



Board of Directors Regular Meeting
Tuesday, March 9, 2021 at 1:00 PM
Valley Sanitary District
45-500 Van Buren Street, Indio, CA 92201

*****SPECIAL NOTICE – VIA VIDEOCONFERENCE*****

Pursuant to the Governor’s Executive Order N-25-20 issued on March 4, 2020 and N-29-20 issued on March 18, 2020; the Board of Directors regular meeting will be conducted remotely through Zoom. **Members of the public wanting to participate in the open session of the meeting may do so via the following Zoom registration link:** <https://zoom.us/j/96264627706?pwd=TGFiYU5qeG5rMnZnOU10US81bjBKUT09> Meeting ID: 962 6462 7706 or by calling 669-900-9128. Members of the public wanting to address the Board, either during public comment or for a specific agenda item, or both, are requested to send an email notification no later than 12:30 p.m. on the day of the meeting to the Valley Sanitary District’s Clerk of the Board at hgould@valley-sanitary.org.

Page

1. CALL TO ORDER





- 1.1. Roll Call
- 1.2. Pledge of Allegiance
- 1.3. March Employee Anniversaries
 - Steve Shepard, Development Services Supervisor – 25 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 February 23, 2021 Regular Meeting Minutes
3.1 23 Feb 2021 Meeting Minutes.pdf  | 4 - 7 |
| 3.2. | Approve Warrants for February 18 to February 28, 2021
3.2 Warrants for February 18 to February 28, 2021.pdf  | 8 |
| 3.3. | Designate Identified Items as Surplus Equipment and Authorize Disposition as Appropriate
3.3 Staff Report Authorize Surplus Equipment.pdf 
3.3 Attachment A VSD Equipment Disposition Form.pdf  | 9 - 10 |

4. NON-HEARING ITEMS

- | | | |
|------|---|---------|
| 4.1. | Discuss Proposed 5-Year Sewer Use Rates and Direct Staff to Prepare and Mail the Proposition 218 Notice
4.1 Staff Report Prop 218 Rate Increase and Notice.pdf 
4.1 Attachment A Draft Bilingual Prop 218 Notice gc.pdf 
4.1 Attachment B NBS Presentation.pdf  | 11 - 60 |
| 4.2. | Set Public Hearing Date to Consider and Adopt Sewer Use Rates for May 11, 2021
4.2 Staff Report Prop 218 Public Hearing Date.pdf 
4.2 Attachment A NOTICE OF PUBLIC HEARING ON RATES 2020.pdf  | 61 - 62 |

5. GENERAL MANAGER'S ITEMS

General Manager's items not listed are for discussion only; no action will be taken without an urgency vote pursuant to State law.


- | | | |
|------|---|---------|
| 5.1. | Monthly General manager's Report - January 2021
5.1 Staff Report GM Report January.pdf  | 63 - 74 |
|------|---|---------|

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

[5.1 Attachment B NPDES Report for January.pdf](#) 

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

[5.1 Attachment D Development Services Report January.pdf](#) 

[5.1 Attachment E Capital Improvement Program Update January.pdf](#)


6. COMMITTEE REPORTS

- 6.1. Budget & Finance Committee - Draft March 2 Regular Meeting Minutes 75 - 76

[6.1 2 Mar 2021 Budget & Finance Committee Minutes.pdf](#) 

7. DIRECTOR'S ITEMS

Director's items not listed are for discussion only; no action will be taken without an urgency vote pursuant to State law.

8. INFORMATIONAL ITEMS

9. 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.

UNOFFICIAL UNTIL APPROVED

VALLEY SANITARY DISTRICT MINUTES OF REGULAR BOARD MEETING

February 23, 2021

Valley Sanitary District conducted this meeting in accordance with California Governor Newsom's Executive Orders N-29-20 and COVID-19 protocols.

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held via videoconference, on Tuesday, February 23, 2021.

1. **CALL TO ORDER**

President Sear called the meeting to order at 1:05 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, Ron Buchwald, Jeanette Juarez, and Robert Hargreaves, Best Best & Krieger

Guests:

Hugh Curtis, Desert Cornerstone Insurance

Paul Fuller, Allied Public Risk

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. **CONSENT CALENDAR**

3.1 Approve February 9, 2021, Regular Meeting Minutes

3.2 Approve Warrants for February 3 to February 17, 2021

3.3 Approve Annual Renewal of the Environmental Pollution Liability Coverage Provided by Desert Cornerstone Insurance Service, Inc. in an Amount Not to Exceed \$17,758, Effective March 1, 2021

Hugh Curtis, Desert Cornerstone Insurance, and Paul Fuller, Allied Public Risk presented the Environmental Pollution Liability Coverage renewal to the board.

UNOFFICIAL UNTIL APPROVED

ACTION TAKEN:

MOTION:

Director Teague a motion to approve the consent calendar items as presented. Secretary Canero seconded the motion. Motion carried unanimously.

MINUTE ORDER NO. 2021-3082

4. NON-HEARING ITEMS

- 4.1 Authorize the General Manager to Amend the Contract with Engineering Solutions Services and Increase the Total Contract Amount to \$35,000 to Include Preparation of an Appeal to the State Water Board for Consideration of State Revolving Funds for the Recycled Water Project – Phase I

Beverli Marshall, General Manager, informed the Board of Directors that the District received the initial Priority Scoring Worksheet from SRF staff indicating that the total points awarded are 11, which is not competitive for this year's loan funding. There is an appeal process, which is due within 30 days of receiving the score. Engineering Solutions Services (ESS), the consultants the District used to assist in the SRF application process, can assist staff in preparing the appeal, but the contract did not include funds for this process. Staff is requesting \$5,000 to increase the total contract to \$30,000 to work with ESS on the appeal and any remaining tasks associated with the BoR and SRF processes in FY 2020/21. A discussion took place regarding the scoring and whether the District used a consultant for the SRF application during the Requa project.

ACTION TAKEN:

MOTION:

Vice President Coleman made a motion to authorize the General Manager to amend the contract with Engineering Solutions

increase the total contract amount to \$35,000 to include of an appeal to the State Water Board for consideration of State Funds for the Recycled Water Project – Phase I. Director Teague the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Sear, Teague

NOES: Duran

MINUTE ORDER NO. 2021-3083

Services and preparation Revolving seconded

- 4.2 Support Participation in the National Wastewater Sewer Surveillance Program, Authorize the General Manager to Spend \$11,000 for FY 2020/21 and to Purchase GT Molecular Testing Kits

The Centers for Disease Control and Prevention and the US Department of Health and Human Services have initiated the National Wastewater Surveillance System (NWSS) to gather data to help public health officials identify the prevalence and concentration of the Coronavirus and how it spreads in communities. The NWSS program can provide data to public health officials beyond what they are collecting at the county COVID-19 testing sites. The program guides implementing a community wastewater surveillance program. The fiscal impact of participating in the program would be \$26,000. The Board requested that the General Manager reach out to the City of Indio to see if they would like to partner in the program and bring the item back before the Board in March.

UNOFFICIAL UNTIL APPROVED

4.3 Update on Influent Pump Station Bypass and Project Timeline

Ron Buchwald, Engineering Services Manager, updated the Board on the Influent Pump Station Bypass Project. He stated that during the week of February 22, 2021, the by-pass will be active 24 hours a day for five days and will end on February 26 by close of business. This by-pass is the first of two events that will be needed to rehabilitate the pump station. The second by-pass is anticipated to take up to 4 months and will consist of the construction work needed to rehabilitate or replace items within the pump station. Construction is anticipated to begin later this calendar year around October. The project is anticipated to be completed by April 2022.

4.4 Review and Approve Budget Amendment Request for Temporary Help Services and Other Post Employment Benefit (OPEB) Contribution

Jeanette Juarez, Business Services Manager, reported that the District will be resuming regular shifts commencing March 1, 2021. To help assist with the transition off the modified scattered scheduling the temporary help services in operations will need to be extended to March 5, 2021. She also stated that during the FY20 audit it was determined the actuarial reports for OPEB valuations did not include the implicit rate subsidy. The implicit rate subsidy is the difference between average retiree claims and premiums charged by the insurer or by CalPERS. In the past, the implicit rate subsidy did not need to be considered in large "community-rated" plans such as PEMHCA. However, changes to GASB 43/45 now consider the rate subsidy a benefit that should be included in OPEB valuations. The recognition of the implied subsidy increased the GASB 45 OPEB liability. The fiscal impact of the requested changes will increase the Operating and Maintenance (O&M) budget by \$40,825. Temporary help services will increase by \$3,000 and the OPEB contribution will increase by \$37,825.

ACTION TAKEN:

MOTION:

Director Duran made a motion to Directors approve the proposed amendment to Valley Sanitary District's O&M budget by \$40,825. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2021-3084

5. GENERAL MANAGER'S ITEMS

Beverli Marshall, General Manager, informed the Board that starting the week of March 1, 2021, the District will be coming off of the A/B alternating schedule and staff will return full time. The District has implemented a health screening machine where employees will check in daily and have also implemented social distancing protocols. Ms. Marshall updated the Board on her meeting regarding the community college apprenticeship program. Ms. Marshall and Vice President Coleman reported out to the Board on their meeting with Assemblyman Eduardo Garcia.

6. COMMITTEE REPORTS

6.1 Operations Committee – Draft February 2, 2021, Regular Meeting Minutes

UNOFFICIAL UNTIL APPROVED

Budget & Finance Committee Chairperson Dennis Coleman updated the Board on the Budget & Finance Committee's Special Meeting held February 16, 2021. Alice Bou and Greg Clumpner of NBS presented a wastewater rate study presentation to review and examine four (4) components; Financial Plan, Cost-of-Service Analysis, Rate Design & Proposed Rates, and Monthly Bill Impacts. The rates presented in the report are preliminary and aligned to meet the District's financial plan and revenue requirements. The proposed rates are also designed in a "fair and equitable" manner that complies with Prop 218. Alice explained the Cost-of-Service Analysis and how NBS narrowed down the customer rate classes. NBS also presented four (4) different rate structures that included fixed rates and combination fixed/volumetric rates. It was decided to narrow down the rate alternatives to three options for the full board to consider: a fixed rate, 70/30 option, and 80/20 option. The updated report will come before the Board on March 9, 2021.

7. DIRECTOR'S ITEMS

Director Duran apologized for missing his appointment with Ms. Marshall and will reschedule soon.

8. INFORMATIONAL ITEMS

None.

9. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 3:02 p.m. The next regular board meeting will be held on March 9, 2021.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District

DISBURSEMENTS
Approved at the Board Meeting of
March 9, 2021

39025	Southern California Boiler, Inc.	Boiler Maintenance December 2020	\$1,004.99
39026	ABM Office Solutions, Inc	First and Last Month Deposit Per Rental Agreement	\$2,595.95
39027	Petty Cash	Replenish Petty Cash	\$471.99
39028	ABS Facility Services, Inc	50% Deposit for Demo of Old Office Equipment	\$3,752.00
39029	Alfa Laval Inc.	Upper & Lower Belts for Belt Press	\$8,576.78
39030	Alliance Protection	Q2 Fire Alarm Monitoring, Test & Inspection	\$366.00
39031	American Material Company	Ingersol Rand Chisel Kit	\$764.28
39032	Analytical Technology, Inc.	Autochem Pump Head Assembly	\$1,631.22
39033	Aqua Staffing	Staffing for Week Ending 02/19/2021	\$7,102.00
39034	Calif. Water Environment Assn.	Membership Renewal May 2021-22	\$192.00
39035	Caltest Analytical Laboratory	Monthly Samples	\$1,085.25
39036	Coalition of Accredited Laboratories Organizing Committee	CAL Membership	\$1,000.00
39037	Consolidated Electrical Distributors, Inc.	Repairs to Front Canopy Lighting	\$16.43
39037	Consolidated Electrical Distributors, Inc.	JCT Box with CVR	\$31.35
39037	Consolidated Electrical Distributors, Inc.	LED Step Light Kit	\$485.40
39038	Core & Main LP	Gaskets	\$52.41
39039	Denali Water Solutions	Sludge Hauling for Jan 2021	\$7,032.00
39040	Environmental Resource Associates	Chlorine Testing	\$321.37
39041	Evoqua Water Technologies LLC	Wipers	\$772.18
39042	Golden Bell Products, Inc.	Insecta Coating for Roach Control Part 1 of Agreement	\$37,762.24
39043	Hach Company	2.5 Gallon Container Poly W/Cap	\$459.96
39043	Hach Company	Glass Filters	\$617.90
39043	Hach Company	Mixed Parameter Standard Solution	\$51.06
39044	Harris & Associates	*Professional Services Jan 2021 Coll Sys Infr. Prog Ph. 2	\$32,293.50
39045	Hopkins Technical Products Inc	Start Up of Chlorine Analyzers	\$900.00
39046	IDEXX Distribution, Inc.	Quanti-Trays	\$327.40
39047	Kaman Industrial Technologies	V Belts	\$220.83
39048	Kenneth Kepley	Refund Colonial After-Tax Deduction from 02/26/2021 pay date	\$76.62
39049	Safety-Kleen Systems, Inc.	Parts Washer Service 02/05/2021	\$54.38
39049	Safety-Kleen Systems, Inc.	Used Oil Service	\$176.80
39050	SGH Architects Inc	Professional Services Jan 2021 Lab Building	\$15,785.00
39051	Southern California Boiler, Inc.	Boiler Maintenance Feb 2021	\$1,004.99
39052	Southwest Networks, Inc.	7 Computer Workstations	\$8,934.02
39053	Tritech Software Systems	Asset Management Annual Maintenance Fee 2021/2022	\$1,537.50
39054	Underground Service Alert	Board Fee Feb 2021	\$68.64
39055	United States Plastic Corp.	2.5 Gal POLY-E Carboy, Baskets, Tubing	\$647.81
39056	United Way of the Desert	PR 02/05/2021 - 02/18/2021 PD 02/26/2021	\$25.00
39057	Univar Solutions	Sodium Bisulfite Delivery 02/16/2021	\$5,293.87
39057	Univar Solutions	Sodium Hypochloride Delivery 02/16/2021	\$7,176.62
39058	USA Blue Book	Fiberglass Pole with Bottle, Solujet Detergent	\$459.41
39059	Downing Construction, Inc	*Influent Pump Station Rehab Project #1R1	\$168,429.65
39060	Stantec Consulting Services, Inc	*Influent Pump Station Rehab Proj 09/12/20 - 02/05/21	\$17,182.05
202102261	Standard Insurance Company	Dental and Vision Insurance for March 2021	\$3,451.00
202102262	CalPERS Health	Health Insurance for March 2021	\$31,226.25
202102231	Basic	PR 01/08/2021 - 01/21/2021 PD 01/29/2021	\$104.16
202102231	Basic	PR 12/25/2020 - 01/07/2021 PD 01/15/2021	\$104.16
202102231	Basic	PR 01/22/2021 - 02/04/2021 PD 02/12/2021	\$104.16
202102251	Purchase Power	Meter Refill on 01/21/2021	\$208.99
202102252	UPS	Shipping Charges as of 02/13/2021	\$62.16
202102252	UPS	Shipping Charges as of 02/20/2021	\$42.66
202102253	FedEx	Shipping Charge on 01/20/2021	\$24.90
202102255	Colonial Life	PR 01/22/2021 - 02/04/2021 PD 02/12/2021	\$827.99
202102255	Colonial Life	PR 02/05/2021 - 02/18/2021 PD 02/26/2021	\$827.99
202102256	Cintas Corp	First Aid Replenishment 02032021	\$65.00
202102256	Cintas Corp	AED Pads for Admin and Operations	\$234.04
202102257	Cintas Corp	Uniforms, Mats, Towels, Etc for Week of 02/11/2021	\$623.83
202102257	Cintas Corp	Uniforms, Mats, Towels, Etc for Week of 02/18/2021	\$623.83
202102257	Cintas Corp	Uniforms, Mats, Towels, Etc for Week of 02/25/2021	\$623.83
202102261	Paychex - Direct Deposit	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$74,500.06
202102262	Paychex - Fee	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$169.27
202102263	Paychex - Garnishment	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$210.46
202102264	Paychex - Tax	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$35,067.30
202102281	Verizon Wireless	Cell Service for February 2021	\$862.76
202102282	Domino Solar LTD	Electricity for January 2021	\$7,123.02
202103011	Standard Insurance Company	Life and Disability Insurance for March 2021	\$1,332.83
202103012	Vantage Point Transfer Agents - ICMA	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$1,495.00
202103013	MassMutual	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$10.00
202103014	Nationwide Retirement Solution	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$1,535.00
202103016	CalPERS 457	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$1,025.00
202103017	CalPERS Retirement	PR 02/05/2021 - 02/18/2021 - PD 02/26/2021	\$19,438.30
202103021	Indio Water Authority	Water Service for January 2021	\$1,372.26
202103042	Imperial Irrigation District	Electricity for January 2021	\$41,381.83
			\$561,416.89



**Valley Sanitary District
Board of Directors Meeting
October 27, 2020**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

FROM: Jeanette Juarez, Business Services Manager

SUBJECT: Designate Identified Items as Surplus Equipment and Authorize Disposition as Appropriate

<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 list of surplus items.

Strategic Plan Compliance

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

Fiscal Impact

One (1) item will be disposed. The Cannon Image prograf will be listed and sold through GovDeals. Any revenue generated from the disposition of this asset will offset the cost of replacement items.

Background

Staff has identified obsolete equipment that is no longer usable by the District. These items will be replaced by newer items and are no longer needed.

Recommendation

Staff recommends that the Board of Directors designate identified items as surplus equipment and authorize disposition as appropriate.

Attachments

Attachment A: VSD Equipment Disposition Form

VALLEY SANITARY DISTRICT EQUIPMENT DISPOSITION FORM

(This form is to be completed upon the disposition of fixed assets, including equipment for surplus)

Date of Disposition: 03-09-21	
Department: Administration	Location: VSD

Justification for Disposition: Obsolete / No longer required.
The items will be disposed and recycled.

Item #	Asset Tag #	Quantity	Description	Current Location	Value \$	
1		1	IP Conference Station 7937G	VSD	0	
2		4	IP Phone 7965G- Gibalt	VSD	0	
3		19	IP Phone 7945G - Gibalt	VSD	0	
4		3	7916 Single module Footstand	VSD	0	
5						
6						
7						
8						
9						
10						

Check One:
<input type="checkbox"/> Sold (Please attach supporting documentation and sale value.)
<input type="checkbox"/> Lost (Please include complete description of circumstances surrounding loss.)
<input type="checkbox"/> Donated to outside organization (Please attach supporting documentation.)
<input type="checkbox"/> Traded In (Please attach supporting documentation.)
<input type="checkbox"/> Reassigned for use as source of parts
<input type="checkbox"/> Stolen (Please attach police report or complete description of circumstances.)
<input type="checkbox"/> Destroyed (Please include complete description of circumstances.)
<input checked="" type="checkbox"/> Declared Surplus (Please attach documentation of Board Action)
<input type="checkbox"/> Other, Please explain:

Department Supervisor:	General Manager:
District Board Action:	



**Valley Sanitary District
Board of Directors Meeting
March 9, 2021**

TO: Board of Directors
THROUGH: Beverli A. Marshall, General Manager
FROM: Jeanette Juarez, Business Services Manager
SUBJECT: Discuss and Approve Proposed Rate Increase and Direct Staff to Mail Proposition 218 Notice as Required

<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 for the Board to approve the proposed rate increase and authorize staff to mail the Proposition 218 Notice.

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 rate increase is \$1,512,349 for Fiscal Year 2021/22.

Background

The District contracted with NBS to perform a cost-of-service analysis and rate study for its wastewater service charges. Based upon the results (Attachment B), the District needs to increase its rates over the next five years to (1) maintain the operational and financial stability of the District, including keeping pace with inflation and other cost increases including wastewater treatment costs; (2) comply with State and Federal regulations governing the treatment, disposal, and reuse of wastewater; (3) fund capital infrastructure improvements needed to repair and update the District’s aging wastewater system; and (4) avoid operational deficits and depletion of reserves.

In accordance with California Proposition 218, a notice will be sent to the record owners and/or tenants of each parcel via U.S. Mail at least 45 days before the Public Hearing (Attachment A) to consider an increase to the Sewer Use rates. Additionally, a notice of

the Public Hearing will be advertised in the Desert Sun, a newspaper of general circulation, on March 20, 2021, and March 22, 2021.

The Proposition 218 notice has been reviewed by legal counsel.

Recommendation

To approve the proposed rate increase and authorize staff to mail the Proposition 218 notice.

Attachments

Attachment A: Proposition 218 Notice

Attachment B: Sewer Service Charges Rate Study 2021



Visit our website:

www.valley-sanitary.org

Follow us on Facebook:

www.facebook.com/Valley-Sanitary-District-556532824874362

**Notice of Public Hearing
Proposed Changes to
Sewer Use Rates**

Date: May 11, 2021

Time: 1:00 P.M.

Location: Valley Sanitary
District

45-500 Van Buren Street
Indio, CA 92201

All members of the public
are welcome to participate in
the public hearing. For more
information, please call 760-
238-5400.

**Aviso de Audiencia
Pública
Cambios Propuestos a las
Tarifas de Uso de
Alcantarillado**

Date: May 11, 2021

Time: 1:00 P.M.

Location: Valley Sanitary
District

45-500 Van Buren Street
Indio, CA 92201

Todos los miembros del
público pueden participar en
la audiencia pública. Para
una copia de este aviso en
español, llame al 760-238-
5400 o visite el sitio web del
Distrito.

Valley Sanitary District
45-500 Van Buren Street
Indio, CA 92201

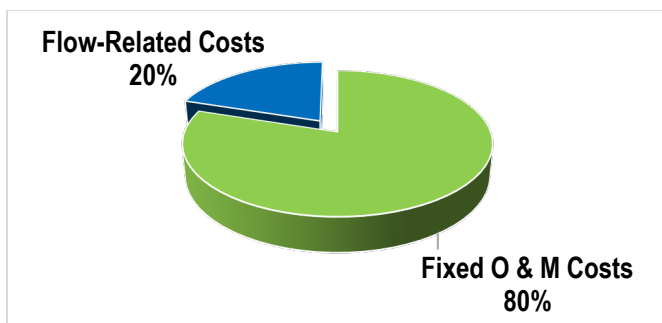
Proposed Annual Sewer Rate Schedule Fiscal Year Ending June 30, 2022 – Fiscal Year Ending June 30, 2025

Annual Sewer Rate Schedule Programa anual de tarifas de alcantarillado	Current Ahora	July 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
Fixed Service Charge (Cargo Por Servicio Fijo)						
	Per EDU	Rates per EDU (Tarifas por EDU)				
Single Family (Unifamiliar)	\$330.00	\$ 391.68	\$ 440.64	\$ 495.72	\$ 557.69	\$ 568.84
Multi-Family (Multifamilia)	\$330.00	\$ 171.43	\$ 192.85	\$ 216.96	\$ 224.08	\$ 248.96
Mobile Home (Casas Moviles)	\$330.00	\$ 207.18	\$ 233.08	\$ 295.00	\$ 295.00	\$ 300.90
RV Park (Parque RV)	\$330.00	\$ 161.43	\$ 181.61	\$ 204.31	\$ 229.85	\$ 234.45
	Per EDU	Rates per Account (Tarifas por Cuenta)				
Commercial-Low Strength (Baja Resistencia)	\$330.00	\$ 227.46	\$ 225.89	\$ 287.88	\$ 323.87	\$ 330.35
Commercial-High Strength (Alta Resistencia)	\$330.00	\$ 693.72	\$ 780.43	\$ 877.98	\$ 987.73	\$ 1,007.48
Volumetric Rate (Tasa Volumetrica)						
		\$ per hcf average winter water consumption (\$ por hcf consumo medio de agua en invierno)				
Single Family (Unifamiliar)	-	\$ 0.65	\$ 0.73	\$ 0.82	\$ 0.92	\$ 0.94
Multi-Family (Multifamilia)	-	\$ 0.65	\$ 0.73	\$ 0.82	\$ 0.92	\$ 0.94
Mobile Home (Casas Moviles)	-	\$ 0.65	\$ 0.73	\$ 0.82	\$ 0.92	\$ 0.94
		\$/hcf annualized water consumption (\$/hcf del consume de agua anualizado)				
RV Park (Parque RV)	-	\$ 0.73	\$ 0.82	\$ 0.92	\$ 0.94	\$ 1.06
Commercial-Low Strength (Baja Resistencia)	-	\$ 0.59	\$ 0.66	\$ 0.74	\$ 0.83	\$ 0.85
Commercial-High Strength (Alta Resistencia)	-	\$ 1.33	\$ 1.50	\$ 1.69	\$ 1.90	\$ 1.94

1 hcf = 748 gallons of water

How are the rates determined?

Wastewater rates include both fixed and volumetric charges. Approximately 80% of wastewater collection and treatment costs are fixed and include operation and maintenance of the collection system and treatment plant as well as the capital improvements needed to maintain these systems and meet permit requirements.



Single-Family, Multi-Family, and Time Share units are charged based on equivalent dwelling units, while Mobile Home and RV Parks are charged based on the number of lots.

The revenue requirement for each customer class is determined by multiplying the total revenue requirements by allocation factors specific to each customer class, including the estimated effluent volume, effluent strength, and the total number of accounts.

Effluent strength is measured by two factors: biochemical oxygen demand and total suspended solids. While residential customers are assumed to have “normal” strength effluent, commercial customers are assigned to either low/medium-strength or high-strength categories. High-strength commercial customers, who have higher treatment plant costs, have correspondingly higher charges.

Volumetric charges for Single-Family, Multi-Family, and Mobile Home customers are calculated based on each customer’s *average winter water consumption* based on the lowest three months of water use. For RV parks and non-residential customers, the volumetric

charge will be based on *annual water consumption*. That volume is then multiplied by the volumetric rate for each customer class.

A copy of the rate study is available at the District office and on the District's website at www.valley-sanitary.org.

Cómo se determinan las tarifas?

Las tarifas de aguas residuales incluyen cargos fijos y volumétricos. Aproximadamente el 80% de los costos de recolección y tratamiento de aguas residuales son fijos e incluyen la operación y mantenimiento del sistema de recolección y la planta de tratamiento, así como las mejoras de capital necesarias para mantener el sistemas y cumplir con los requisitos de los permiso.

Las unidades unifamiliares, multifamiliares y de tiempo compartido se cobran en función de las unidades de vivienda equivalentes, mientras que los parques de casas móviles y parques RV se cobran según la cantidad de lotes.

El requisito de ingresos para cada clase de cliente se determina multiplicando los requisitos de ingresos totales por factores de asignación específicos para cada clase de

Why the rate increase?

Based on the results of an independent sewer rate study, the rates need to be increased to: (1) maintain operational and financial stability; (2) comply with State and Federal regulations; and (3) fund capital improvement projects to repair and update the District's collection and treatment infrastructure and equipment.



cliente, incluido el volumen de efluente estimado, la fuerza del efluente y el número total de cuentas.

La fuerza del efluente se mide por dos factores: la demanda bioquímica de oxígeno y el total de sólidos en suspensión. Si bien se supone que los clientes residenciales tienen efluentes de intensidad "normal", los clientes comerciales se asignan a categorías de intensidad baja / media o alta. Los clientes comerciales de gran fuerza, que tienen costos de planta de tratamiento más altos, tienen tarifas correspondientemente más altas.

Los cargos volumétricos para los clientes de casas unifamiliares, multifamiliares y casas móviles se calculan en función del consumo promedio de agua en invierno de cada cliente en función de los tres meses más bajos de uso de agua. Para los parques RV y los clientes no residenciales, el cargo volumétrico se basará en el consumo anual de agua. Luego, ese volumen se multiplica por la tasa volumétrica para cada clase de cliente.

Una copia del estudio está disponible en la oficina del Distrito y en el sitio web del Distrito www.valley-sanitary.org.

Por qué la tarifa aumenta?

Basado en los resultados de un estudio de tarifas de alcantarillado independiente, las tarifas deben aumentarse para: (1) mantener la estabilidad operativa y financiera; (2) cumplir con las regulaciones estatales y federales; y (3) financiar proyectos de mejora de capital para reparar y actualizar la infraestructura y el equipo de recolección y tratamiento del Distrito.



How to Voice Your Opinion:

The property owner of record or tenant may submit to the District a written protest on the proposed rate increase, which must be received at or before the time set for the public hearing.

Protests should contain the following information: (1) a description of the property (assessor's parcel #); (2) if you are the property owner of record or tenant; and (3) the parcel owner's or tenant's signature. Only one written protest per parcel will be counted.

The Board will consider all protests. If the protests represent a majority of parcels, the Board will not impose the increase. If there is no majority protest, the Board may vote to adopt the proposed rates.

Mail or deliver written protests to: Board of Directors, Valley Sanitary District, 45-500 Van Buren Street, Indio, CA 92201.

Cómo expresar tu opinión:

El dueño de la propiedad registrado o el inquilino puede presentar al Distrito una protesta por escrito sobre el aumento de tarifa propuesta, que debe recibirse antes de la hora establecida para la audiencia pública.

Las protestas deben contener la siguiente información: (1) una descripción de la propiedad (número de parcela del tasador); (2) si usted es el propietario registrado o el inquilino; y (3) la firma del propietario o inquilino de la parcela. Solo se contará una protesta por escrito por paquete.

La Junta considerará todas las protestas. Si las protestas representan la mayoría de las parcelas, la Junta no impondrá el aumento. Si no hay una protesta mayoritaria, la Junta puede votar para adoptar las tarifas propuestas.

Envíe por correo o entregue protestas por escrito a: Board of Directors, Valley Sanitary District, 45-500 Van Buren Street, Indio, CA 92201.



***Valley Sanitary District
Wastewater Rate Study
Board of Directors Meeting
March 9, 2021***

Presentation Overview

- **What's Changed Since Last Time?**
- **Funding Priorities – Main Cost Drivers**
- **Review Wastewater Rate Study:**
 - Financial Plan
 - Cost-of-Service Analysis
 - Rate Design & Proposed Rates
 - Monthly Bill Impacts
- **Overview of Proposition 218 Process**
- **Next Steps**
- **Timeline**
- **Questions & Discussion**

What's Changed Since Last Time?

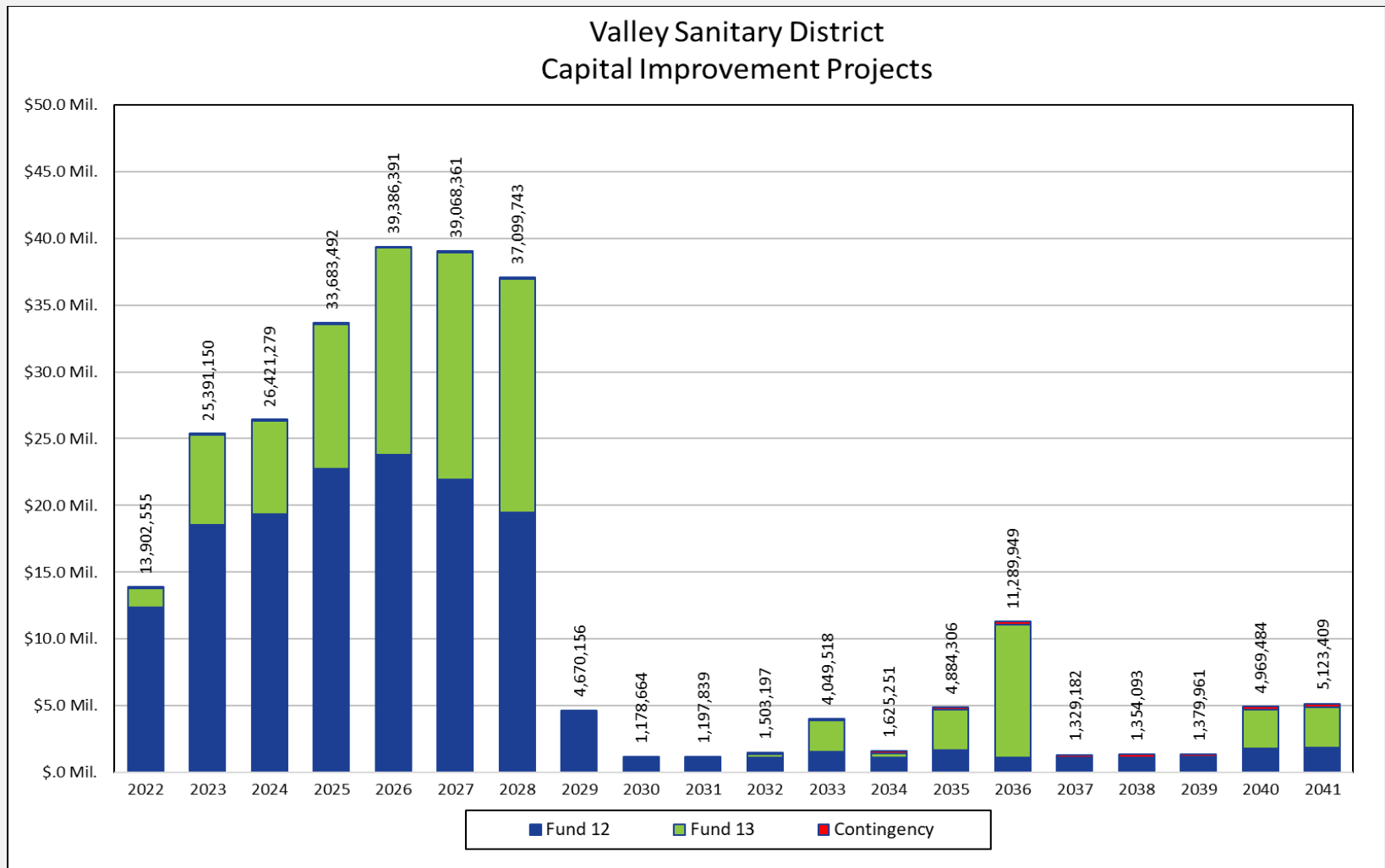
- Proposed rates assume full funding of the Capital Improvement Plan with a 30-year debt issuance for \$165 Million.
- Proposed rates are higher due to the following factors:
 - Increased Debt Service Coverage Ratio to 1.25 x annual debt service payments.
 - Increased target ending balance for the Capital Replacement Reserve to 50% of O&M Expenses, or an additional \$1 million per year.
 - Included additional Staffing Needs in the amount of \$841K.
 - Added a 2% issuance cost for the three (3) SFR loan issues totaling approx. \$3.5 million.

(Note: The District has not adjusted rates in 9 years.)

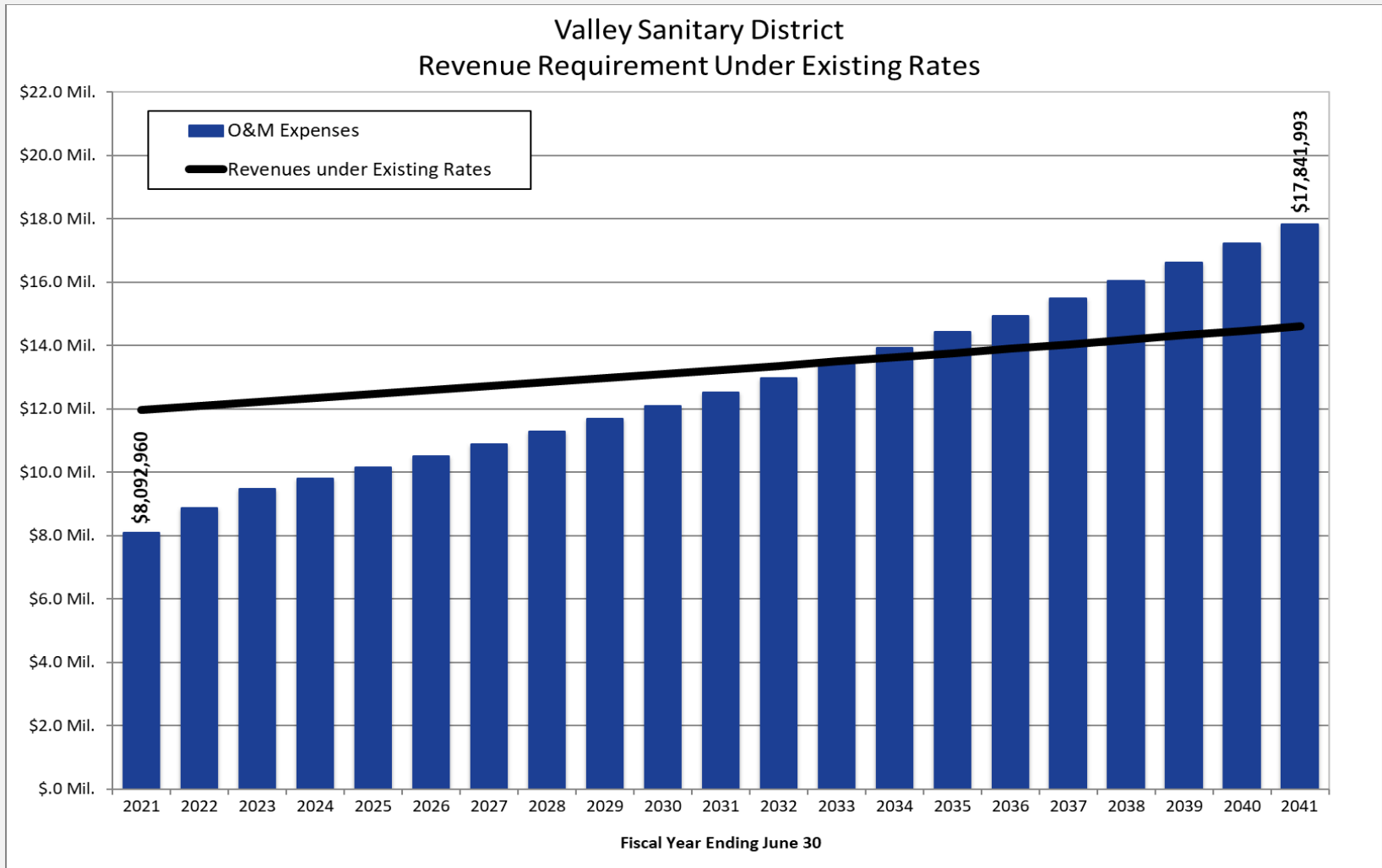
Funding Priorities – Main Cost Drivers

1. Capital Improvement Program = \$259.5 million
 - First 5 years of plan = \$138.8 million
 - Second 5 years of plan = \$83.2 million
 - Last 10 years of plan = \$37.5 million
2. Operating and Maintenance Costs
 - FY 2020/21 = \$8.1 million
 - Increasing by 4% on average annually over 20 years
3. Debt Service Requirements
 - Annual debt service currently \$1.4 million
 - Future debt service estimated to be \$7.9 million

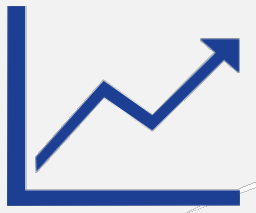
Funding Priorities – Main Cost Drivers, cont.



Funding Priorities – Main Cost Drivers, cont.



Financial Plan



Financial Plan - Summary

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	Projected Rates for Adoption Period				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Sources of Sewer Funds						
Rate Revenue Under Prevailing Rates	\$ 11,979,000	\$ 12,098,790	\$ 12,219,778	\$ 12,341,976	\$ 12,465,395	\$ 12,590,049
Additional Revenue from Rate Increases ¹	-	1,512,349	3,245,879	5,230,876	7,501,758	7,980,112
Non-Rate Revenues	1,072,300	1,222,360	1,107,706	924,761	915,793	997,240
Total Sources of Funds	\$ 13,051,300	\$ 14,833,498	\$ 16,573,363	\$ 18,497,613	\$ 20,882,946	\$ 21,567,401
Uses of Sewer Funds						
Operating Expenses	\$ 8,092,960	\$ 8,878,352	\$ 9,470,994	\$ 9,808,141	\$ 10,157,538	\$ 10,519,638
Debt Service	1,445,048	3,827,601	3,826,851	3,825,913	8,601,269	8,601,019
Rate-Funded Capital Expenses	-	-	-	-	-	-
Total Use of Funds	\$ 9,538,008	\$ 12,705,953	\$ 13,297,845	\$ 13,634,055	\$ 18,758,807	\$ 19,120,657
Surplus (Deficiency) before Rate Increase	\$ 3,513,292	\$ 2,127,545	\$ 3,275,518	\$ 4,863,558	\$ 2,124,139	\$ 2,446,744
Surplus (Deficiency) after Rate Increase	\$ 3,513,292	\$ 3,639,894	\$ 6,521,396	\$ 10,094,435	\$ 9,625,897	\$ 10,426,856
Projected Annual Rate Increase	0.00%	12.50%	12.50%	12.50%	12.50%	2.00%
Cumulative Rate Increases	0.00%	12.50%	26.56%	42.38%	60.18%	63.38%
Net Revenue Requirement ²	\$ 8,465,708	\$ 11,483,594	\$ 12,190,139	\$ 12,709,294	\$ 17,843,014	\$ 18,123,417
Debt Coverage After Rate Increase	3.43	1.56	1.86	2.27	1.25	1.28

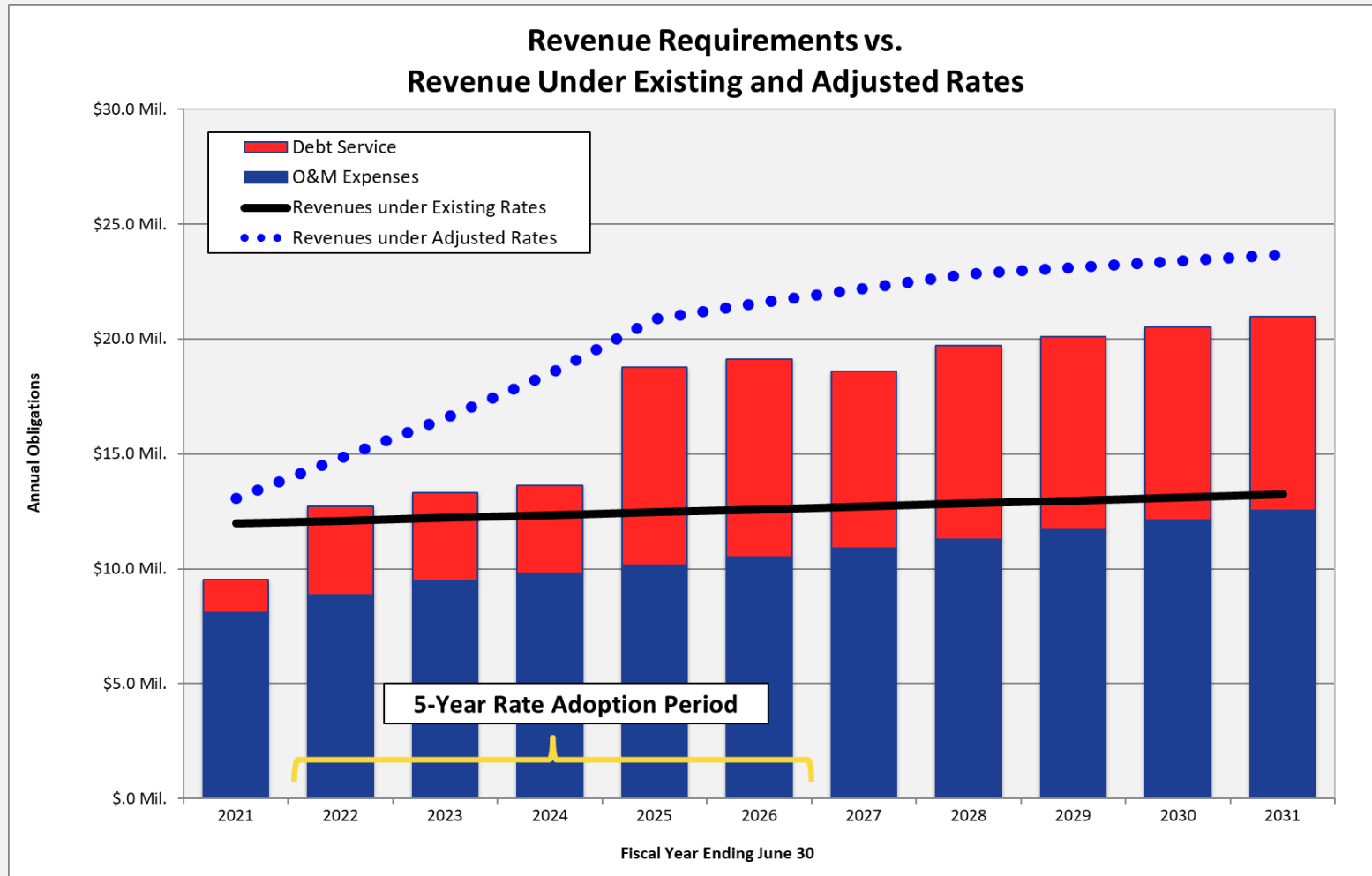
1. Assumes new rates are implemented July 1, 2021 and on July 1st each year thereafter.

2. Total Use of Funds less Non-Rate Revenues. This is the annual amount needed from wastewater rates.

Financial Plan – Reserve Summary

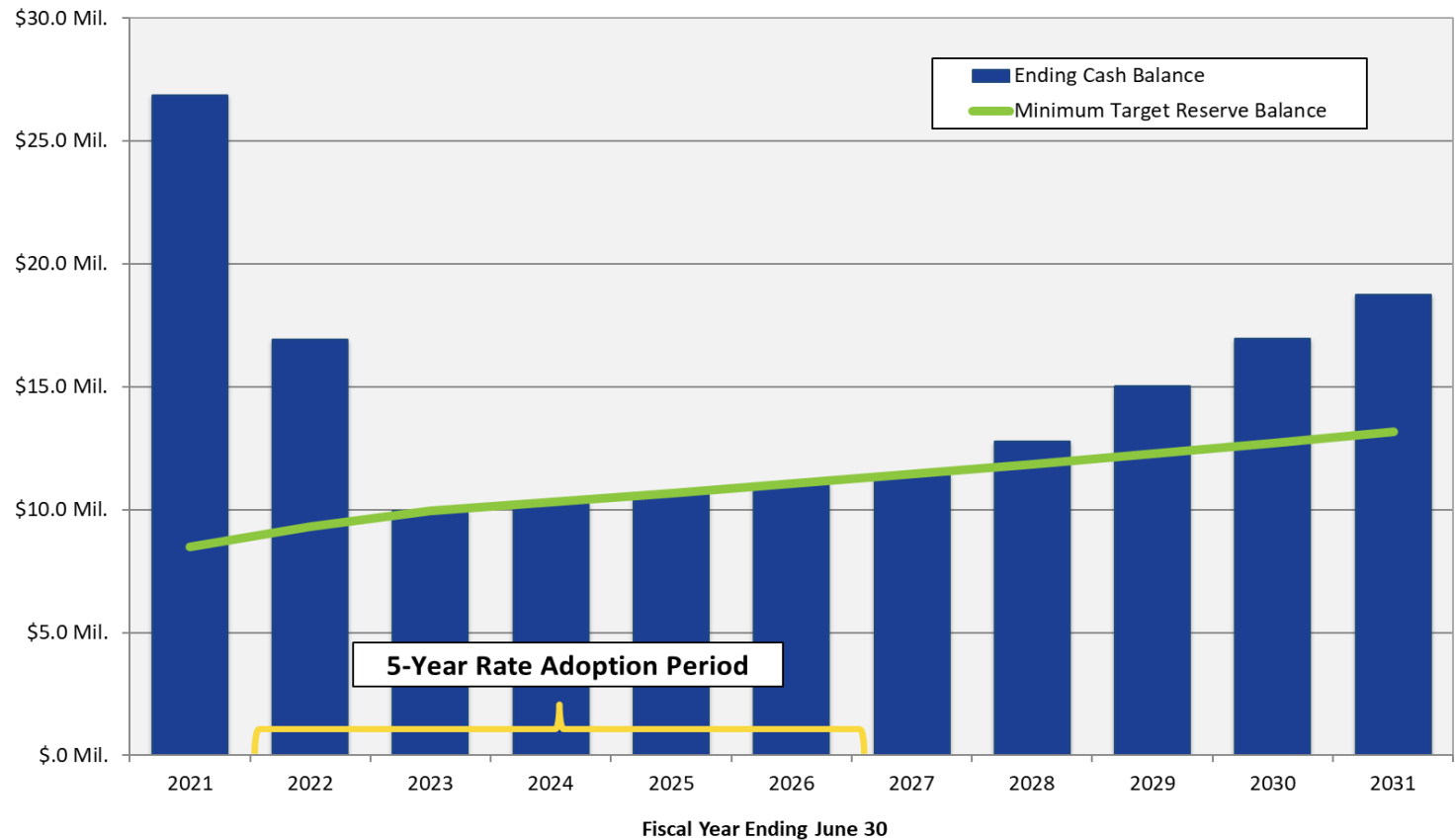
Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget	Projected Rates for Adoption Period				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Un-Restricted Reserves						
Operating Reserve						
Ending Balance	\$ 4,046,500	\$ 4,439,200	\$ 4,735,500	\$ 4,904,100	\$ 5,078,800	\$ 5,259,800
<i>Recommended Minimum Target</i>	\$ 4,046,500	\$ 4,439,200	\$ 4,735,500	\$ 4,904,100	\$ 5,078,800	\$ 5,259,800
Capital Rehabilitation & Replacement Reserve						
Ending Balance	\$ 22,333,466	\$ 12,001,689	\$ 4,735,497	\$ 4,904,071	\$ 5,078,769	\$ 5,259,819
<i>Recommended Minimum Target</i>	\$ 4,046,480	\$ 4,439,176	\$ 4,735,497	\$ 4,904,071	\$ 5,078,769	\$ 5,259,819
Emergency Fund Balance						
Ending Balance	\$ 481,000	\$ 481,000	\$ 481,000	\$ 490,407	\$ 507,877	\$ 525,982
<i>Recommended Minimum Target</i>	\$ 404,648	\$ 443,918	\$ 473,550	\$ 490,407	\$ 507,877	\$ 525,982
Total Ending Balance	\$ 26,860,966	\$ 16,921,889	\$ 9,951,997	\$ 10,298,578	\$ 10,665,446	\$ 11,045,601
<i>Recommended Minimum Target</i>	<i>\$ 8,497,628</i>	<i>\$ 9,322,294</i>	<i>\$ 9,944,547</i>	<i>\$ 10,298,578</i>	<i>\$ 10,665,446</i>	<i>\$ 11,045,601</i>
Restricted Reserves						
Connection Fee Reserve						
Ending Balance	\$ 6,838,607	\$ 481,000	\$ 481,000	\$ 481,000	\$ 490,407	\$ 507,877
<i>Recommended Minimum Target</i>	\$ -	\$ -	\$ -	\$ 9,407	\$ 17,470	\$ 18,105
Debt Reserve Fund						
Ending Balance	\$ 317,042	\$ 2,663,967	\$ 2,620,170	\$ 2,571,560	\$ 7,290,904	\$ 7,229,725
<i>Recommended Minimum Target</i>	\$ 317,042	\$ 2,663,967	\$ 2,620,170	\$ 2,571,560	\$ 7,290,904	\$ 7,229,725
CSWRCB Reserve Fund						
Ending Balance	\$ 1,123,323	\$ 1,140,173	\$ 1,157,275	\$ 1,174,634	\$ 1,192,254	\$ 1,210,138
<i>Recommended Minimum Target</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ending Balance	\$ 8,278,972	\$ 4,285,139	\$ 4,258,446	\$ 4,227,194	\$ 8,973,565	\$ 8,947,739
<i>Recommended Minimum Target</i>	<i>\$ 317,042</i>	<i>\$ 2,663,967</i>	<i>\$ 2,620,170</i>	<i>\$ 2,580,967</i>	<i>\$ 7,308,374</i>	<i>\$ 7,247,830</i>

Financial Plan – Revenue Requirements

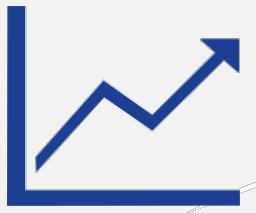


Financial Plan – Cash Balance

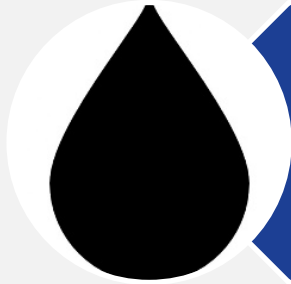
Ending Cash Balances vs. Recommended Reserve Targets
Un-Restricted Reserves



Cost-of-Service Analysis



Cost-of-Service Analysis (COSA)



Flow related costs are primarily related to the sewer collection system which transports effluent from customers to the treatment facility.



Strength related costs related to the treatment of effluent at the Wastewater Treatment Plant. Two factors, Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) measure different aspects of the treatment process.



Customer related costs are associated with having a customer connected to the sewer system, such as billing, postage and customer service.

Cost-of-Service Analysis (COSA), cont.

Customer Class Descriptions: Customer classes are typically groups of customers with similar flow and strength characteristics and are intended to reflect the cost differentials of each type of customer. The District's customer classes include:

- Residential Customer Classes*
 - Single Family Residential - A building or structure containing one kitchen and used to house not more than one family, including domestic employees.

* Based on descriptions provided on the Riverside County Assessor's website and the Riverside County – Code of Ordinances.

Cost-of-Service Analysis (COSA), cont.

- Multi-Family Residential - A building or portion thereof used to house two or more families living independently of each other and doing their own cooking. Includes condominiums, apartments, timeshares, etc.
- Mobile Homes and Mobile Home Parks – One family dwelling on approved foundation systems on lots zoned for single-family dwellings. For example, Coronado Gardens, Desert Grove, and Rancho Casitas.
- RV Parks – RV parks or resorts that provide accommodation to visitors who travel to or within the county by recreational vehicle and reside in a RV park. For example, Motorcoach Country Club and Rancho Casa Blanca.

Cost-of-Service Analysis (COSA), cont.

Customer Class Descriptions:

- Non-Residential Customer Classes
 - Commercial Low/Medium Strength: Includes all commercial, industrial, and municipal users considered typical and/or produce standard-strength effluent. This includes medical, churches, offices, shopping centers, etc.
 - Commercial High Strength: Includes restaurants, groceries, hotels with dining, etc.

Cost-of-Service Analysis (COSA), cont.

Total Revenue Requirement is Distributed to Each Functional Cost Component:

Percentage Allocated to Each Factor				
Customer Class	Volume	BOD	TSS	Customer
Residential				
Single-Family Residential	72.4%	70.1%	70.0%	57.6%
Multi-Family Residential	9.4%	9.1%	9.1%	16.1%
Mobile Home	2.7%	2.7%	2.6%	4.4%
RV Park	3.8%	3.6%	3.6%	8.1%
Non-Residential Totals				
Commercial - Low Strength	10.0%	8.3%	8.3%	12.3%
Commercial - High Strength	1.7%	6.2%	6.3%	1.5%
Total:	100.0%	100.0%	100.0%	100.0%

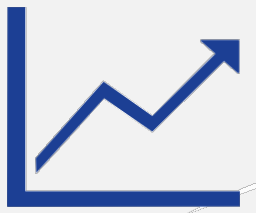
Cost-of-Service Analysis (COSA), cont.

Total Revenue Requirement of **\$13,611,139** is Distributed to Each Customer Class Based on the Allocation Factors:

Allocation of FY 2021/22 Revenue Requirements by Customer Class						
Customer Class	Cost Classification Components				Cost-of-Service Net Revenue Req'ts.	% of COS Net Revenue Req'ts.
	Volume	Treatment		Customer Related ³		
		BOD	TSS			
Net Revenue Requirements¹	\$ 7,422,331	\$ 2,672,978	\$ 2,672,978	\$ 842,852	\$ 13,611,139	--
	54.5%	19.6%	19.6%	6.2%	100.0%	
Residential						
Single-Family Residential	\$ 5,374,845	\$ 1,873,015	\$ 1,871,270	\$ 663,048	\$ 9,782,178	71.9%
Multi-Family Residential	697,152	242,942	242,716	9,893	1,192,703	8.8%
Mobile Home ²	203,337	70,858	70,792	50,728	395,715	2.9%
RV Park ²	279,822	97,512	97,421	93,488	568,242	4.2%
Residential Totals	\$ 6,555,156	\$ 2,284,327	\$ 2,282,199	\$ 817,157	\$ 11,938,839	87.7%
Non-Residential						
Commercial - Low/Med. Strength	\$ 741,987	\$ 221,628	\$ 221,422	\$ 23,339	\$ 1,208,376	8.9%
Commercial - High Strength	125,188	167,022	169,357	2,357	463,924	3.4%
Non-Residential Totals	\$ 867,175	\$ 388,650	\$ 390,779	\$ 25,696	\$ 1,672,300	12.3%
Total	\$ 7,422,331	\$ 2,672,978	\$ 2,672,978	\$ 842,852	\$ 13,611,139	100%

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.
2. Revenue requirements for Mobile Home and RV Park customers are based on the number of lots.
3. Based on number of accounts, not EDUs.

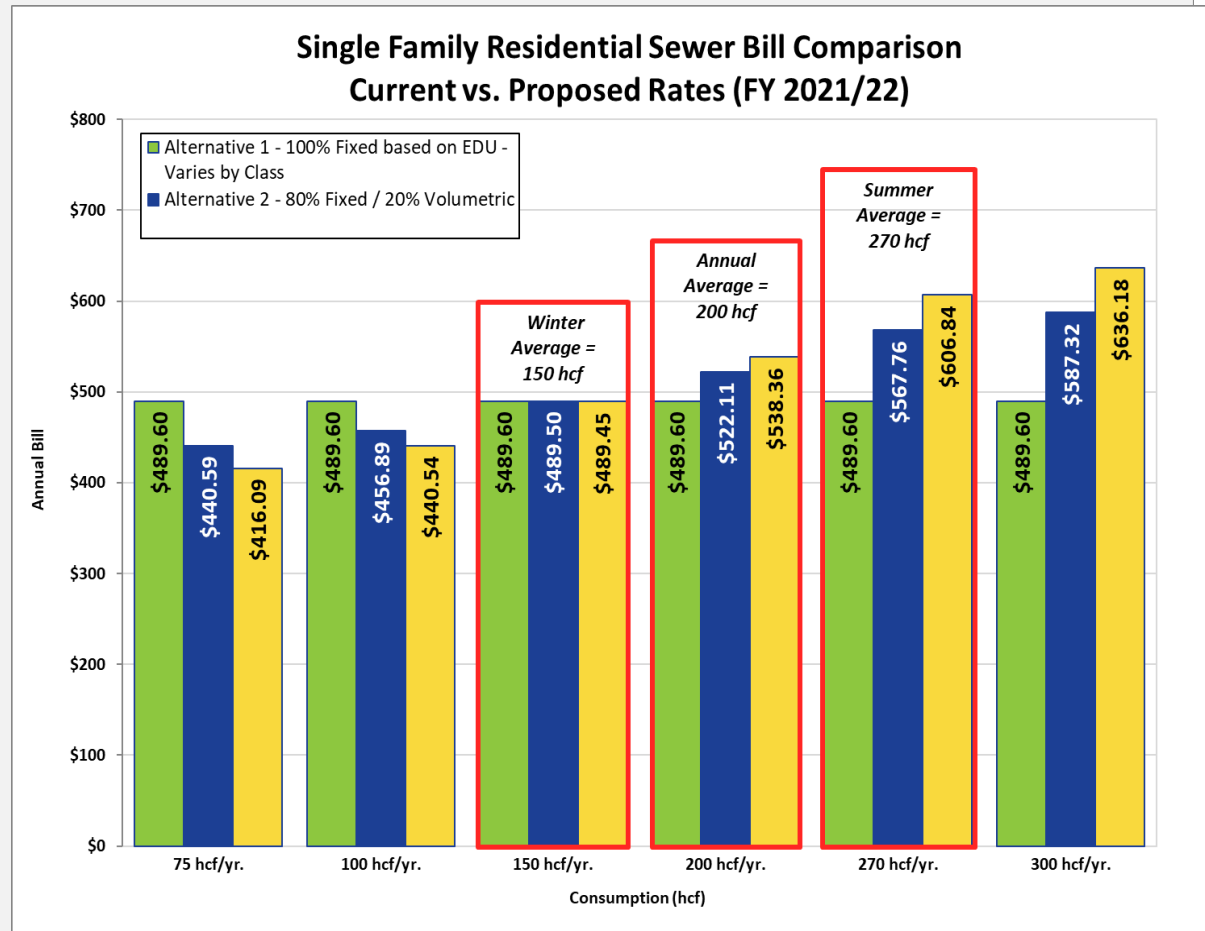
Rate Design & Proposed Rates



Rate Study Alternatives Considered

Three Rate Alternatives were Evaluated:

- Alternative 1 - Revenue Collected from Fixed Rates – Varies by Class
- Alternatives 2 & 3 - Revenue Collected from Fixed vs. Volumetric Rates:
 - 80% Fixed / 20% Vol.
 - 70% Fixed / 30% Vol.



Rate Study Alternatives Considered, cont.

Average Winter Water Use vs. Annual Water Use:

- Single-family, multi-family, and mobile home customers will be billed based on ***average winter water consumption*** (\$/HCF) for the lowest three months of water use.
- In Alternatives 2 and 3, all customers pay a fixed and volumetric charge that varies by customer class and their effluent strength.

Rate Study Alternatives Considered, cont.

- RV Parks and Non-Residential customers will be billed based on ***annual water consumption*** and effluent strength.
 - Effluent flow and strength vary significantly between the low/medium vs. high strength commercial customers.
 - Commercial effluent discharges generally correlate to their monthly/annual water use, since they typically have irrigation meters.

Current vs. Proposed Rates

Alternative 1 - 100% Fixed based on EDU – Varies by Class

Sewer Rate Schedule	Current Rates (\$/EDU)	Proposed Annual Sewer Rates				
		Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<i>Projected Increase in Rate Revenue per Financial Plan:¹</i>		12.50%	12.50%	12.50%	12.50%	2.00%
Fixed Service Charges (Per EDU or Accounts)						
Residential		Rates Per EDU or Account²				
Single-Family Residential	\$330.00	\$489.60	\$550.80	\$619.65	\$697.11	\$711.05
Multi-Family Residential	\$330.00	\$214.28	\$241.07	\$271.20	\$305.10	\$311.20
Mobile Home	\$330.00	\$258.98	\$291.35	\$327.77	\$368.74	\$376.11
RV Park	\$330.00	\$201.79	\$227.01	\$255.39	\$287.31	\$293.06
Non-Residential		Rates Per EDU				
Commercial - Low/Med. Strength	\$330.00	\$284.32	\$319.86	\$359.84	\$404.82	\$412.92
Commercial - High Strength	\$330.00	\$867.15	\$975.54	\$1,097.48	\$1,234.67	\$1,259.36

1. This is the increase in annual rate revenue as shown in the Financial Plan. Under the current plan, property owners are charged on a per EDU basis regardless of customer class. In this updated rate structure, property owners are charged on a per EDU basis that varies by customer class.
2. Rates for SFR and MFR customers are calculated based on EDU, while rates for MH and RV Park customers are based on the number of accounts, or lots. Commercial rates are based on estimated EDUs.

Current vs. Proposed Rates, cont.

Alternative 2 - 80% Fixed / 20% Volumetric

Sewer Rate Schedule	Current Rates (\$/EDU)	Proposed Annual Sewer Rates					
		Year 1	Year 2	Year 3	Year 4	Year 5	
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	
<i>Projected Increase in Rate Revenue per Financial Plan:¹</i>		12.50%	12.50%	12.50%	12.50%	2.00%	
Fixed Service Charges (Per EDU)							
Residential	\$330.00	Rates Per EDU or Account²					
Single-Family Residential		\$391.68	\$440.64	\$495.72	\$557.69	\$568.84	
Multi-Family Residential		\$171.43	\$192.85	\$216.96	\$244.08	\$248.96	
Mobile Home		\$207.18	\$233.08	\$262.22	\$295.00	\$300.90	
RV Park		\$161.43	\$181.61	\$204.31	\$229.85	\$234.45	
Non-Residential	\$330.00	Rates Per EDU					
Commercial - Low Strength		\$227.46	\$255.89	\$287.88	\$323.87	\$330.35	
Commercial - High Strength		\$693.72	\$780.43	\$877.98	\$987.73	\$1,007.48	
Volumetric Rate (\$/hcf of annualized average winter water consumption)³							
Residential	--	Rates Per HCF⁴					
Single-Family Residential		\$0.65	\$0.73	\$0.82	\$0.92	\$0.94	
Multi-Family Residential		\$0.65	\$0.73	\$0.82	\$0.92	\$0.94	
Mobile Home		\$0.65	\$0.73	\$0.82	\$0.92	\$0.94	
RV Park		\$0.73	\$0.82	\$0.92	\$1.04	\$1.06	
Non-Residential	--	Commercial - Low Strength	\$0.59	\$0.66	\$0.74	\$0.83	\$0.85
Commercial - High Strength		\$1.33	\$1.50	\$1.69	\$1.90	\$1.94	

1. This is the increase in annual rate revenue as shown in the Financial Plan, not an across-the-board adjustment to each individual rate. Based on the cost-of-service adjustments, individual rates may be more or less than this amount in FY 2019/20.
2. Rates for SFR and MFR customers are calculated based on EDU, while rates for MH and RV Park customers are based on the number of accounts, or lots. Commercial rates are based on estimated EDUs.
3. One Unit is equal to one HCF (Hundred Cubic Feet) or 748 gallons.
4. Estimated sewer flow based on **average winter consumption** for SFR, MFR and MH customers and **annual consumption** for RV Parks and Commercial customers.

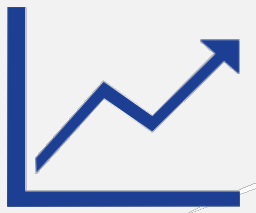
Current vs. Proposed Rates, cont.

Alternative 3 - 70% Fixed / 30% Volumetric

Sewer Rate Schedule	Current Rates (\$/EDU)	Proposed Annual Sewer Rates				
		Year 1	Year 2	Year 3	Year 4	Year 5
		FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
<i>Proj. Increase in Rate Revenue per Financial Plan:¹</i>		12.50%	12.50%	12.50%	12.50%	2.00%
Fixed Service Charges (Per EDU or Accounts)						
Residential		Rates Per EDU or Account²				
Single-Family Residential	\$330.00	\$342.72	\$385.56	\$433.76	\$487.98	\$497.74
Multi-Family Residential	\$330.00	\$150.00	\$168.75	\$189.84	\$213.57	\$217.84
Mobile Home	\$330.00	\$181.28	\$203.94	\$229.43	\$258.11	\$263.27
RV Park	\$330.00	\$141.25	\$158.91	\$178.77	\$201.12	\$205.14
Non-Residential		Rates Per EDU				
Commercial - Low Strength	\$330.00	\$199.03	\$223.91	\$251.90	\$283.39	\$289.06
Commercial - High Strength	\$330.00	\$607.00	\$682.88	\$768.24	\$864.27	\$881.56
Volumetric Rate (\$/hcf of annualized average winter water consumption)³						
Residential		Rates Per HCF⁴				
Single-Family Residential	--	\$0.98	\$1.10	\$1.24	\$1.40	\$1.43
Multi-Family Residential	--	\$0.98	\$1.10	\$1.24	\$1.40	\$1.43
Mobile Home	--	\$0.98	\$1.10	\$1.24	\$1.40	\$1.43
RV Park	--	\$1.10	\$1.23	\$1.38	\$1.55	\$1.58
Non-Residential						
Commercial - Low Strength	--	\$0.88	\$0.99	\$1.11	\$1.25	\$1.28
Commercial - High Strength	--	\$2.00	\$2.25	\$2.53	\$2.85	\$2.91

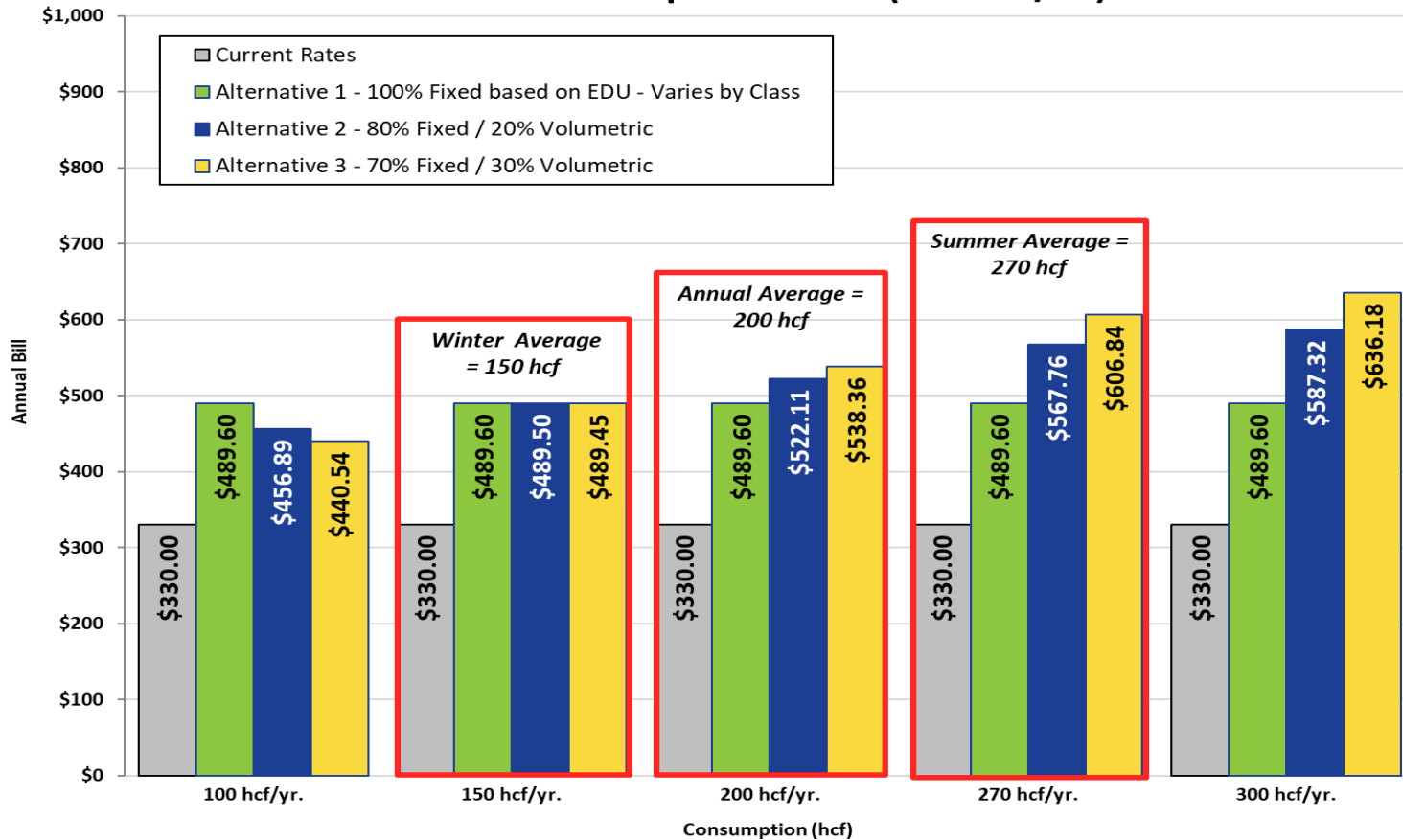
1. This is the increase in annual rate revenue as shown in the Financial Plan, not an across-the-board adjustment to each individual rate. Based on the cost-of-service adjustments, individual rates may be more or less than this amount in FY 2019/20.
2. Rates for SFR and MFR customers are calculated based on EDU, while rates for MH and RV Park customers are based on the number of accounts, or lots. Commercial rates are based on estimated EDUs.
3. One Unit is equal to one HCF (Hundred Cubic Feet) or 748 gallons.
4. Estimated sewer flow based on **average winter consumption** for SFR, MFR and MH customers and **annual consumption** for RV Parks and Commercial customers.

Customer Bill Impacts



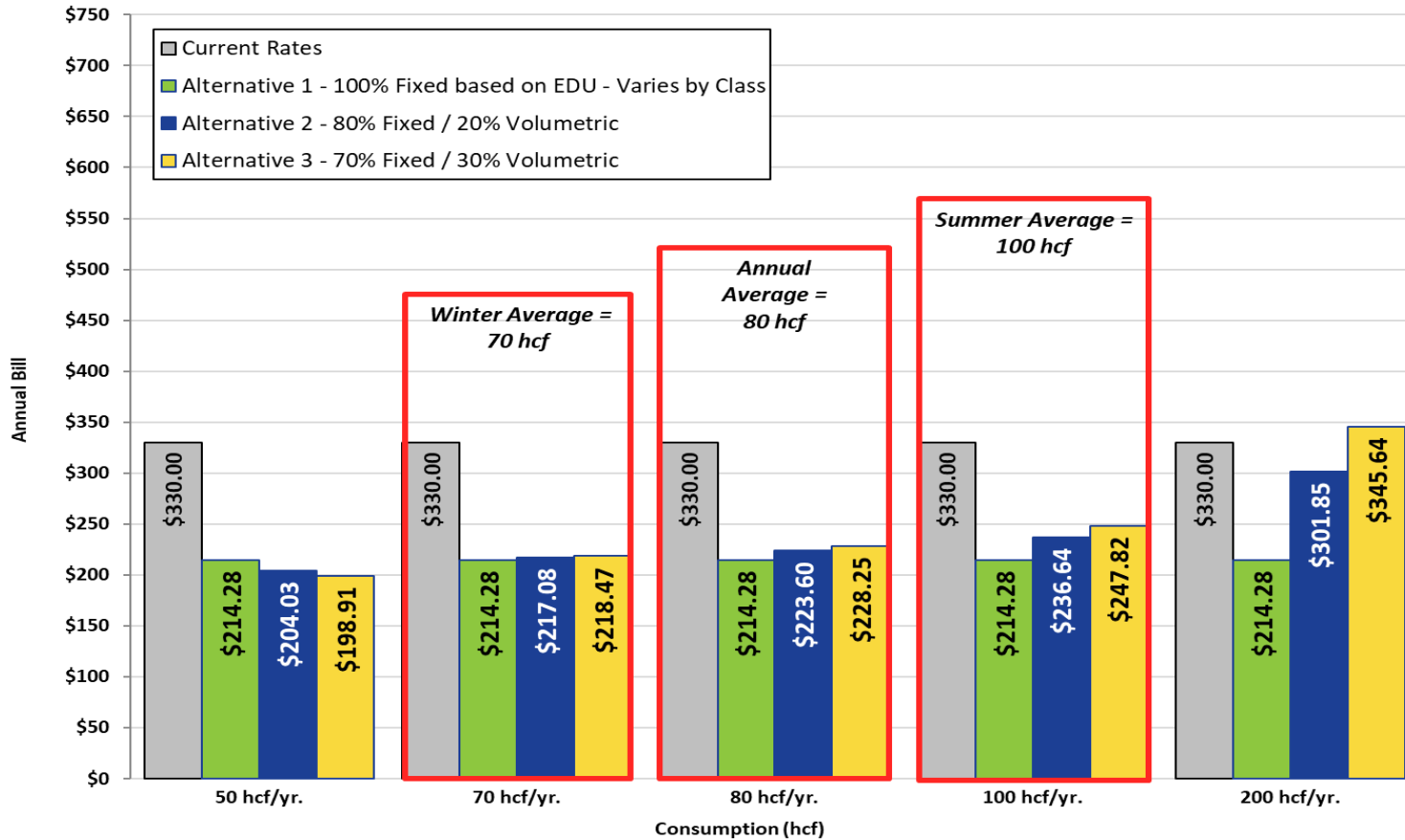
Bill Impact – Single-Family Residential

**Single Family Residential Sewer Bill Comparison
Current vs. Proposed Rates (FY 2021/22)**



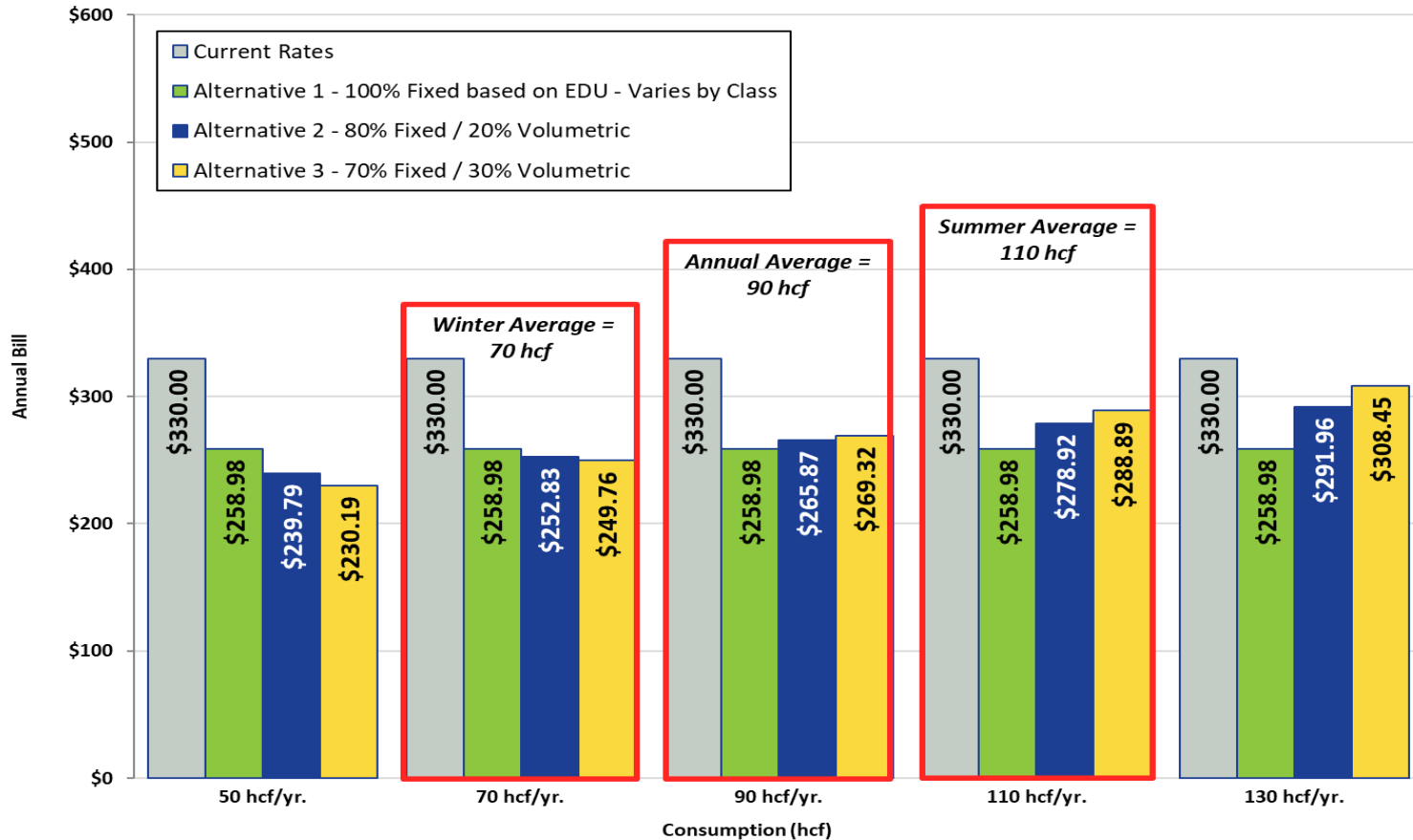
Bill Impact – Multi-Family Residential

Multi-Family Residential Sewer Bill Comparison Current vs. Proposed Rates (FY 2021/22)



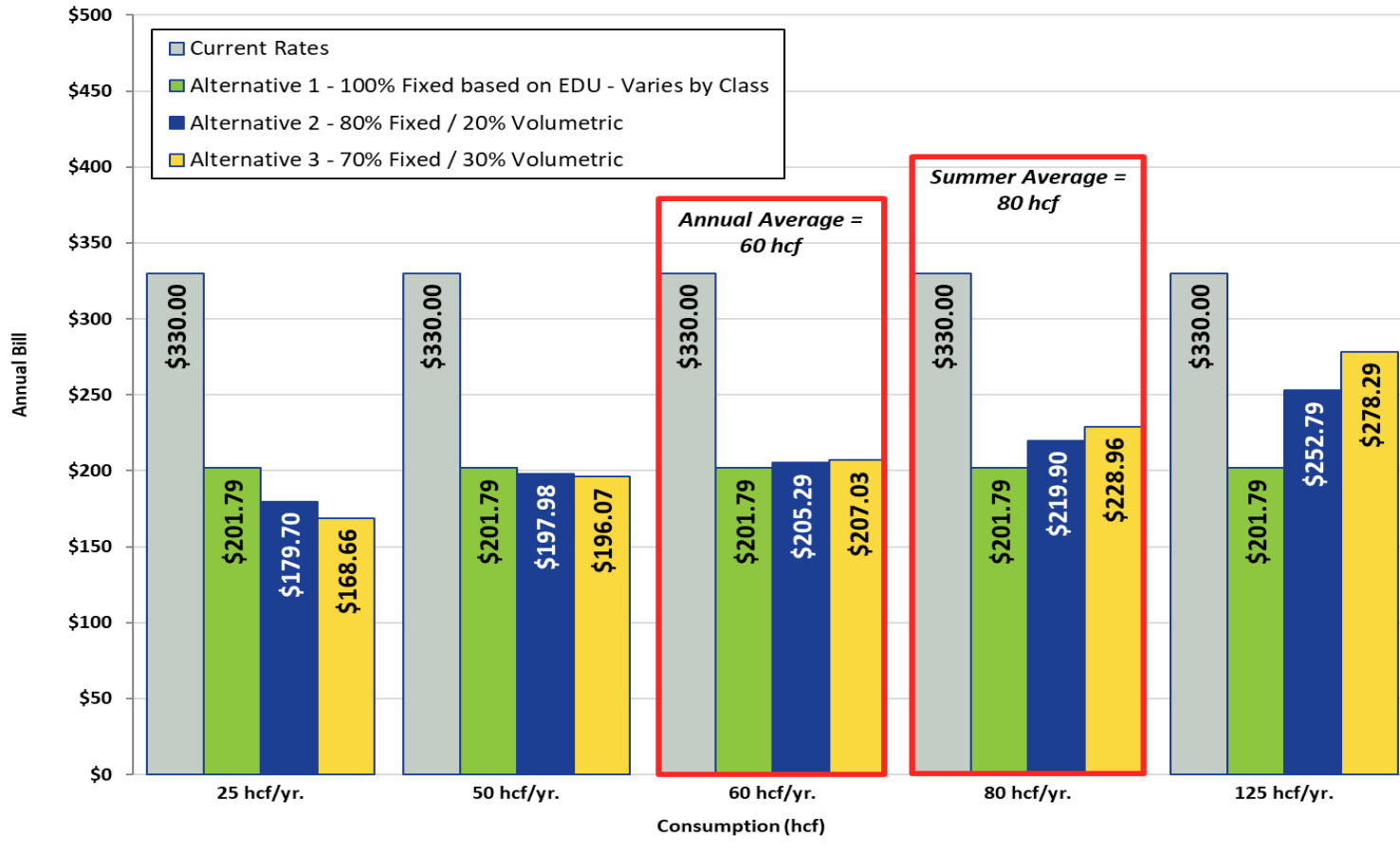
Bill Impact – Mobile Home

Mobile Home Sewer Bill Comparison Current vs. Proposed Rates (FY 2021/22)



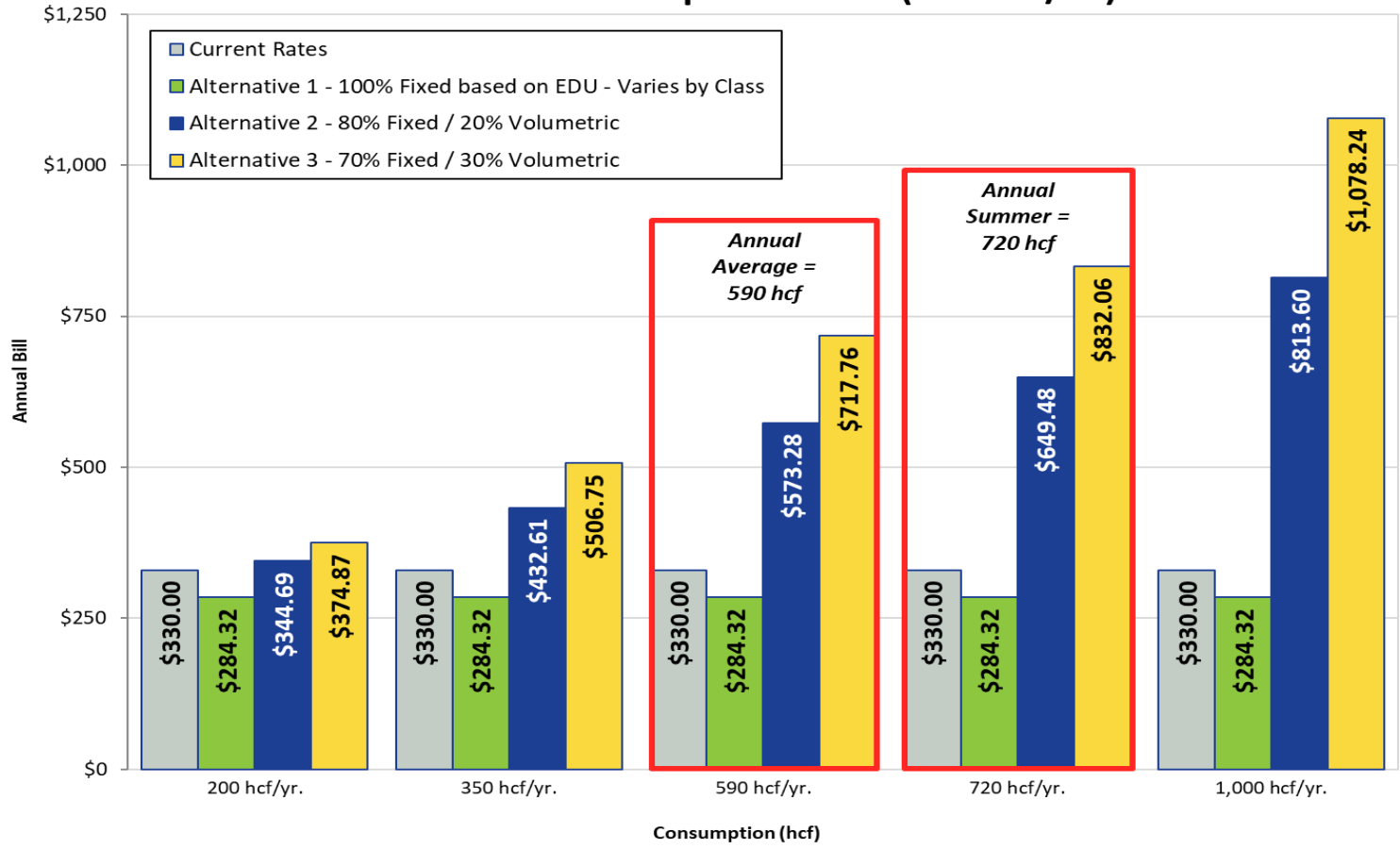
Bill Impact – RV Parks

RV Parks Sewer Bill Comparison Current vs. Proposed Rates (FY 2021/22)



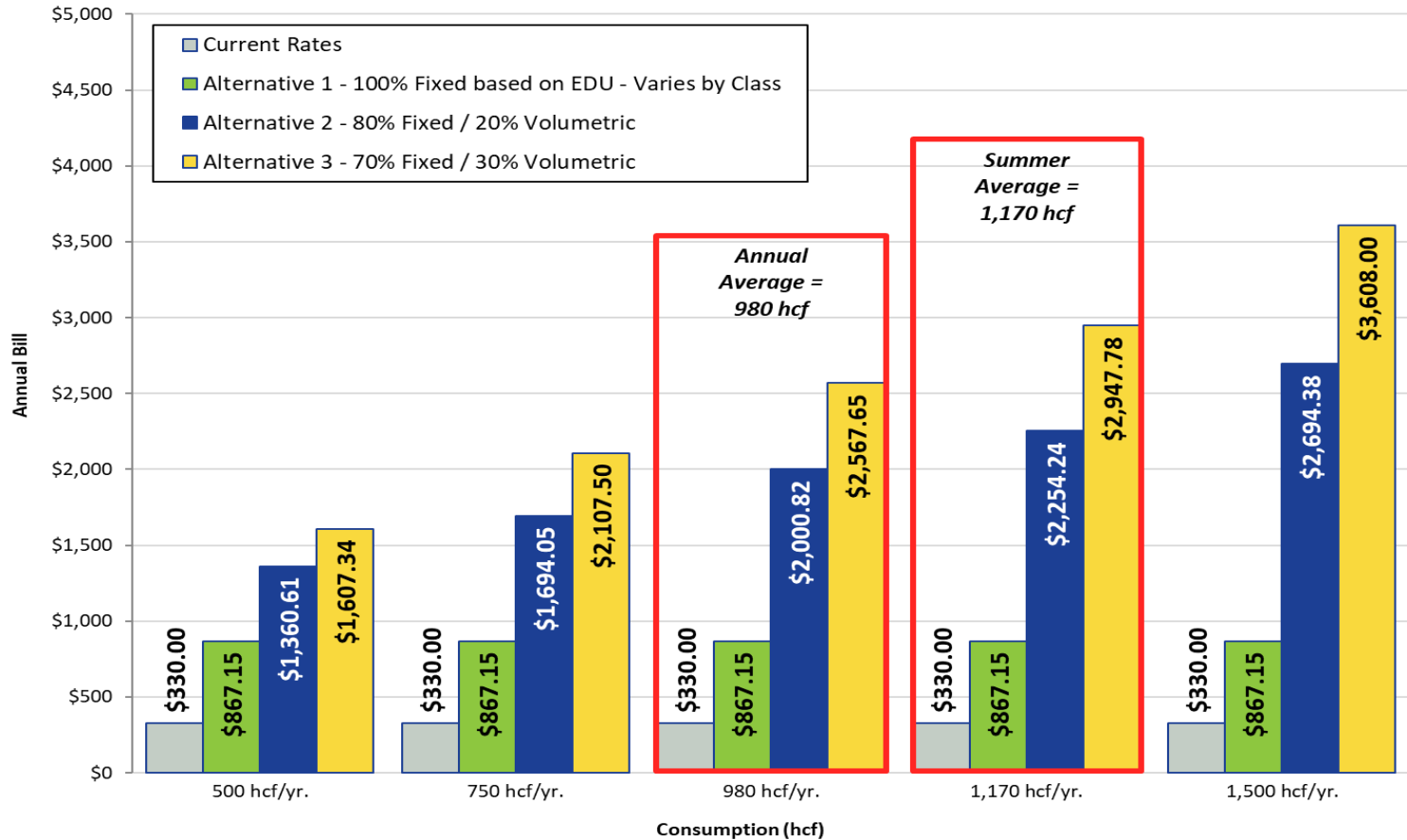
Commercial – Low/Medium Strength

**Commercial Low/Medium Strength - Sewer Bill Comparison
Current vs. Proposed Rates (FY 2021/22)**



Commercial – High Strength

**Commercial High Strength - Sewer Bill Comparison
Current vs. Proposed Rates (FY 2021/22)**



Overview of Proposition 218 Process

Procedural Requirements for the Prop. 218 Protest Procedure:

1. Board directs staff to mail out 218 Notices.
2. Mail Notices to all customers/property owners.
3. Hold Public Hearing no sooner than 45-days after mailing notices.
4. Collect and count all written protests collected through the end of the Public Hearing.
5. If no majority protest (50% + 1), new rates can be adopted.

Next Steps

- Accept the draft rate study (or request changes) and select rate alternatives to proceed with.
- Review final report and direct staff to mail Proposition 218 Notice, Or provide direction on modifications
- Complete Proposition 218 Protest Ballot Process
- Board can approve new rates after the Public Hearing if there is no majority protest

Timeline

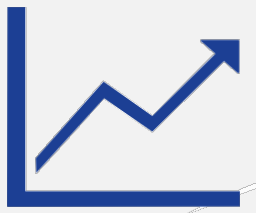
Project Timeline	January				February				March				April				May				June				July				August			
# Weeks from January 19th	--	--	--	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
Tasks to Complete in Rate Study and Tax Roll Submittal:																																
Customer Classificaitons																																
Rate Alternatives																																
Final Rate Study																																
Prop. 218 Notification																																
Public Hearing																																
Finalize New Tax Rolls																																

- Active Task Work, Notification Period
- Review/Meeting with District Staff
- Review/Meeting with Board or Finance Committee
- Submittal of Tax Roll to Riverside County

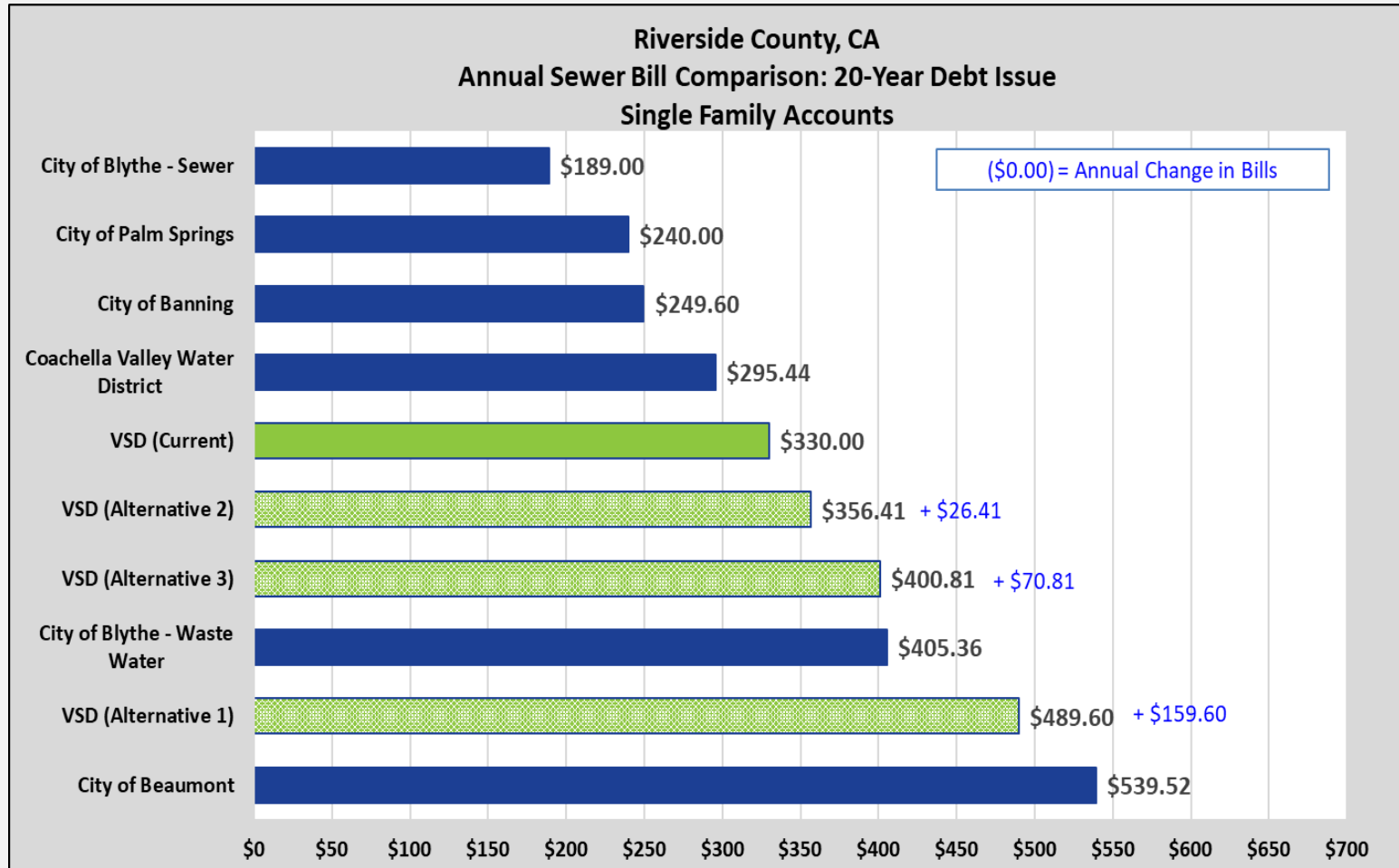
Questions & Discussion



Supplemental Charts

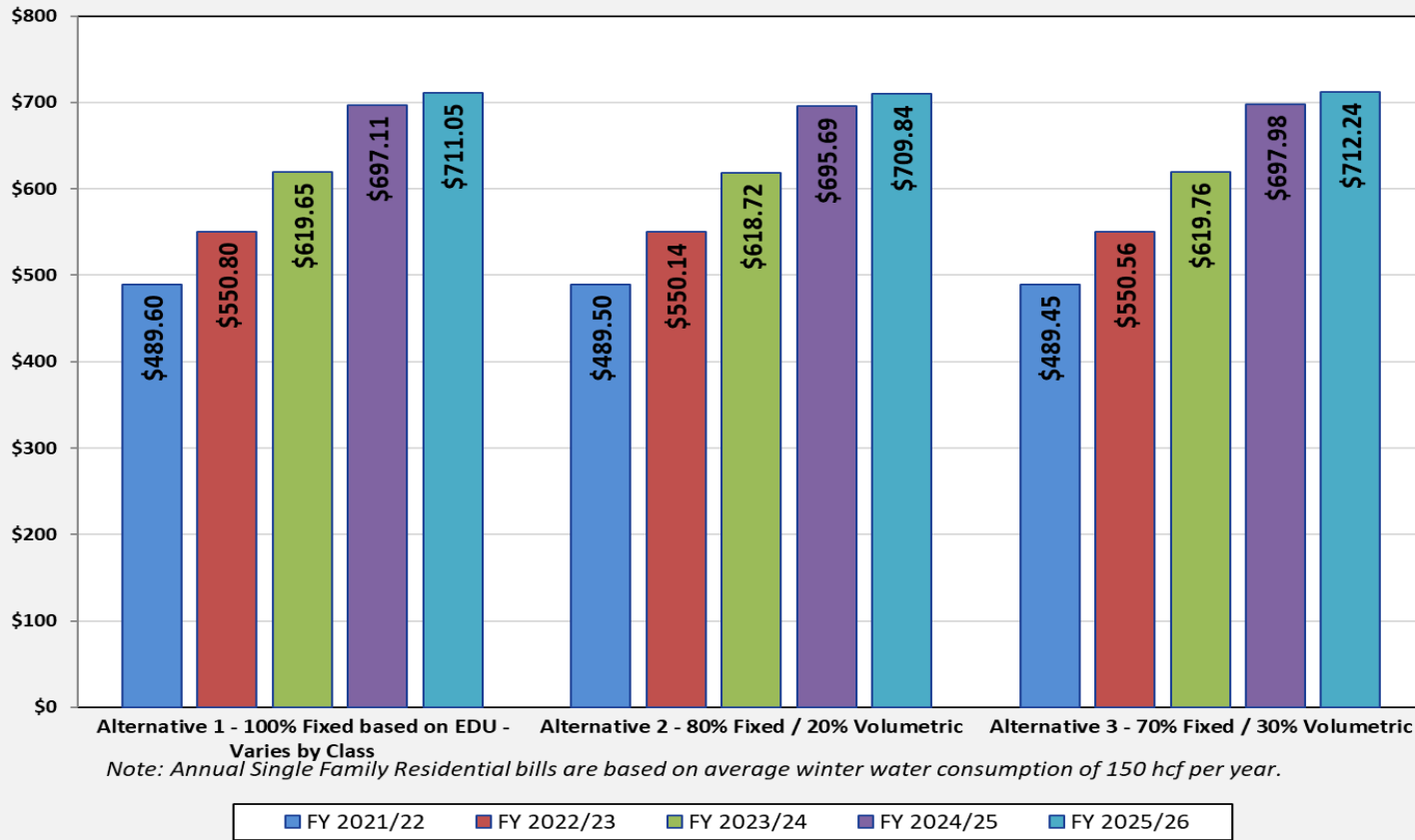


Bill Impact – Single-Family Residential



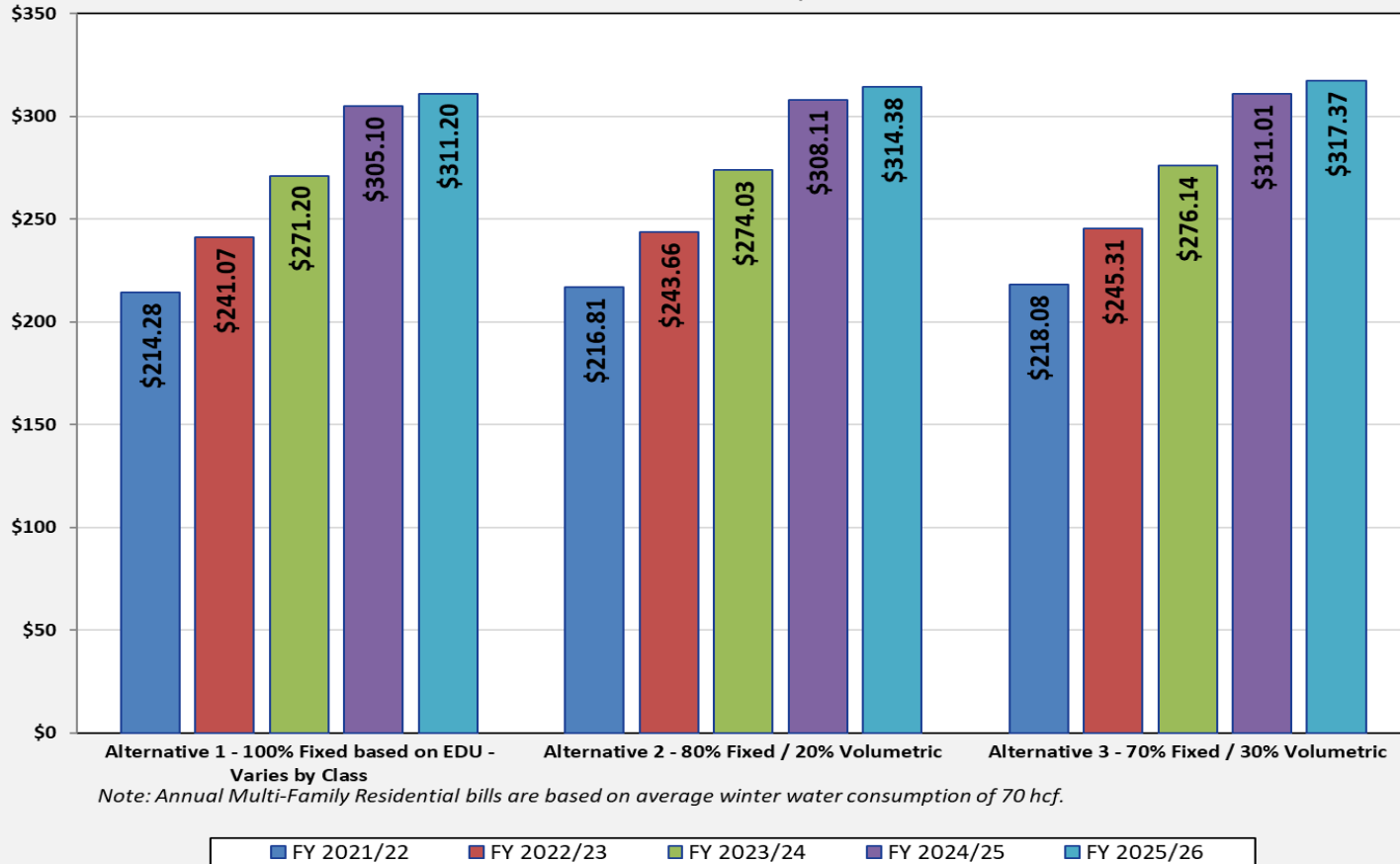
Bill Impact – Single-Family Residential

Single Family Residential Annual Sewer Bills - 5-Year Projections
 30-Year Debt Issue: Full CIP with a \$165 Million Debt Issue



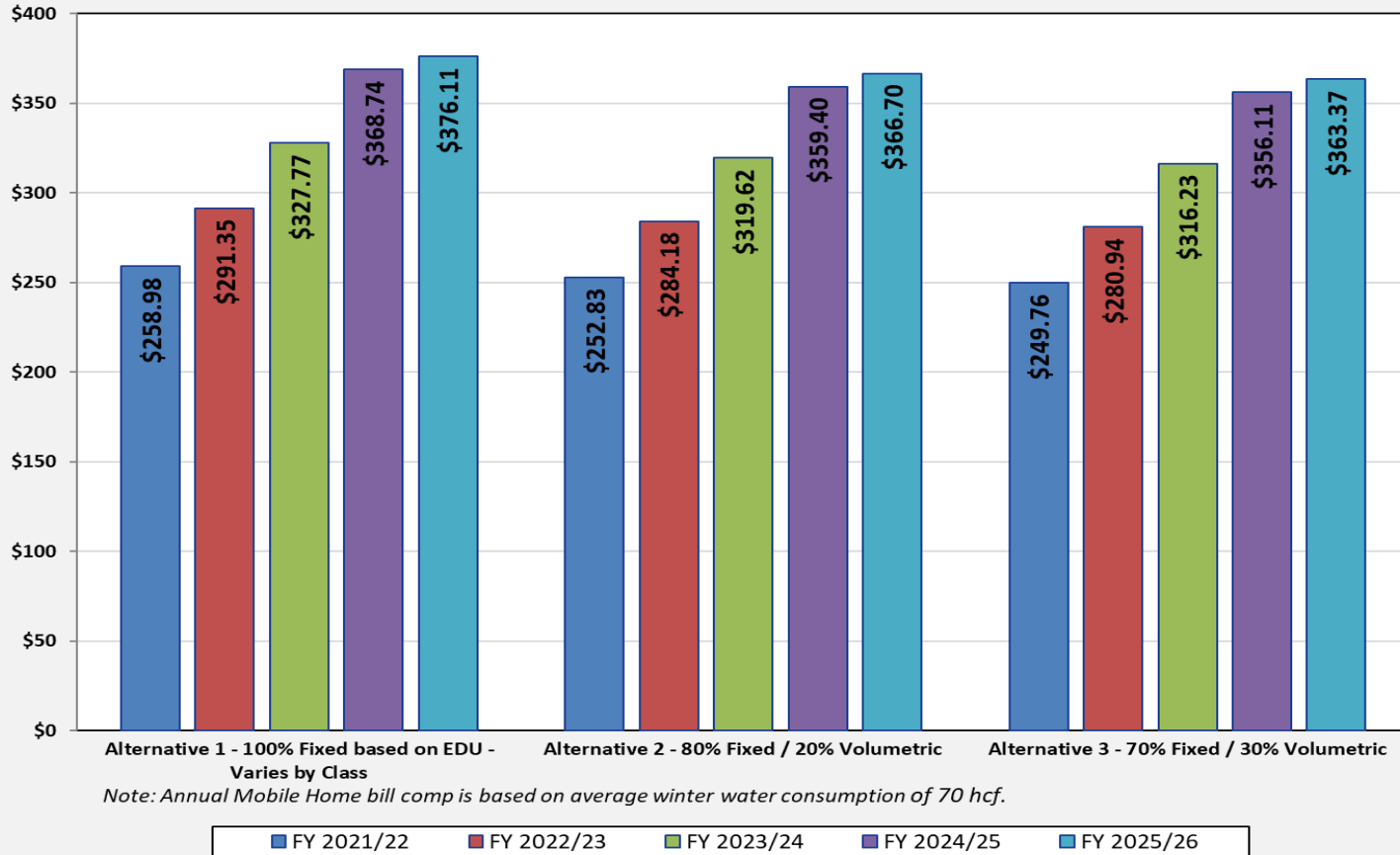
Bill Impact – Multi-Family Residential

Multi-Family Annual Sewer Bills - 5-Year Projections
 30-Year Debt Issue: Full CIP with a \$165 Million Debt Issue



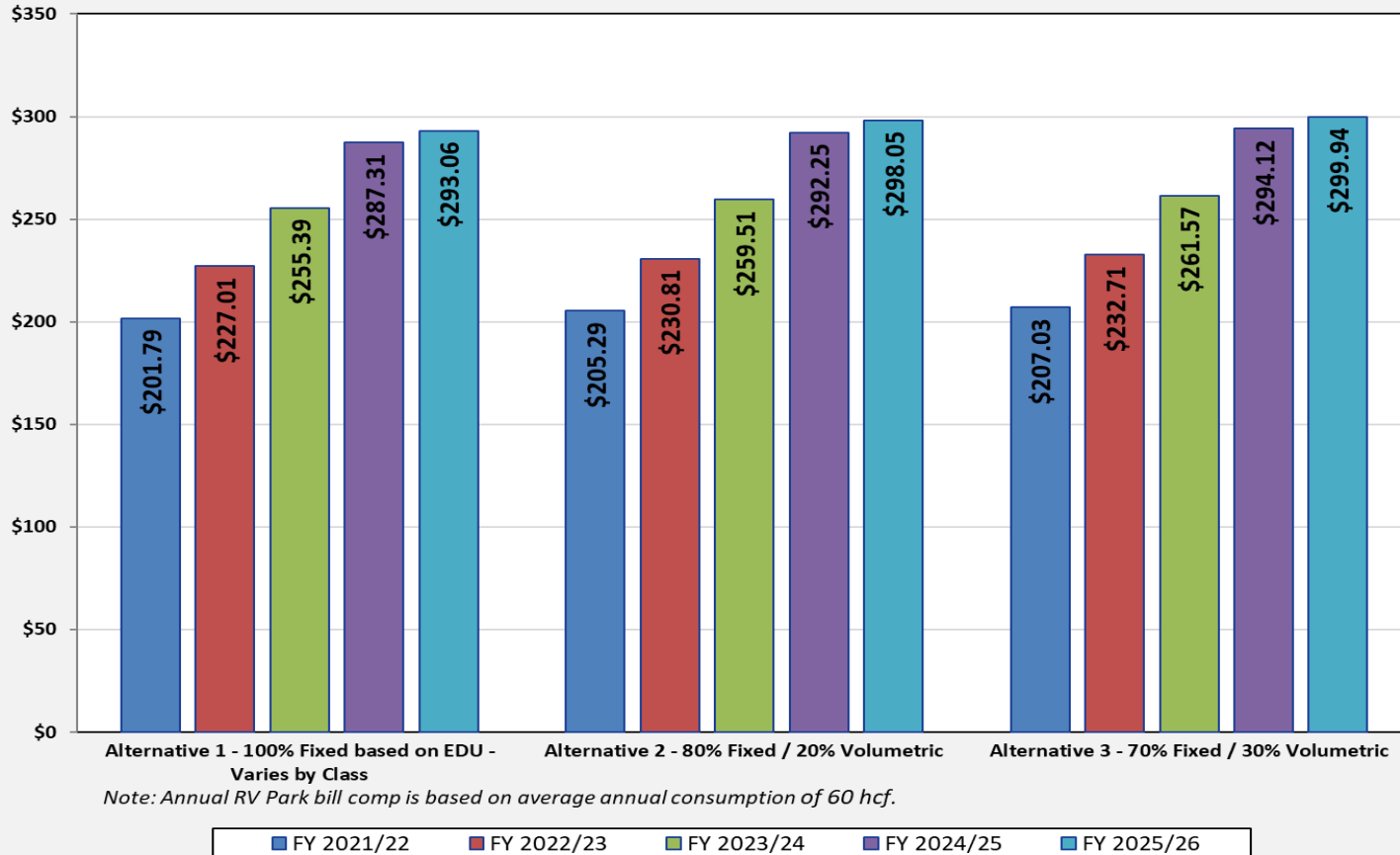
Bill Impact – Mobile Home

Mobile Home Annual Sewer Bills - 5-Year Projections
 30-Year Debt Issue: Full CIP with a \$165 Million Debt Issue



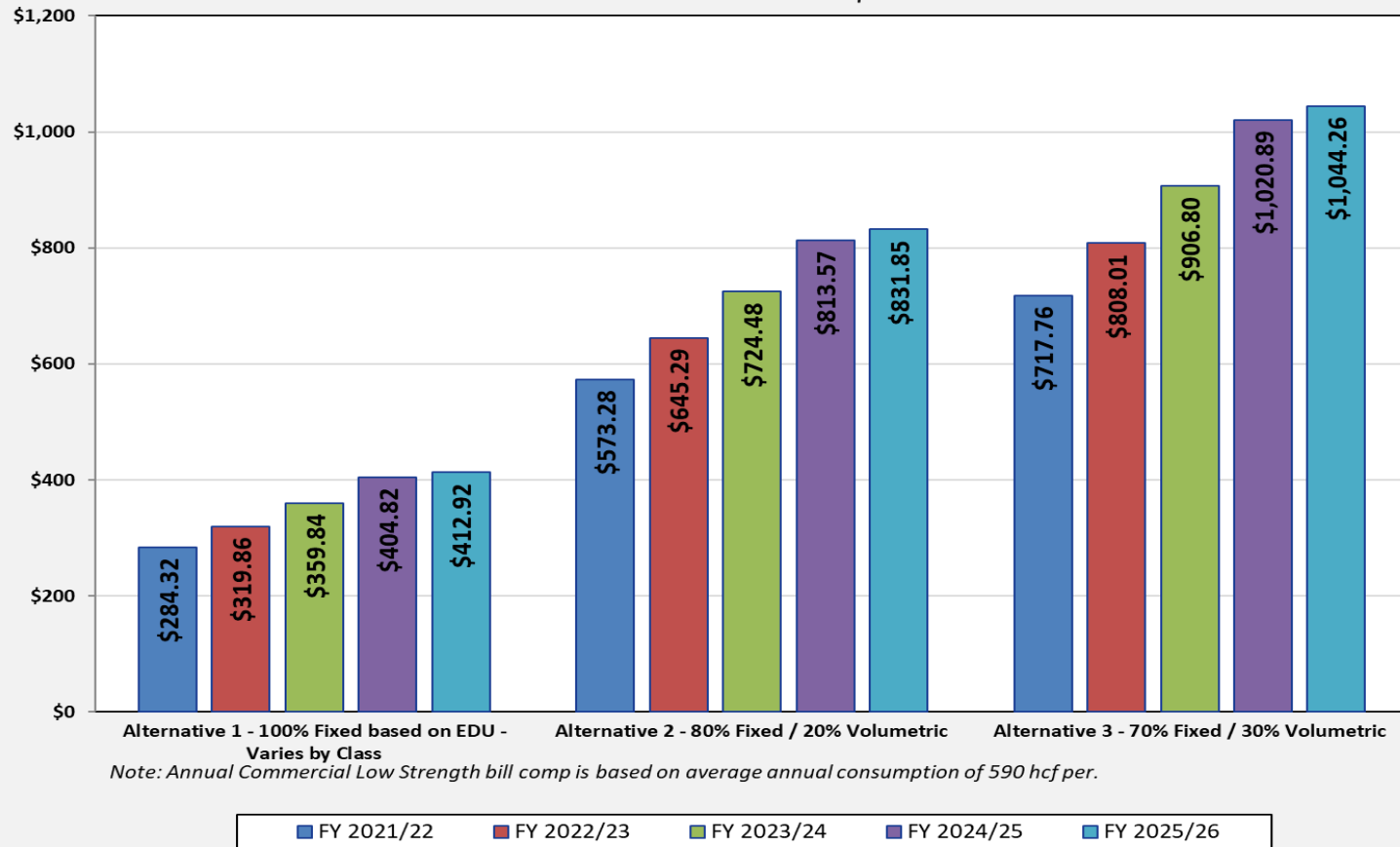
Bill Impact – RV Parks

RV Parks Annual Sewer Bills - 5-Year Projections
 30-Year Debt Issue: Full CIP with a \$165 Million Debt Issue



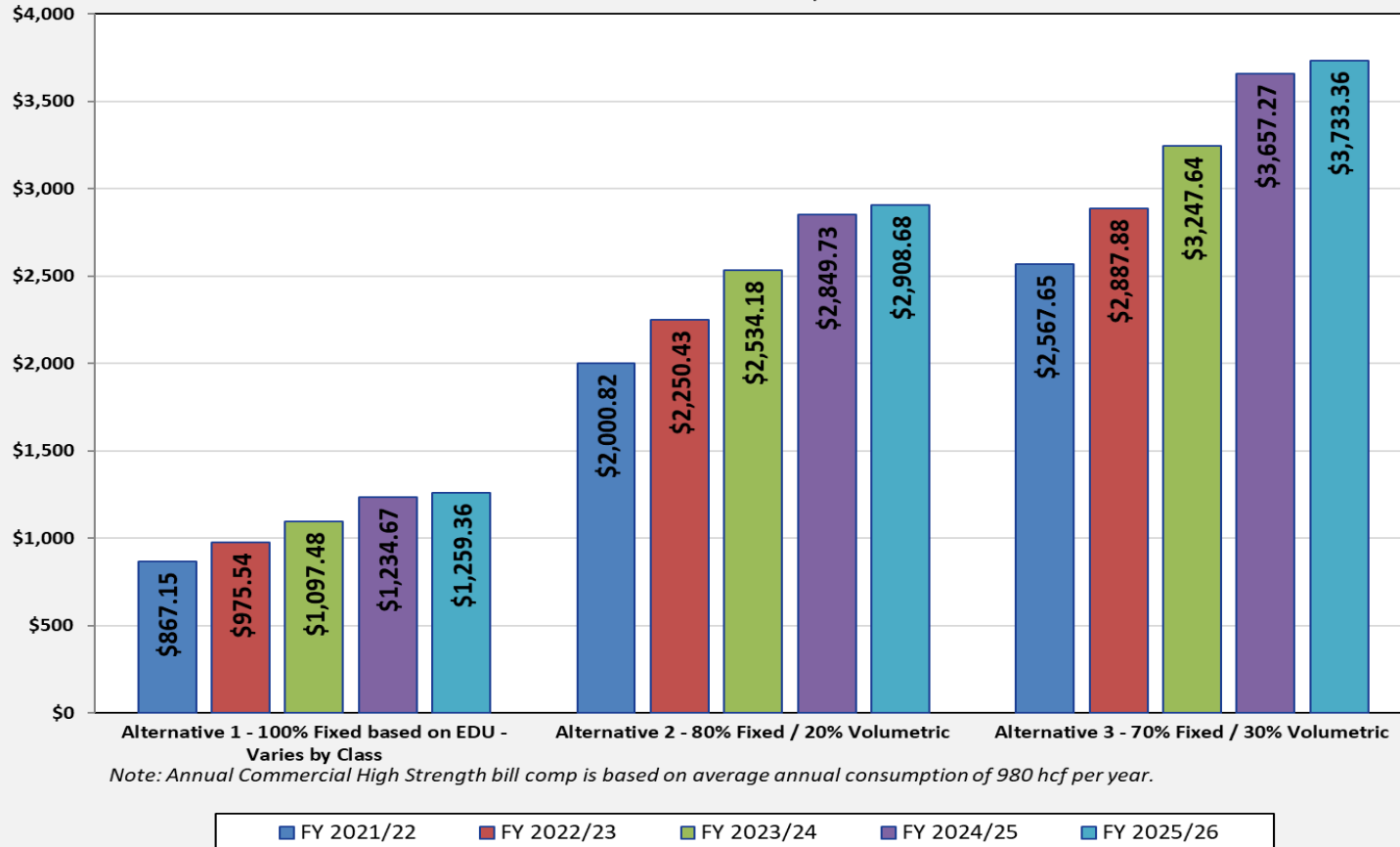
Commercial – Low/Medium Strength

Commercial Low/Medium Strength Annual Sewer Bills - 5-Year Projections
 30-Year Debt Issue: Full CIP with a \$165 Million Debt Issue



Commercial – High Strength

Commercial High Strength Annual Sewer Bills - 5-Year Projections
 30-Year Debt Issue: Full CIP with a \$165 Million Debt Issue





**Valley Sanitary District
Board of Directors Meeting
March 9, 2021**

TO: Board of Directors
THROUGH: Beverli A. Marshall, General Manager
FROM: Jeanette Juarez, Business Services Manager
SUBJECT: **Set Public Hearing Date to Adopt Increase in Sewer Use Fee**

<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 for the Board to set a public hearing date of May 11, 2021 to consider the increase in the Sewer Use Fee for Fiscal Years 2021/22 through 2025/26 and approve the Public Hearing Notice for publishing in the Desert Sun.

Strategic Plan Compliance

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

Fiscal Impact

The cost of publishing the notice will be updated once completed.

Background

In accordance with California Proposition 218, notice is to be sent to the owners of record and/or tenants via U.S. Mail at least 45 days before the Public Hearing to consider an increase to the Sewer Use rate. Additionally, notice of the Public Hearing will be advertised in the Desert Sun, a newspaper of general circulation, on March 20, 2021 and March 22, 2021.

Recommendation

Staff recommends that the Board of Directors approve the Public Hearing Notice for publishing in the Desert Sun.

Attachments

Attachment A: Public Hearing Notice

**NOTICE OF PUBLIC HEARING
VALLEY SANITARY DISTRICT
PROPOSED NEW RATES FOR SEWER SERVICES**

On Tuesday, May 11, 2021, the Valley Sanitary District Board of Directors will hold a public hearing to consider the proposed rate described in the Proposition 218 Notice mailed to property owners of record within the District's service area.

The hearing will begin at 1:00 p.m. in the Valley Sanitary District Boardroom located at 45-500 Van Buren Street, Indio, CA 92201.

How to protest the proposed new rate:

Under Proposition 218, the property owner of record or a tenant may submit a written protest against the proposed rate increase to the District at or before the time set for the public hearing.

Protests should contain the following information: (1) a description of the property, such as the assessor's parcel number; (2) whether you are the property owner of record or a tenant; and (3) the parcel owner's or tenant's signature. One written protest per parcel will be counted.

Please mail written protests to:

Board of Directors
Valley Sanitary District
45-500 Van Buren Street
Indio, CA 92201

Or you can deliver your protest to the Clerk of the Board at the same address, Monday – Friday between the hours of 8:00 a.m. and 5:00 p.m. Written protests **must be received** by Valley Sanitary District no later than 1:00 p.m. on Tuesday, May 11, 2020. Electronically submitted protests will not be accepted.

The Board of Directors will consider all protests against the proposed increase. If written protests against the proposed increase are presented by the majority of property owners, the Board of Directors will not impose the increase. If there is no majority protest, the District Board of Directors may vote to adopt the proposed rates for sewer services, which will become effective as of July 1, 2021.



**Valley Sanitary District
Board of Directors Meeting
March 9, 2021**

TO: Board of Directors

THROUGH: Beverli A. Marshall, General Manager

SUBJECT: **Monthly General Managers Report – January 2020**

<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 January 2020.

Administrative Services

- The fiscal year 2020 budget preparation process continues. The Business Services Manager is reviewing Operating & Maintenance (O&M) budget requests, department summaries, and department goals. A special budget workshop is scheduled for April 20, 2020.
- The administration team is preparing for live data pull and training with Caselle commencing 03/04/21 to 03/19/21.

Operations & Maintenance

- Annual reports for the NPDES permit and biosolids were submitted to the EPA and State Water Resources Control Board.
- Staff replaced volutes on RAS pumps 1, 2, 4, and 5.
- A permanent installation of the new chlorine analyzer for pond discharge was performed. Staff also performed a side-by-side installation of the new chlorine

analyzer for the activated sludge plant with the existing chlorine analyzer to observe performance before permanent installation.

- MCR technologies was onsite to service the primary sludge flow meter FIT 331 and influent pump flowmeter FIT 054 totalizer.
- Vertical seals for the south belt press were installed by staff.
- The treatment plant influent pump station was successfully bypassed. The influent gate was removed, and inspection of the wet well was performed.
- The digester sludge mixing pump drive belt was replaced on P741.
- A new composite sampler was installed for the activated sludge plant effluent.

Development Services

- Construction has begun on the Chandi Plaza at the southwest corner of Indio Blvd. and Avenue 44. This project will include a convenience store with fueling station, carwash, restaurants, and retail suites.
- Quick Quack Carwash has begun construction on a new car wash location near the corner of Monroe St. and Ave. 42 in the Walmart shopping center.
- Villa Hermosa Phase III has started construction of 100 apartment units. The new units will be constructed at the Fred Young Farm Labor Camp, near the intersection of Van Buren St. and Dr. Carreon Blvd.

Collection Services

- No-Spill report for the month of February 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.
- Field Vactor crew is currently working in the area of Avenue 48 and Jackson St.
- CCTV Inspection work is currently being conducted in the area of Indio Blvd and Clinton St.

Capital Improvement Program

- 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. 50% of design plans and an updated project cost schedule have been submitted by Carollo. Staff reviewed the plans and sent comments back to Carollo for revision. 90% design plans and specifications have been submitted by Carollo and staff has reviewed them and submitted comments for correction. Update: Carollo is preparing a pre-final 90% set of plans and specifications based on District comments.
- Staff is continuing to work with Harris and Associates on the Collections System Rehabilitation and Maintenance project. Harris has put together bid documents for the CCTV inspection of sewer mains that need special requirements or technology which have been approved by VSD and the City of Indio. This project was put out to bid and advertised to potential bidders on November 23rd, 2020. and sealed bids will be opened on January 14th, 2021. The first rehabilitation project was put out to bid and advertised to potential bidders on August 3, 2020,

and the bid was closed on September 10, 2020, with 5 companies submitting bids. The lowest responsible bidder was Insituform with a bid of \$240,483. Harris is also 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. Update: 50% design plans for the downtown Indio sewer improvement project have been submitted and staff is currently reviewing them. Lining for the first rehabilitation project will occur from March 8th to March 12th, 2021. The CCTV inspection project will begin once the contractor acquires their permit from the City of Indio.

- VSD has chosen SGH Architects as the architectural firm for the preliminary design of a new single-story training/office building. Staff had a second meeting with the architect to discuss ideas for a functional and adequate building. Staff has selected a new location for the building that will allow the single-story building with minimal demolition. Staff comments and revisions based on the single-story design have been submitted to the architect who is currently preparing a revised floor plan, conceptual cost estimate, and new proposal for the construction of a new laboratory building. The architect has completed the schematic design cost estimate for the training/office building. Update: The architect is currently developing a floor plan for the proposed new laboratory building.
- VSD is currently working with Stantec, who is acting as an Owner's Representative, on the repair and rehabilitation of the Influent Pump Station. Stantec and staff have received five Statement of Qualifications as part of the Request for Qualification (RFQ) solicitation. Staff and Stantec shortlisted three of the firms to move on to the next step of submitting a proposal for the work to be completed. The Request for Proposal (RFP) was released on August 28, 2020 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. Update: The preliminary bypass and inspection was completed from February 22 to February 26. Dudek is currently preparing their analysis of the results of the inspection for the Basis of Design Report.
- Staff is working on implementing an asset management system for the treatment plant using Lucity web software and is currently working on building out the Lucity Web system with the help of a Lucity implementor. The latest session of virtual training from the implementor was completed on August 25, 2020. The next session will be scheduled once the Operations and Maintenance staff has had an opportunity to practice using the system. Staff has finished the installation of Lucity Mobile and is pursuing the implementation of plant-wide Wi-Fi that will allow access to the asset management system from a mobile device anywhere in the plant facility. Update: Staff is currently working with the Lucity implementor to develop training videos for VSD staff training. Staff is also working on populating the system with scheduled work orders and system configuration.

Recommendation

Staff recommends that the Board receive the Manager's Report for activities during the month of January.

Attachments

- Attachment A: Administrative Services Report for January
- Attachment B: Monthly NPDES Report for January
- Attachment C: Collection System Report for January
- Attachment D: Development Services Report for January
- Attachment E: Capital Improvement Program Update for January

Administrative Services - Task Summary 2021

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total To Date
Active litigation filed	-												-
Board meeting	3												3
Budget/Finance Committee meeting	1												1
Operations Committee meeting	-												-
Employee anniversaries	-												-
Employee promotions	1												1
Facebook postings	1												1
Insurance claims initiated	-												-
Lost time work incidents	-												-
Media coverage items	-												-
New hires	-												-
Press release	-												-
Public records request	-												-
Resignations	-												-
Retirements	-												-

Report Name: Monthly

January 2021	Plant Influent		ASP Effluent			Pond Effluent		
	CBOD (mg/L)	TSS (mg/L)	Monthly Average Flow (MGD)	CBOD (mg/L)	TSS (mg/L)	Monthly Average Pond Effluent Flow (MGD)	CBOD (mg/L)	TSS (mg/L)
1								
2								
3								
4								
5								
6								
7	357	430		12	5		20.3	42
8								
9								
10								
11								
12								
13								
14	301	208		6.75	4.4		17.7	39.9
15								
16								
17								
18								
19								
20								
21	309	248		12.3	8.52		27.4	46
22								
23								
24								
25								
26								
27								
28	298	250		7.65	6.67		16.8	27.5
29								
30								
31			5.05			0.946		
Average	316	284	5.05	9.68	6.15	0.946	20.6	38.9
Minimum	298	208	5.05	6.75	4.4	0.946	16.8	27.5
Maximum	357	430	5.05	12.3	8.52	0.946	27.4	46
Permit LIMITS				25	30		40.0	49.0

Laboratory	Collected (# of Samples)	309
	Analyzed (# of Tests)	674

Total Plant Discharge (Outfall)								
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)
	< 1.4	3.1	< 0.5	1	4.1	7.9	0.52	15
19.5								
12.1								
9.8								
4.1								
1.0								
6.2*	1.4	3.1	0.5	1	4.1	7.9	0.52	15
1.0	< 1.4	3.1	< 0.5	1	4.1	7.9	0.52	15
19.5	< 1.4	3.1	< 0.5	1	4.1	7.9	0.52	15
126	<0.01	25	9.0	5.9	4.3			

Collection System 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
F.O.G. Inspection - Complete	27												27
F.O.G. Inspection - Fail	1												1
F.O.G. Inspection - Pass	26												26
Hot spot cleaning (total)*	26	0											26
Lift station inspection	19	19											38
Manhole inspection	157	125											282
Sewer line CCTV (feet)	0	0											0
Sewer line cleaning (feet)	58,522	50,400											108,922
SSO Response - Cat 1	0	0											0
SSO Response - Cat 2	0	0											0
SSO Response - Cat 3	0	0											0
USA Markings	37	33											70
*Note: Hot spot cleaning is performed quarterly													



VALLEY SANITARY DISTRICT DEVELOPMENT SERVICES REPORT

3-Mar-21

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.
82490 Highway 111-Former Imperial Furniture	82490 Highway 111/Arabia Street	Plans submitted for remodeled suites. Completed 1st plan check and returned to applicant 1/8/21.	Perform 2nd plan check upon plan resubmittal.
Abel Lupian Commercial Bldg.	45105 Commerce Street	Plans submitted for new commercial building. Completed 1st plan check and returned to the applicant 4/3/20.	Perform 2nd plan check upon plan resubmittal.
Add'l Dwelling Unit - Cebreros Residence	83181 Blue Mountain Court	Plans submitted for additional dwelling unit.	In Queue
Animal Samaritans - TI	42150 Jackson Street, Ste's 104-106	Plans submitted for building TI. Plans approved and returned to the applicant 2/4/2020. Issued permit 3874 on 2/28/2020.	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.	Waiting for owner to process permit paperwork.
Bel Cielo - Tr 32425	West of Clinton South of Ave 44	Model homes. No plan check is required. Permit and Inspection fees need to be paid. Issued permit 3840 on 9/13/19.	Inspect work improvements as scheduled.
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.
Cardenas Single Family Dwelling (SFD)	82266 Stallone Drive	Plans submitted for new SFD. Plans approved, notified the applicant 6/16/20.	Waiting for owner to process permit paperwork.
Carranza Residence -Additional Dwelling Unit	81-450 Palmyra Avenue	Plans submitted for additional dwelling unit. Plans approved and notified applicant 10/2/20. Issued permit 3907 on 10/5/20.	Inspect work improvements as scheduled.
Chandi Plaza	SW Corner of Indio Blvd/Avenue 44	Civil plans submitted for plan check. Completed 2nd plan check and notified applicant 9/30/20.	Perform 3rd 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.	Perform 2nd plan check upon plan resubmittal.
Chandi Plaza Building Restaurant Shell	81-977 Indio Blvd/Avenue 44	Plans submitted for plan check. Completed 1st plan check and returned to applicant 10/22/20.	Perform 2nd plan check upon plan resubmittal.
Chandi Plaza Car Wash	81-983 Indio Blvd/Avenue 44	Plans submitted for plan check. Completed 1st plan check and returned to applicant 9/16/20.	Perform 2nd plan check upon plan resubmittal.
Chandi Plaza Convenience Store	81-965 Indio Blvd/Avenue 44	Plans submitted for plan check. Completed 1st plan check and returned to applicant 9/16/20.	Perform 2nd plan check upon plan resubmittal.
Chavez Tenant Improvement	45330 Jackson St/Civic Center	Plans submitted for TI of existing building. Demolition of interior walls and facilities. Completed 4th plan check and returned to the City 6/25/18. Issued permit 3755 on 7/9/18.	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.
Corso Residence	49491 Braley Court	Plans submitted for single family residence. Completed 1st plan check and notified applicant 8/25/20. Permit 3931 issued 1/5/21	Inspect work improvements as scheduled.
Couthouse Bar & Grill	82910 Highway 111/Jackson Street	Plans submitted for new restaurant. Completed 1st plan check and returned to applicant 12/14/20.	Perform 2nd plan check upon plan resubmittal.
Dave's Hot Chicken	42213 Jackson Street/Avenue 42	Plans submitted for new restaurant. Plans approved and notified applicant 2/24/21.	Waiting for owner to process permit paperwork.
Demo Unlimited Storage Yard	83-845 Ave 45/Vam Buren St	Plans submitted for plan check. Completed 2nd plan check and returned to applicant 9/25/20. Plans approved and returned 10/13/2020	Waiting for owner to submit Bonds before drafting agreement
Destiny Church	80250 Highway 111/Jefferson Street	Plans submitted for plan check. Completed 1st check and returned to the applicant 11/9/20.	Perform 2nd plan check upon plan resubmittal.
Donuts Bistro	82151 Avenue 42, Ste 104	Plans submitted for construction of new restaurant. Plans approved and returned to the City 8/28/19.	Waiting for owner to process permit paperwork.
Dunn Edwards Paint Store	81921 Hwy 111/Las Palmas	Plans submitted for new retail building. Plans approved and returned to applicant 4/13/20. Issued permit 3884 on 5/12/2020.	Inspect work improvements as scheduled.
Dutch Bros. Coffee	81776 Highway 111/Las Palmas Street	Plans submitted new coffee shop. Plans approved and notified applicant 1/21/21.	Waiting for owner to process permit paperwork.

PROJECT NAME	STREET ADDRESS / CROSS STREET	CURRENT PROJECT STATUS	NEXT ACTION ITEM
EOS Fitness Ave 42 Gym	SWC of Spectrum Street & Avenue 42	Plans submitted for construction of new gym facility. Completed 2nd plan check and returned to the City 11/13/19.	Perform 3rd plan check upon plan resubmittal.
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 Development Agreement and Bonds before owner can process permit paperwork.
EOS Fitness Public Sewer Extension	SWC of Spectrum Street & Avenue 42	Plans approved and returned to the engineer 6/3/19. Bond and Development agreement in place. Waiting to receive recorded agreement.	Inspect work improvements as scheduled.
Everbloom Coffee	81730 Highway 111/Granada Drive	Plans submitted for new coffee shop. Completed plan check, approved plans and notified applicant project ready to permit 2/10/21. Permit 3939 issued 2/16/21.	No further action required
Fred 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.	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.
Gallery at Indian Springs	Jefferson St/Westward Ho Drive	Civil plans submitted for plan check. Completed 1st plan check and returned to the Engineer 1/10/18. Completed 2nd plan check and returned to the Engineer 1/25/18. Plans approved 1/31/18.	Inspect work improvements as scheduled.
Gallery Homes Tract -Indian Palms	Monroe & Avenue 50	Gallery Homes has recently purchased the 106 lots. Staff has inspected the site and prepared a list of improvements that need to be made prior to issuing connection permits. Plans submitted for home plans. Reviewed 1st plan check and returned back to the city on 6/4/2014. 2nd plan check returned to city 7/7/14. Model plans approved and returned to the City 8/22/14. New homes currently under construction.	Inspect work improvements as scheduled.
Gallery Links - 3	Indian Palms Country Club - Monroe/Avenue 48	Plans submitted for installation of 5 sewer laterals for new SFD. Plans approved and returned to the applicant 4/13/20.	Inspect work improvements as scheduled.
Golden Corral Restaurant	Atlantic Ave/Caspian near Ave 42 and Jackson	Plans submitted for new restaurant building. Arch plans approved 6/12/20. Completed 1st plan check on civil plans and returned to the applicant 6/12/20.	Perform 2nd plan check upon plan resubmittal.
Habitat for Humanity SFD	43655 Towne Street	Received plans for the construction of a new home on vacant lot. Plans approved and returned to the applicant 3/11/20. Permit 3926 issued 12/1/20.	Inspect work improvements as scheduled.
Habitat for Humanity SFD	43689 Arabia Street	Received plans for the construction of a new home on vacant lot. Plans approved and returned to the applicant 3/11/20. Permit 3925 issued 12/1/20.	Inspect work improvements as scheduled.
Hampton Inn Sewer Main Extension	North West 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 engineer 8/27/18. Sewer Finalized 5/12/20.	Waiting for owner to submit Warranty Bond
Indian Water RV Community Bldg.	47202 Jackson Street	Plans submitted for new community building. Completed 1st plan check and returned to applicant. 9/25/19. Issued permit 3873 on 2/26/2020.	Inspect work improvements as scheduled.
Indio Behavioral Health Hospital	81655 JFK Court	Civil plans submitted for new mental health facility. Completed 1st plan check and returned to the engineer 12/2/19. Plans approved 6/24/20. Issued permit 3900 on 8/29/20.	Inspect work improvements as scheduled.
Indio Juvenile Court	47671 Oasis St/ Ave 48	Plans submitted to demo existing juvenile court building and construct new building on the same site. Completed 1st plan check and returned to the City 2/23/16. Completed 2nd plan check and returned to the applicant 6/8/2020.	Perform 3rd plan check upon plan resubmittal.
Indio Palms Sewer Main Extension(Street A)	South East Corner of Avenue 42 and Monroe St	Plans submitted for the extension of a private sewer main for Indio Palms at Spectrum Street. Plan check fees paid 2/1/18. Plans approved and returned to engineer 5/10/18. Development agreement and Bonds in place.	Sewer Main Complete. Need recorded Easement to release Bonds
Jackson Street Liquor Store	44350 Jackson Street/Ruby Avenue	Plans submitted existing building TI. Plans approved and returned to the City 4/29/19. Issued permit 3829 on 7/26/19.	Inspect work improvements as scheduled.
Jacqueline & Oscar Lua Residence	80-555 Ridgeback Court	Plans submitted for single family residence. Completed 1st plan check and notified applicant 8/25/20.	Perform 2nd plan check upon plan resubmittal.

Monthly Capital Improvement Project Update - March 2021

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.	90% of design plans and specifications have been submitted by Carollo and staff has submitted comments for correction.	\$1,325,000.00	\$409,893.00
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 Harris 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.	The Rehab Project #1 lining is scheduled to occur from March 8th to March 12th, 2021. Harris has submitted 50% plans for the downtown Indio rehabilitation an repair project for staff review. Staff is currently waiting National Plant Services to acquire the required permits from the City of Indio for the CCTV Sewer Cleaning and Inspection project.	\$2,643,928.00	\$202,513.35
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, a sludge holding tank, and a sludge thickener building.	Schneider Electric has completed the Basis of Design Report. The project will now progress to the 30% design estimated to be completed by June 2021.	\$5,749,692.00	\$0.00
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 DCI / Dudek performed the bypass and inspection of the influent pump station during the week of February 22nd. Dudek is currently preparing their analysis of the results of the inspection for the Basis of Design Report.	\$1,200,000.00	\$202,577.20
New Training and Office Building and Laboratory Building	The District and SGH Architects are developing the intital 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.	The architect is currently developing preliminary floor plan for the proposed new laboratory building.	\$100,000.00	\$76,703.50

Monthly Capital Improvement Project Update - March 2021

Project Title	Project Description	Current Status	Fiscal Year Budget	Total Spent to Date
Van Buren Slope Protection	The slope along the south end of the District's property is being eroded during flooding events which is causing the posts of the chain link fence to become exposed and weakened. VSD has coordinated with the City of Indio to design a gravel and rip-rap slope reinforcement that will prevent washout during heavy rain events. This project is split into three phases which will encompass the entire length of fence line along Cabazon Road.	The project has been completed and staff has released the final retention invoice.	\$250,000.00	\$154,947.10
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.	Project has completed the preliminary design process.	\$250,000.00	\$0.00
Completion of Perimeter Fence Project	This project has been postponed due to the need for a design of the fence before construction. The location and terrain of the proposed fence is such that it will need design. Staff is limited with the number of projects already in process that have a higher priority than this project. Current night security patrol has limited the theft and damage of District property.	Project has not started.	\$280,000.00	\$0.00
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.	Project has not started.	\$142,000.00	\$0.00
Recycled Water Main Extension	Staff would like to extend the secondary effluent pipeline system about 250 feet to the pond chlorine contact chamber to save significant potable water when cleaning the pond chlorine contact chamber. This will allow the use of secondary effluent water to be used to clean the chamber instead of potable water. This project has been in the budget for the second year. It has been on hold waiting for staff to have time to install the water main themselves.	Project has not started.	\$60,000.00	\$0.00

**VALLEY SANITARY DISTRICT
BUDGET & FINANCE COMMITTEE MEETING MINUTES**

March 2, 2021

Valley Sanitary District conducted this meeting in accordance with California Governor Newsom's Executive Orders N-29-20 and COVID-19 protocols.

A regular meeting of the Valley Sanitary District (VSD) Budget & Finance Committee was held via videoconference on Tuesday, March 2, 2021.

1. CALL TO ORDER

Chairman Dennis Coleman called the meeting to order at 1:00 p.m.

1.1 Roll Call

Directors Present:

Chairman Dennis Coleman

Committee Member Scott Sear

Staff Present:

Beverli Marshall, General Manager, Jeanette Juarez, Business Services Manager, Holly Gould, Branden Rodriguez

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 Discussion of the Valley Sanitary District Investment Policy

Jeanette Juarez, Business Services Manager, presented the Valley Sanitary District Investment Policy to the committee. California Government Code Section 53646 requires that all public agencies adopt an investment policy and that the policy be reviewed and approved annually. On April 14, 2015, the District adopted Resolution No. 2015-1063 adopting the VSD Investment Policy and no amendments have been executed. Ms. Juarez wanted the committee to have time to review the policy and make recommendations before it is presented to the full Board of Directors in August. A discussion took place about pooled funds and quarterly reports.

3.2 Discussion of VSD Investments

At the January 5, 2021, Budget & Finance Committee meeting, it was requested from staff to review current District investments and opportunities for future investments. Jeanette, Juarez, Business Services, Manager, reported that currently, the District has investments in Local Agency Investment Funds (LAIF) and CalTRUST. Since March 2020 there has been a significant decline in federal fund rates from a range of 0.25%. Both LAIF and CalTRUST similarly follow the federal fund rate. Due to the interest rate declining the District has seen a significant decrease in interest income and unrealized gains compared to the same period last year. The Federal Reserve's Federal Open Market Committee currently projects that they will keep the federal funds rate in the current range until the end of 2023 and possibly beyond. For this reason, the District is researching alternative opportunities to invest in Federally Insured Certificates of Deposit (CD) and Treasury Bonds. This would require the District working with an investment firm to build a portfolio that meets California allowable investments and VSD Investment Policy protocols. There was discussion of the possibility of the District putting out a Request for Proposal (RFP) for investment advisory firms and taking a look at what the other agencies are doing.

3.3 Discussion of Fiscal Year 2021/22 Operating and Maintenance (O&M) and Capital Budget Presentation

Jeanette Juarez, Business Services Manager, requested input from the committee about the upcoming Fiscal Year 2021/22 budget presentation. She stated that the presentation will be different from previous years. The format of the budget will also be different. It has been a very collaborative effort this year with all departments participating. It will include more detail and budget trends. There will be a PowerPoint presentation and the budget books will be available for Directors to pick up in advance so they can have time to review it and mark it up. There will be a special Budget & Finance Committee meeting on March 30, 2021, to review the Fiscal Year 2021/22 budget presentation. Final approval of the budget is scheduled for the June 8, 2021 board meeting.

4. **FUTURE MEETING ITEMS**

5. **ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 2:26 p.m. The next special committee meeting will be held on March 30, 2021.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District