
 DAP - Delivered At Place
 Indio

Our reference
 Mark Duggan

Delivery date
 05/24/2022
Order no
 0006073010

Date
 05/24/2022
Due date
 06/23/2022

Payment terms
 Net 30 Days

Cust no
 E1809282

Assignm. No 1

Ln	Description	Cust Pos/Item	VAT	Inv qty	Unit price	Discount	Net price	Amount
Description								
1	1000K SPIRAL							
	D/3324		00	1.00PCE	61,110.00		61,110.00	61,110.00
	1000K SPIRAL							
Total Assignm. No 1								61,110.00

Alfa Laval Inc. (AL) will process personal data supplied by you for the purpose of enabling AL to perform any contractual obligations towards you and to fulfil AL's statutory obligations. An application by you for information of your personal data registered by us must be made in writing to AL.
 The general conditions of sale are according to AL's General Conditions Of Sale if nothing else is stated. An extra copy of these conditions will be sent to you upon request.
 The goods to be delivered may be subject to export license requirement. AL reserves the right to cancel the order without any liability for damage or loss arising out of or relating to the cancellation in the event such an export license is not granted by competent export control authority.
 Attention of the buyer is drawn to the following: Indirect, special and/or consequential damages are excluded from Supplier's liability and Supplier's total liability shall never exceed a maximum cumulative amount equal to 15 % of the contract price. Should parts of the contract be held to be invalid or otherwise unenforceable in any jurisdiction, any other contract provisions shall not be affected.

Alfa Laval Inc.
 5400 Int. Trade Drive
 Richmond, VA 23231
 United States
 Fed. I.D. No.: 13-1681631

Please send remittance to:
 P.O. BOX 123227
 Dallas, TX 75312-3227

Local sales office
 Alfa Laval Inc.
 5400 Int. Trade Drive
 Richmond, VA 23231
 United States

Contact
 Tel.: (804) 222-5300
 customerservice.richmond@alfalaval.com
 www.alfalaval.com

Invoice



Recipient

Valley Sanitary District

Cust no

E1809282

Order no

0006073010

Your reference

Matthew Pittelli

Your order no

02232022MP

Please state at payment

Invoice no 283754167

Date
05/24/2022

Page :
2(2)

Assignm. No 3

Ln	Description	Cust Pos/Item	VAT	Inv qty	Unit price	Discount	Net price	Amount
Description								
ADVANCE CREDIT 20% DWG SUBUMITTAL								
4	ADVANCE		00	-1.00AMT	12,222.00		12,222.00	-12,222.00
ADVANCE CREDIT 20% DWG SUBUMIT								

Thank you for your order. Should you have any questions, please contact Mark Duggan @ 804.236.1220 or by e-mail at Mark.Duggan@alfalaval.com

Total Assignm. No 3 -12,222.00

Item value 48,888.00
Sales Tax 5,347.13

TO PAY USD
54,235.13

Alfa Laval Inc.
5400 Int. Trade Drive
Richmond, VA 23231
United States
Fed. I.D. No.: 13-1681631

Please send remittance to:
P.O. BOX 123227
Dallas, TX 75312-3227

Local sales office
Alfa Laval Inc.
5400 Int. Trade Drive
Richmond, VA 23231
United States

Contact
Tel.: (804) 222-5300
customerservice.richmond@alfalaval.com
www.alfalaval.com



**Valley Sanitary District
Board of Directors Meeting
June 14, 2022**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

SUBJECT: **Monthly General Managers Report – April 2022**

<input type="checkbox"/> Board Action	<input type="checkbox"/> New Budget Approval	<input type="checkbox"/> Contract Award
<input checked="" type="checkbox"/> Board Information	<input type="checkbox"/> Existing FY Approved Budget	<input type="checkbox"/> Closed Session

Executive Summary

The purpose of this report is to keep the Board and the public informed on VSD’s day-to-day operations.

Strategic Plan Compliance

The recommendation complies with the VSD Strategic Plan Goal 6: Improve Planning, Administration, and Governance.

Fiscal Impact

There is no fiscal impact from this report.

Background

The following data represents the activities and metrics for the month of March 2022.

Administrative Services

- Received second annual installment from Riverside County for \$6,749,776 on May 26, 2022.
- Completed interim audit for the fiscal year 2021/22.
- Set meetings with the department heads to plan, organize and execute the annual inventory count.
- Collected Sample Disaster Preparedness RFPs for Safety Committee
- Hydration Packs distributed to interested employees
- Submittal for CSRDA Reimbursement Program
- Completed DOT Form 150
- Conditional offer letter sent to Collection System Tech applicant

Operations & Maintenance

- Operations completed shutting down extra equipment including one of our primary clarifiers, one of our aeration basins, one of the secondary clarifiers, etc. to continue evaluating the facility's hydraulic flows and organic loadings. This is being done to maximize organic loadings to allow for additional nitrification/denitrification in the plant. This will also give the plant additional storage space in the event of a high flow from rain during the summer, etc. This will be able to keep the flows in the plant without disrupting treatment processes which could upset the plant then return the flows through the plant when the high flows have subsided.
- Operations and Maintenance are continuing to work with Engineering to set up the Lucity Maintenance Management Software to be a functional computerized maintenance management system and develop a functioning work order system for maintenance and housecleaning activities. I am the lead for Operations and Maintenance Departments for this project and all changes to our programs will go through me.
- Tino Tijerina, Facility Maintenance Supervisor, passed the Grade III Advance Water Treatment Operator certification test and is waiting to get his certification from CA-NV AWWA and CWEA. I am also preparing to take this exam soon.
- I am still working on a report on what outcomes I can determine from my staff interviewing project to improve training and staff preparation for supervisory functions and organizational improvements.
- Staff has completed the plant visits to look at different Rotary Drum Thickeners for the plant upgrade. Staff was able to connect remotely via Zoom with one of the facilities that are out of the area that utilize a RDT that staff wanted to evaluate and also received a written report from other facility on the final RDT being evaluated for our upgrade. Staff has completed their evaluation of the different Rotary Drum Thickeners and have sent the recommendations to Schneider Electric.
- Work with James Dunbar concerning the Lystek equipment continues. A trip with staff to Northern California to look at the equipment and process is in the works.

Development Services

- Construction has begun on the COD Child Development Center on the corner of Oasis Street and Wilson Avenue.
- Construction has begun on the new 7-Eleven gas station and convenience store on the northwest corner of Golf Center Parkway and Avenue 45.
- Construction has begun on the Sunburst RV storage near the intersection of Monroe Street and Oleander Avenue.
- Construction has begun on the Arroyo Crossing I project, a 184-unit low-income apartment complex located on the west side of Jefferson Street, south of Hwy 111.
- Construction has begun on a new Juvenile Court building to Replace the existing Juvenile Court Building next the existing Juvenile Hall on Oasis Street just North of Avenue 48.

- Construction has begun on the El Polo Loco near the southwest corner of Jackson Street and Avenue 42 in Shadow Hills.

Collection Services

- No-Spill report for the month of May will be submitted to the California Integrated Water Quality System, as required in the Waste Discharge Requirements Monitoring and Reporting Program. Due by the end of the month.
- City of Indio Street rehab project has begun on Oasis Street, between Dr. Carreon and Highway 111. Contractor will then proceed on to Highway 111, between Arabia and Smurr Ave. The contractor will be lowering 10 manholes during this project, that will eventually be re-exposed. During this time the department will closely monitor sewer flow conditions in the area. (Ongoing Project)
- Field Vactor crew is currently jetting in the area of Avenue 44 and Jackson St.
- CCTV Inspection work is currently being conducted in the area of Indian Palms Country Club.

Capital Improvement Program

- The Reclaimed Water Project - Phase 1 was awarded to Schneider Electric / Stantec in June 2020. Construction costs will be determined during the design phase and will be awarded to Schneider Electric / Stantec upon approval of the Board. This project will replace an aging and capacity restricting grit chamber and provide redundancy by adding a second digester and expanding the bar screens. This project will also include replacement of the Main Switch Control Panel and the addition of a sludge thickener unit. Schneider has completed the 60% design submittal and has prepared the guaranteed maximum price based on the latest design plans. *Update: The Board has approved the guaranteed maximum price along with Contract Amendment No. 1 with Schneider Electric. Currently Schneider Electric is acquiring the necessary bonds and other documentation required by VSD and Bank of America before proceeding with design completion and construction.*
- The Preliminary Design Report for the replacement of the sewer siphon at Westward Ho Drive is complete. This is a FEMA funded project to replace the damaged sewer siphon from the February 2019 storm. The design is in progress. Staff and the consultant had a preliminary meeting with CVWD regarding requirements for crossing the channel. Staff reviewed the 50% design plans and the updated project cost schedule. Staff reviewed the 90% design plans and specifications and submitted comments for correction. Staff is finishing their review of the submitted 95% set of plans and specifications. Staff has met with both the City of Indio and La Quinta, and both have no revisions or concerns. Staff has sent plans to CVWD and IWA for review and VSD received comments back from both agencies for

incorporation. Carollo will be performing additional potholing to verify IWA and other utilities. Potholing has revealed that an IWA water line is closer to the project alignment than indicated on record drawings and must be rerouted around the proposed siphon manhole. *Update: Permitted Plans have been signed by CVWD. Staff is currently preparing an encroachment permit license application as required by CVWD for the permanent pipeline crossing of the channel. This project is currently being held up by FEMA. VSD needs FEMA approval before proceeding with bidding and construction. Staff is preparing the CEQA documentation for this project.*

- Staff is continuing to work with Harris and Associates on the Collections System Rehabilitation and Maintenance project. The first rehabilitation project on Indio Blvd. is complete. This was a good first project and lessons were learned on how to better the process for the next project. The CCTV inspection project is complete. Harris is currently developing plans for the downtown Indio rehabilitation and repair project. This is being done to rehabilitate and replace deficient sewer mains in the streets and allies of the downtown area. The 50% plans for the Downtown Indio Rehabilitation project have been reviewed and comments have been returned to Harris for revision. The 100% design plans have been reviewed by IWA and the City of Indio and both agencies returned comments for revision. *Update: Harris has received approval from the Department of Drinking Water. VSD staff is currently acquiring signatures from the City of Indio and IWA on the finalized set of plans. Harris has provided 60% project specifications for staff to review. Inspection of all lift stations has been completed and Harris has provided a draft of the assessment report and program recommendations for staff review.*
- VSD is currently working with Stantec, who is acting as an Owner's Representative, on the repair and rehabilitation of the Influent Pump Station. The Request for Proposal (RFP) was released on August 28 and was closed on September 28, 2020. The Board awarded the project to the DCI / Dudek team, and a pre-construction meeting was held on December 4th, 2020. The DCI / Dudek has developed a preliminary bypass plan for the initial inspection and shutdown of the influent pump station structure. The preliminary bypass and inspection were completed from February 22nd to February 26th. VSD has chosen the valves and gates that will be used for this project based on Dudek / DCI and Stantec's recommendations. Dudek and VSD are coordinating the ordering and purchasing of long, lead items. Dudek has submitted the Basis of Design Report which Stantec and VSD staff have reviewed. *Update: The Board has approved the guaranteed maximum price. The Notice of Award has been issued and Change Order No.2 signed. The contractor is preparing the necessary submittals for VSD and Stantec review and approval.*
- The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints, and has exceeded its useful life. The new steel waterline will have traditional joints that will provide a longer life. This project has been on the books for several years and has

been a lower priority due to lack of leaks in recent years and the difficult nature of replacement. The project design was awarded to Dudek who has completed the project design and specifications. The construction portion of the project was put out to bid on February 7th, 2022. The project bid opening took place on March 16th, 2022, and VSD received six sealed bids for this project with Van Dyke Corporation being the lowest responsible bidder.

Update: The notice to proceed has been issued and a preconstruction meeting was held on May 3rd. The contractor is currently ordering the necessary materials before mobilizing and beginning work on June 13th.

- VSD has chosen SGH Architects as the architectural firm for the preliminary design of a new single-story training/office building and new laboratory building. Staff has selected a new location for the training/office building that will allow the single-story building with minimal demolition. The architect has completed the schematic design and cost estimate for both the training/office building and laboratory building. An onsite survey was conducted on July 7th. SGH Architects is continuing with final design of both the Office & Training and Laboratory Buildings. *Update: SGH has submitted 50% design plans which include both buildings for staff review and comment in December 2021. This project has been delayed for a year or two to allow other priority projects to proceed and maintain our debt coverage.*

Recommendation

Staff recommends that the Board receive the Manager's Report for activities during the month of April 2022.

Attachments

- Attachment A: Administrative Services Report
- Attachment B: Monthly NPDES Report
- Attachment C: Collection System Report
- Attachment D: Development Services Report
- Attachment E: Capital Improvement Program Update
- Attachment F: Laboratory & Compliance Report

Administrative Services - Task Summary 2022

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total To Date
Active litigation filed	-	-	-	-									-
Board meeting	2	2	2	3									9
Budget/Finance Committee meeting	1	-	2	-									3
Operations Committee meeting	-	1	-	1									2
Community Engagement Committee meeting	2	-	1	-									3
Employee anniversaries	-	4	1	1									6
Employee promotions	-	-	-	-									-
Facebook postings	2	2	8	9									21
Insurance claims initiated	-	-	-	-									-
Lost time work incidents	-	-	-	-									-
Media coverage items		3	-	-									3
New hires	1	1	-	-									2
Press release	-	2	1	1									4
Public records request	1	-	-	-									1
Resignations	-	-	1	-									1
Retirements	-	-	-	-									-

	Plant Influent		ASP Effluent		Pond Effluent		Total Plant Discharge (Outfall)											
	CBOD (mg/L)	TSS (mg/L)	Monthly Average Flow (MGD)	CBOD (mg/L)	TSS (mg/L)	Monthly Average Flow (MGD)	CBOD	TSS	EColi (MPN/100ml)	Oil and Grease (mg/L)	Copper (ug/L)	Di(2-ethylhexyl)phthalate (ug/L)	Cyanide (total) (ug/L)	Ammonia (total, as N) (mg/L)	Nitrate (as N) (mg/L)	Nitrite (as N) (mg/L)	Total Nitrogen (mg/L)	
April 2022																		
1																		
2																		
3																		
4																		
5									1.0	< 1.5	2.8	< 0.5	2.1	15	4.8	0.25	23	
6									3.0									
7	320	270		< 10	< 2													
8																		
9																		
10																		
11																		
12																		
13									95.9									
14	240	210		< 5	4													
15																		
16																		
17																		
18																		
19																		
20																		
21	260	220		< 10	4				26.5									
22																		
23																		
24																		
25																		
26																		
27																		
28	280	290		5.3	9				140									
29			6.17			0.000												
30																		
Average	275	248	6.17	7.6	5	0.000			16.1*	1.5	2.8	0.5	2.1	15	4.8	0.25	23	
Minimum	240	210	6.17	< 5	< 2	0.000			1.0	< 1.5	2.8	< 0.5	2.1	15	4.8	0.25	23	
Maximum	320	290	6.17	< 10	9	0.000			140	< 1.5	2.8	< 0.5	2.1	15	4.8	0.25	23	
Exceedences / Violations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Permit LIMITS				25	30		40.0	49.0	126	25	9.0	5.9	4.3					

Collection Services Task Summary Report for 2022

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total To Date
Customer Service Calls	-	2	2	1	6								-
F.O.G. Inspection - Completed													-
F.O.G. Inspection - Fail													-
F.O.G. Inspection - Pass													-
Hot spot cleaning (total)*	26	-	-	36	-								-
Lift station inspection	19	19	20	19	19								-
Manhole inspection	47	65	172	103	194								-
Sewer line CCTV (feet)	8,412	7,016	9,477	9,375	10,681								-
Sewer line cleaning (feet)	28,012	25,782	59,902	56,005	70,360								-
SSO Response - Cat 1	0	0	0	0	0								0
SSO Response - Cat 2	0	0	0	0	0								0
SSO Response - Cat 3	0	0	0	0	0								0
USA Markings	40	39	45	44	64								-

*Note: Hot spot cleaning is performed quarterly



VALLEY SANITARY DISTRICT DEVELOPMENT SERVICES REPORT

1-May-22

Plan Check in Progress
Inspection in Progress
New Project

PROJECT NAME	STREET ADDRESS / CROSS STREET	CURRENT PROJECT STATUS	NEXT ACTION ITEM
7-Eleven Golf Center	44925 Golf Center/Avenue 45	Civil plans submitted for new 7-Eleven store approved. Arch. plans approved and returned to the applicant 10/26/20. Issued permit 3915 on 10/26/20.	Inspect work improvements as scheduled.
Add'l Dwelling Unit - Cebreros Residence	83181 Blue Mountain Court	Plans submitted for additional dwelling unit. Plans approved and notified applicant 3/3/21. Permit 3967 7/26/2021	Inspect work improvements as scheduled.
Advance Auto Parts/Pep Boys	81246 Hwy 111/Madison	Plans submitted for building remodel. Plans approved and notified applicant project ready to permit. Permit 4033 5/9/22 Finaled 5/24/22	No further action required
Arroyo Crossing Phase 1 architectural plans	47555 Jefferson Steet/Highway 111	Architectural plans submitted for new apartment complex. Plans approved and notified applicant 12/22/21. Permit 3998 issued 1/6/22.	Inspect work improvements as scheduled.
Arroyo Crossing Phase 1 civil plans	47555 Jefferson Steet/Highway 111	Civil plans submitted for new apartment complex. Plan review completed. Plans approved and returned to applicant 12/22/21. Permit 3998	Inspect work improvements as scheduled.
Arroyo Crossing Phase 2 architectural plans	47777 Jefferson Steet/Highway 111	Architectural plans submitted for new apartment complex. Plans approved and notified applicant 1/21/22 Permit 4005 on 2/7/22.	Inspect work improvements as scheduled.
Arroyo Crossing Phase 2 civil plans	47777 Jefferson Steet/Highway 111	Civil plans submitted for new apartment complex. Plans approved and notified applicant 1/21/22. Permit 1005	Inspect work improvements as scheduled.
Autozone Jackson Street	41850 Jackson Street/aAvenue 42	Plans submitted for plan check. Sewer main relocation. Plans approved 1/21/21. Waiting for engineer to finalize easements docs. Permit 3954 issued 5/13/21.	10% warrenty bond in place Reinspect and notice of acceptance Due 1/1/2023
Buzzbox	42625 Jackson Street #112	Plans submitted existng building TI. Completed 1st plan check and returned to the City 2/22/19.	Perform 2nd plan check upon plan resubmittal.
Chandi Plaza Building "B" Shell	81-971 Indio Blvd/Avenue 44	Plans submitted for plan check. Completed 1st check and returned to the applicant 10/13/20. Issued permit 3963 on 6/29/21.	Inspect work improvements as scheduled.
Citadel RV Storage-Phase 1	83667 Dr. Carreon Blvd/Calhoun Street	Plans submitted for construction of new RV storage facility. Plans approved and returned to the applicant 3/17/2020.	Waiting for owner to process permit paperwork.
COD Child Development Center	45742 Oasis Street	Plans submitted for child development center. Plans approved and notified applicant 1/25/22. Permit 4025 4/21/22	Inspect work improvements as scheduled.
College of the Desert	45524 Oasis Street	Plans submitted for campus expansion. Plan review completed, plan approved and notified applicant 1/25/22. Permit 4026 4/22/22	Inspect work improvements as scheduled.
Corso Residence	49491 Braley Court	Plans submitted for single family residence. Plans approved and notified applicant 9/2/20. Permit 3931 issued 1/5/21	Inspect work improvements as scheduled.
Destiny Church	80250 Highway 111/Jefferson Street	Plans submitted for plan check. Plans approved and notified applicant 7/12/21. Issued permit 3974 on 9/14/21.	Inspect work improvements as scheduled.
Dr. Oscar Arias	46100 Rubidoux Street Ste C-4/Hwy 111	Plans submitted for dental office TI. Completed 1st plan check and notified applicant 2/9/22. Permit 4019 4/6/22 Finaled 5/10/22	No further action required
El Pollo Loco	42223 Jackson Street/Showcase Parkway	Plans submitted for restaurant building. Completed first plan check and returned to applicant 8/5/21. Permit issued 10/21/21 3982	Inspect work improvements as scheduled.
EOS Fitness Hwy 111	Highway/Jefferson Street	Plans submitted for construction of new gym facility. Plans approved and notified applicant 4/27/20.	Waiting for Develoment Agreement and Bonds before owner can process permit paperwork.
EOS Fitness Public Sewer Extension	SWC of Spectrum Street & Avenue 42	Mainline complete. Waiting on Maintenance Bond to release Peformance Bond	Release Performance Bond when Mainteance Bond is recieved
J Young (Villa Hermosa Apts Phase III)	83801 Dr. Carreon Blvd / West of Van Buren	Plans submitted for apts at Fred Young Farm Labor Dev. Plans approved and returned to the applicant 7/17/2019. Submitted revision to approved plans 9/16/20 Revised Plans approved 11/5/2020. Permit 3944 issued 3/23/21.	Inspect work improvements as scheduled.
ery at Indian Springs	Jefferson St/Westward Ho Drive	Tract is Complete. Warranty Bond received 8/25/2021.	Notice of acceptance after 12 month warranty bond release.
pton Inn Sewer Main Extension	North Wast Corner of Spectrum St and Atlantic Ave	Plans submitted for the extension of a public sewer main for Hampton Inn at Atlantic Ave. Plan check fees paid 7/11/18. Completed 2nd plan check and returned plans to the engineer 8/9/18. Plans approved and returned to enginner 8/27/18. Sewer Finaled 5/12/20.	Waiting for owner to submit Warranty Bond

Monthly Capital Improvement Project Update - June 2022

Project Title	Project Description	Current Status	Fiscal Year Budget	Total Spent to Date
Westward Ho Sewer Siphon Replacement Design and Construction	Due to the February 2019 rain event, the existing VSD sewer siphon that crosses the CVWD storm channel at Westward Ho Drive became exposed and was damaged. In order to prevent this from happening again in the future, Carollo Engineers is currently working with VSD on the final design of a new sewer that is to be constructed well below the new channel scour depth. The design being proposed would utilize horizontal directional drilling to create a new sewer siphon alignment under the channel and adjacent to the original siphon. Permit processing with at least CVWD and possibly other regulatory agencies may extend the design/permit period. Some or possibly all the project costs will be reimbursed by FEMA / CalOES.	Permitted Plans have been signed by CVWD. Staff is currently preparing an encroachment permit license application as required by CVWD for the permanent pipeline crossing of the channel. This project is currently being held up by FEMA. VSD needs FEMA approval before proceeding with bidding and construction. Staff is preparing the CEQA documentation for this project.	\$2,562,063.00	\$56,717.37
Collections System Rehabilitation Projects	Harris & Associates is assisting the District in creating a 10-year rehabilitation and replacement program for the collections system. The purpose of this project is to repair, rehabilitate, replace and/or realign aging or defective pipelines and/or segments projected to reach capacity within the foreseeable future. Harris and the District have assigned a rating and priority to all of the pipes in the collection system and are splitting them up into projects for each fiscal year. The first project for this fiscal year will consist of the rehabilitation of approximately 2,300 feet of sewer located in Indio Boulevard and underneath the railroad near Cabazon Avenue using cured in place lining. The second project will consist of hiring a contractor to perform CCTV inspections of all pipes within the District that cannot be surveyed by collections staff due to high flows or pipe diameter. The third project is the downtown Indio rehabilitation and repair project. This project is being done to rehabilitate and replace deficient sewer mains in the streets and allies of the downtown area.	Harris has received approval from the Department of Drinking Water. VSD staff is currently acquiring signatures from the City of Indio and IWA on the finalized set of plans. Harris has provided 60% project specifications for staff to review. Inspection of all lift stations has been completed and Harris has provided a draft of the assessment report and program recommendations for staff review.	\$2,900,000.00	\$415,157.61
Reclaimed Water Project Phase 1	The contract for this project was awarded to Schneider Electric / Stantec. The project design cost is \$2,200,000 and project schedule is approximately 460 days. Construction costs will be determined during the design phase and will be awarded to Schneider Electric / Stantec upon approval of the Board. The Reclaimed Water Project – Phase 1 will replace an aging and capacity restricting grit chamber and provide redundancy by adding a second digester and expanding the bar screens. This project will also include adding a biofilter, and a sludge thickener unit.	The Board has approved the guaranteed maximum price along with Contract Amendment No. 1 with Schneider Electric. Currently Schneider Electric is acquiring the necessary bonds and other documentation required by VSD and Bank of America before proceeding with design completion and construction.	\$2,200,000.00	This project is being financed by Bank of America.
Influent Pump Station Rehabilitation	Stantec is assisting the District as an Owner's Representative and DCI / Dudek are acting as the design-build team for this project. The influent pump station structure is showing significant signs of deterioration. Proposed improvements to the pump station include: bypass of the pump station for inspection and repair, repair/replacement of leaking and broken gates, repair of interior concrete coating, installation of new valves for proper isolation/drainage, installation of a new jockey pump in the empty pump bay.	The Board has approved the guaranteed maximum price. The Notice of Award has been issued and Change Order No.2 signed. The contractor is preparing the necessary submittals for VSD and Stantec review and approval.	\$3,634,476.00	\$182,477.59
New Training and Office Building and Laboratory Building	The District and SGH Architects are developing the initial design for a new office / training building that will be located to the west of the existing Operations building. The purpose of this new building is to provide space for new offices for collections and maintenance personnel as well as a training area for company events and meetings. Also as part of this project, VSD has contracted SGH to develop designs for a new laboratory building to replace the existing lab due to the current issues lab staff are experiencing with the layout and air filtering system.	SGH has submitted 50% design plans which include both buildings for staff review and comment in December 2021. This project has been delayed for a year or two to allow other priority projects to proceed and maintain our debt coverage.	\$1,922,000.00	\$267,228.00

Monthly Capital Improvement Project Update - June 2022

Project Title	Project Description	Current Status	Fiscal Year Budget	Total Spent to Date
Steel WaterLine Replacement	The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints, and has exceeded its useful life. The new steel waterline will have traditional joints that will provide a longer life. This project has been on the books for several years and has been a lower priority due to lack of leaks in recent years and the difficult nature of replacement. The project was awarded to Dudek who has begun the development of the project design and specifications.	The notice to proceed has been issued and a preconstruction meeting was held on May 3rd. The contractor is currently ordering the necessary materials before mobilizing and beginning work on June 13th.	\$642,000.00	\$41,688.60
Additional Parking and Landscaping	The District is need of additional parking for employees and customers. Staff proposes to remove the lawn at the front of the property and replace it with parking and drought tolerant landscaping.	A preliminary design of the Project has been completed. In que for the next steps.	\$500,000.00	\$0.00

Lab & Compliance Services Summary Report for 2022

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Pretreatment												
Customer Service Calls	5	6	11	8								
Commercial Approval Letters		1	1	2								
Change of Ownership Inspection	1	1	0	1								
SIU Permit Compliance	3	3	4	7								
FOG-FSE Inspections Completed	23	24	25	17								
Commercial Inspections Completed	4	6	16	27								
Environmental & Collections investigations	3	1	1	1								
Failed Inspections or NOV												
Total # of Inspections	33	34	46	52	0	0	0	0	0	0	0	0
Laboratory												
# of Collected Samples	478	233	233	224								
# of Tests (Analyses)	692	449	481	459								
# of Samples sent to Contract Labs	41	21	19	31								
# of Contracted Tests (Analyses)	79	46	13	17								
% of Samples performed In-House	91.4%	91.0%	91.8%	86.2%								

Total YTD
30
17
89
53
6
0
165
Total YTD
1168
2081
112
155
90.1%

**VALLEY SANITARY DISTRICT
OPERATIONS COMMITTEE MEETING MINUTES**
June 7, 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, June 7, 2022.

1. CALL TO ORDER

Ron Buchwald called the meeting to order at 1:03 p.m.

1.1 Roll Call

Committee Members Present:
Committee Member Mike Duran

Staff Present:
Beverli Marshall, General Manager; Ron Buchwald, Engineering Services Manager;
James Mills, Operations Supervisor; and Holly Gould, Clerk of the Board

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 Process Modification for Ammonia Removal Pilot Project Phase 2

James Mills, Operations Supervisor, stated that in 2020, the State of California Colorado River Basin Regional Water Quality Control Board required the District to complete within 18-months an Ammonia Technical Study. The study was to evaluate the ability of the treatment facility to reduce ammonia discharges into the Coachella Valley Whitewater Storm Water Channel. Phase 1 of the Ammonia Pilot Project demonstrated that the current plant could be modified to remove ammonia from the plant effluent. Staff was able to achieve plant effluent ammonia requirements frequently below 2.0 mg/L. Since the completion of Phase 1, the District wanted to evaluate additional process modifications that would provide consistent, reliable nitrification/denitrification with effluent ammonia levels below 2.0 mg/l or less. During this phase of the project, Aeration Basin No. 4 will be modified into a Single Sludge, Pre-Anoxic process configuration (Modified Ludzak-Ettinger configuration). This requires constructing a temporary internal nitrate recycle pipeline from the backend end of the aeration basin to the front of the anoxic selector in Basin No. 4. This is being done by repurposing facility equipment and using temporary plastic pipe. Phase 2 of the pilot study is committed to developing consistent, reliable nitrification/denitrification with effluent ammonia levels below 2.0 mg/L or less. Director Duran inquired what the future costs could be if this process proves successful. James stated that it would involve modifying each aeration basin with a pump and piping. He also noted that this has been a great team effort from everyone in the Operations Department.

3.2 Project Update: Influent Pump Station Rehabilitation Project

The District awarded the Design/Build project to Downing Construction and Dudek Engineering. The initial project consisted of installing a sewer main by-pass to thoroughly inspect the influent pump station to determine the necessary repairs. The design and construction estimate was completed with a Guaranteed Maximum Price set at \$2,921,971. The final award by the Board was approved on April 26, 2022. Downing / Dudek is in the process of acquiring the materials to install the sewer main by-pass around the pump station. Ron Buchwald, Engineering Services Manager, stated that the bonds and insurance had been submitted, and the shop drawings are under engineering review. The project is running about a month behind schedule. The sewer main by-pass is expected to be installed in June and continuously active for about six months. The project is estimated to be completed by the end of January 2023.

3.3 Lift Station Condition Assessment Report Review

In February 2022, Harris & Associates (Harris), along with two subconsultants, performed a full inspection of each of the District's four lift stations. Overall, the condition assessment did not find any issues that required immediate action to prevent imminent structural or critical equipment failure. The lift stations are generally in moderate to good working condition. The significant recommendations across the four lift stations involve new wet well linings, mechanical coatings, and upgrading outdated electrical equipment. The recommended improvements are based on deteriorating asset conditions, outdated equipment with increased failure and safety risk, and assets nearing their useful life. Even though the four lift stations are in moderate to good condition, there are several recommended repairs to be made to each lift station over the next 2 to 5 years. Calhoun lift station had the highest priority, followed by Carver and Barrymore lift stations in second place, and then Vandenburg lift station with the lowest priority. Harris is also looking at relocating the Carver lift station from the roadway to an adjacent parcel as part of a second report. A discussion took place on the relocation of the Carver lift station. Beverli Marshall, General Manager, stated that she would reach out to the Board of Supervisors to let them know that this is an area of interest and the benefit that the Carver lifter station would provide to the community. Staff will also reach out to a real estate professional to get more information on the parcels of interest.

4. **ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 2:10 p.m. The next regular committee meeting will be held on August 2, 2022.

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