



Tuesday, May 9, 2023 at 1:00 PM
Valley Sanitary District Board Room
45500 Van Buren Street, Indio, CA 92201

**BOARD OF DIRECTORS
REGULAR SESSION
AGENDA**

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

Zoom link: <https://us06web.zoom.us/j/89681330650>

Meeting ID: 896 8133 0650

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

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

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

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. MAY EMPLOYEE ANNIVERSARIES
 - *Tino Tijerina, Facility Maintenance Supervisor - 33 years*
 - *Anna Bell, Lab & Environmental Compliance Supervisor - 10 years*
 - *Nick Dean, Electrical Instrumental Tech III - 3 years*

5. PUBLIC COMMENT

6. 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.

6.1 [Approve Minutes of April 18, 2023, Special Meeting, April 25, 2023, Regular Meeting, and April 26, 2023 Special Board Meeting](#)

Recommendation: Approve

6.2 [Approve Warrants for April 25, 2023](#)

Recommendation: Approve

7. NON-HEARING ITEMS

7.1 [Annual Renewal of the Business Package Policy and Earthquake Policy for the Fiscal Year 2023/24 in an Amount Not to Exceed \\$357,000](#)

Recommendation: Approve

7.2 [Authorize Interim General Manager to Execute an Agreement for Cyber Liability Insurance in an Amount not to Exceed \\$10,566](#)

Recommendation: Approve

7.3 [Review and Discussion of Valley Sanitary District Draft Fiscal Year 2023/24 Operating and Capital Budget](#)

Recommendation: Discussion

7.4 [Authorize the Interim General Manager to Purchase a New Computer Server to Replace an Outdated Server from Southwest Networks for an Amount Not to Exceed \\$26,600.00](#)

Recommendation: Approve

7.5 [Authorize the Board President to Sign a Letter of Support for AB 759 \(Grayson\) Which Would Allow Sanitary Districts to Establish Their Own Protocols to Authorize Funds and Check Registers](#)

Recommendation: Approve

7.6 [Authorize Specific Directors to Attend the CSDA 2023 Special Districts Legislative Days in Sacramento and Reimburse Related Expenses](#)

Recommendation: Approve

8. GENERAL MANAGER'S REPORT

8.1 [Receive Monthly General Managers Report - April 2023](#)

Recommendation: Review

9. COMMITTEE REPORTS

9.1 [Draft Minutes of the Budget & Finance Committee Meeting - May 2, 2023](#)

Recommendation: Discuss

10. DIRECTOR'S ITEMS

11. INFORMATIONAL ITEMS

12. PUBLIC COMMENT

This is the time set aside for public comment on any item to be discussed in Closed Session. Please notify the Secretary at the beginning of the meeting if you wish to speak on a Closed Session item.

13. CONVENE IN CLOSED SESSION

13.1 Conference with Legal Counsel - Anticipated Litigation Pursuant to paragraph (2) or (3) of Subdivision (d) of Government Code Section 5496.9 (one potential case - circumstances need not be disclosed pursuant to paragraph (1) of subdivision (e) of Government Code Section 5496.9)

13.2 Public Employment Recruitment Pursuant to Government Code Section 54957 Title: General Manager

13.3 Conference with Labor Negotiators Pursuant to Government Code Section 54957.6. Agency Designated Representative: Board President, Unrepresented Employee: General Manager

14. CONVENE IN OPEN SESSION

15. ADJOURNMENT

POSTED May 4, 2023
Holly Gould
Clerk of the Board
Valley Sanitary District

PUBLIC NOTICE

In compliance with the Americans with Disabilities Act, access to the Board Room and Public Restrooms has been made. If you need special assistance to participate in this meeting, please contact Valley Sanitary District (760) 235-5400. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA TITLE II). All public records related to open session items contained on this Agenda are available upon request at the Administrative Office of Valley Sanitary District located at 45-500 Van Buren Street, Indio, CA 92201. Copies of public records are subject to fees and charges for reproduction.



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Holly Gould, Clerk of the Board
SUBJECT: Approve Minutes of April 18, 2023, Special Meeting, April 25, 2023, Regular Meeting, and April 26, 2023 Special Board Meeting

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

None

Environmental Review

This does not qualify as a project for the purposes of CEQA.

Background

The meeting minutes for the Board of Directors Special Meeting held April 18, 2023, the Board of Directors Regular Meeting held April 25, 2023 and the Board of Directors Special Meeting held April 26, 2023.

Recommendation

Approve

Attachments

[18 Apr 2023 Special Meeting Minutes.edited.docx](#)

[25 April 2023 Meeting Minutes.edited.docx](#)

[26 Apr 2023 Special Meeting Minutes.docx](#)

**VALLEY SANITARY DISTRICT
MINUTES OF SPECIAL BOARD MEETING**

April 18, 2023

A special Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, April 11, 2023, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Canero called the meeting to order at 12:00 p.m.

2. ROLL CALL

Directors Present:

Jacky Barnum, Debra Canero, Mike Duran, Scott Sear, William Teague

Staff Present:

Ron Buchwald, Holly Gould, Jeanette Juarez, and Dave Commons

Guests Present:

Synthia Salazar, Indio Resident

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Synthia Salazar gave public comment on her opposition to the proposed sewer rate increase.

5. NON-HEARING ITEMS

5.1 Review and Discussion of Valley Sanitary District Draft Fiscal Year 2023/24 Operating and Capital Budget

Jeanette Juarez, Chief Administrative Officer, presented the Draft FY24 Operating & Maintenance (O&M) and Capital Budget to the Board. The proposed operating and capital budget for the fiscal year 2023/24 is \$18,622,984 and \$61,477,331, respectively. The operating budget encompasses personnel, California Public Employees' Retirement System (CalPERS), Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to advance the District's Capital Improvement Program (CIP). There are 22 capital projects requested in the fiscal year 2023/24. The CIP for the fiscal year 2023/24 includes the Recycled Water Project Phase I Design Build, the Influent Pump Station Rehabilitation Project, and the Collection System Sewer Main Rehabilitation and Replacement Program.

Ms. Juarez presented the draft operating budget and reviewed the variances budget department by department. Ms. Juarez informed the Board that she would bring the draft budget to the May 9th Board meeting for follow-up discussion before it is brought for final approval to the June 13, 2023, Board meeting. Ms. Juarez informed the Board that the draft operational budget was sound and that the cuts would come from the capital budget if the proposed rate increase was not passed.

6. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 1:28 p.m. The next regular Board meeting will be on April 25, 2023.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING**

April 25, 2023

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, April 25, 2023, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

Jacky Barnum, Debra Canero, Mike Duran, Scott Sear, William Teague

Staff Present:

Ron Buchwald, Holly Gould, Jeanette Juarez, Dave Commons and Robert Hargreaves, Best Best & Krieger

Guests Present:

Shari Green, Indio Resident

Rod Duncan, Indio Resident

Ellen Fassler, Indio Resident

Fredrick Saunders, Indio Resident

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Shari Green, Rod Duncan, Ellen Fassler, and Fredrick Saunders gave public comments on their opposition to the proposed sewer rate increase.

5. CONSENT CALENDAR

5.1 Approve Board Meeting Minutes of April 7, 2023, Special Meeting, April 11, 2023, Special Meeting, and April 11, 2023, Regular Board Meeting

5.2 Approve Warrants for April 25, 2023

5.3 Receive and File Credit Card Report for March 31, 2023

5.4 Monthly Revenue & Expense Report for the Period Ending March 31, 2023

ACTION TAKEN:

MOTION: Director Teague motioned to approve the consent calendar as presented. Vice President Duran seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2023-3288

6. NON-HEARING ITEMS

6.1 Discussion of the City Council Meeting Presentation by VSD on April 19, 2023

See item 6.2.

6.2 Review and Discuss the Proposition 218 Notice, Public Outreach and Provide Direction to Staff

President Canero requested that items 6.1, 6.2, and 6.3 be consolidated into one discussion. The Board each voiced their opinions and concerns regarding the proposed rate increase. The consensus was to not move forward with the proposed increases, cancel the Public Hearing for May 23, 2023. The Board thanked the public for their input during this process. Vice President Duran read a letter from City of Indio Mayor Oscar Ortiz into the record. Ron Buchwald, Interim General Manager, informed the Board that halting the increase would involve a severe cut to the Capital Improvement Projects budget and that the District would no longer be able to apply for the \$44 million Water Infrastructure Finance and Innovation Act (WIFIA) loan. The Board directed Andrea Carter, Andrea Carter & Associates, to continue public outreach and change the messaging. The Board reminded the public that there is still a 5-year rate increase in effect passed in 2021 under Resolution 2021-1142.

ACTION TAKEN:

MOTION: Secretary/Treasurer Sear motioned to stop the rate increase, cancel the Public Hearing for May 23, 2023, and give direction on public outreach messaging. Director Teague seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2023-3289

6.3 Discuss Operational Logistics in Preparation for the Public Hearing on May 23, 2023

See item 6.2.

6.4 Discussion on Proposed Updates to the Valley Sanitary District Procurement Policy

Jeanette Juarez, Chief Administrative Officer, presented the Draft Purchasing Policy for review and discussion. She also compared spending limits from similar agencies and different options. The Board discussed changing the spending limits of the General Manager. The Board gave staff direction on how to proceed. This item will be brought back for approval at a future meeting. If adopted, the revised policies will go into effect on July 1, 2023.

7. **GENERAL MANAGER'S ITEMS**

Ron Buchwald reminded the Board of the Special Meeting on April 26, 2023, for the General Manager recruitment. He also said he would bring a revised CIP budget for the May 9, 2023, meeting.

8. **COMMITTEE REPORTS** - None

9. **DIRECTOR'S ITEMS**

The Board thanked everyone who submitted letters and commented on the Proposition 218 notice. They also thanked the staff for handling all the phone calls and answering questions from the public.

10. **INFORMATIONAL ITEMS**

10.1 Senate Appropriations Update

On April 19, 2023, VSD received notice from Innovative Federal Strategies that Senators Feinstein and Padilla have submitted the District's request to the Senate Appropriations Committee for consideration in the Interior Appropriations bill. This is only the first step in the process and needs to be approved by Congress before it is official.

11. **PUBLIC COMMENT – CLOSED SESSION** – None

President Canero called for a short recess at 1:59 p.m. The Board of Directors reconvened at 2:07 p.m. Roll call was taken. Directors Barnum, Canero, Duran, Sear, and Teague were present.

12. **CONVENE IN CLOSED SESSION**

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

- 12.1 Conference with Legal Counsel – Anticipated Litigation Pursuant to Paragraph (2) or (3) of Subdivision (d) of Government Code Section 5496.9 (one potential case – circumstances need not be disclosed pursuant to paragraph (1) of subdivision (e) of Government Code Section 5496.9)

12.2 Public Employment Recruitment Pursuant to Government Code Section 54957 Title: General Manager

The Board adjourned to Closed Session at 2:07 p.m. Director Barnum recused herself from Item 12.1. Director Barnum returned to Closed Session at 2:24 p.m.

13. CONVENE IN OPEN SESSION

Report out on Closed Session items.

The Board reconvened in open session at 2:30 p.m. President Canero stated there was nothing to report.

14. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:31 p.m. The next regular Board meeting will be on May 9, 2023.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District

**VALLEY SANITARY DISTRICT
MINUTES OF SPECIAL BOARD MEETING**

April 26, 2023

A special Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, April 26, 2023, at Fantasy Springs Casino – Aswet Room, 84-245 Indio Springs Parkway, Indio, California.

1. CALL TO ORDER

President Canero called the meeting to order at 8:00 a.m.

2. ROLL CALL

Directors Present:

Jacky Barnum, Debra Canero, Mike Duran, Scott Sear, William Teague

Staff Present:

Ron Buchwald, Interim General Manager

Guests Present:

Josh Boudreaux, Koff & Associates

3. PUBLIC COMMENT - None

4. CONVENE IN CLOSED SESSION

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

4.1 Labor Negotiations Pursuant to Government Code 54957 – General Manager

The Board adjourned to Closed Session at 8:01 a.m.

5. CONVENE IN OPEN SESSION

Report on Closed Session items.

The Board reconvened in open session at 3:20 p.m. President Canero stated there was nothing to report.

6. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 3:20 p.m. The next regular Board meeting will be on May 9, 2023.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Approve Warrants for April 25, 2023

Suggested Action

Approve

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

The total charges incurred for the warrants from April 18, 2023, through May 1, 2023, are \$523,060.80.

Environmental Review

This does not qualify as a project for the purposes of CEQA.

Background

The attached warrants list shows all disbursements from April 18, 2023, through May 1, 2023.

Recommendation

Staff recommends that the Board of Directors approve the warrants for May 9, 2023.

Attachments

[Warrants for May 9, 2023.pdf](#)

DISBURSEMENTS
Approved at the Board Meeting of
May 9, 2023

41472	Adrian Contreras	CWEA AC23 conference reimbursement - 2023	\$393.33
41473	Alfa Laval Inc.	Belt press rehabilitation	\$71,330.30
41473	Alfa Laval Inc.	Belt press rehabilitation - 2nd invoice	\$77,623.44
41474	Best, Best & Krieger	General legal - Feb 2023	\$4,421.90
41474	Best, Best & Krieger	Labor issues - Feb 2023	\$799.20
41474	Best, Best & Krieger	Energy audit design build - Feb 2023	\$222.40
41474	Best, Best & Krieger	Easement access - Feb 2023	\$1,050.90
41474	Best, Best & Krieger	General legal - 4/1/2023	\$5,776.60
41474	Best, Best & Krieger	Easement access - Mar 2023	\$664.06
41475	Caltest Analytical Laboratory	Weekly samples npdes - 4/20/2023	\$353.40
41476	Carquest Auto Parts	New purchases - March 2023	\$167.92
41477	Enthalpy Analytical, LLC	1st qtr monitoring EFF-001C	\$950.00
41478	Hach Company	Mixed parameter standard, nist, renovo	\$140.04
41479	Mobile Modular Management Corp	Office trailer rental - 04/07/2023-05/06/2023	\$655.15
41480	Motion Industries, Inc.	Super HC V belt	\$59.63
41480	Motion Industries, Inc.	Oil seals	\$413.67
41481	NBS Government Finance Group	Rate study services - Mar 2023	\$14,767.50
41482	Quinn Company	V belt, filter lube, padlock	\$117.47
41482	Quinn Company	Main element, cat hose	\$521.72
41482	Quinn Company	Couplings for skid steer	\$107.86
41483	United Way of the Desert	PR 03/31/2023 - 04/13/2023 PD 04/21/2023	\$20.00
41484	American Red Cross	CPR/First aid/AED training for staff	\$2,080.00
41485	Bureau of Reclamation	Contract 06-07-34-L1478	\$300.00
41486	Caltest Analytical Laboratory	Monthly samples - 4/18/2023	\$1,029.80
41486	Caltest Analytical Laboratory	Weekly samples - 4/18/2023	\$353.40
41486	Caltest Analytical Laboratory	Quarterly samples - 4/27/2023	\$309.35
41487	Cintas Corp	First aid replenishment - 04/13/2023	\$645.84
41488	City of Indio Alarm Program	Alarm permit renewal 5/28/2023-5/27/2024	\$14.00
41489	Custom Scale	Weight calibration	\$843.00
41489	Custom Scale	Calibration of weighing equipment, travel	\$400.00
41490	Daniels Tire Service, Inc.	(2) Golf cart tires	\$304.84
41491	Desert Fire Extinguisher Co., Inc.	Fire riser 5 year inspection	\$675.00
41492	Desert Hose & Supply	1/2 clearbraided tube, ss clamp, brass elbow	\$83.64
41492	Desert Hose & Supply	Dot push in swivel 90 mpt	\$16.14
41492	Desert Hose & Supply	Dot push in 90 deg male elbow	\$19.69
41493	Diamond Environmental Services, LP	Portable restroom rental - 4/17/2023-5/14/2023	\$268.33
41494	Diego Rivera	Refund - Colonial	\$25.74
41495	Eduardo Luna	Reimbursement - CWEA annual conference 2023	\$415.29
41496	Eknar Israel Garcia	Refund - Colonial	\$27.87
41497	Environmental Resource Associates	Wastewater coliform microbe	\$241.10
41498	Facilities Protection Systems	Troubleshoot system - 4/11/2023	\$720.00
41499	Industrial Filter Manufacturers, Inc.	Primary and secondary panel elements/filters	\$3,478.09
41500	Kenneth Kepley	Reimbursement - CWEA annual conference 2023	\$281.30
41501	Linde Gas & Equipment Inc.	Tank rental - 03/20/2023-04/20/2023	\$157.93
41501	Linde Gas & Equipment Inc.	Tungsten pure stargold, argon	\$292.31
41502	Maria Del Carmen Reyes	Refund of sewer service fees	\$830.50
41503	Mario Luna	Refund - Colonial	\$62.85
41504	Mark Wiseman	Refund - Colonial	\$53.76
41505	Master's Refreshment Services LLC	Water delivery - 4/17/2023	\$366.50
41506	McMaster-Carr Supply Co.	6 piece diamond needle file set	\$190.48
41507	Nicholas Dean	Reimbursement - CWEA annual conference 2023	\$474.71
41508	Octavio Briones	Safety boots reimbursement - O. Briones	\$247.83
41509	Rudy's Pest Control	Pest control - 4/12/2023	\$200.00
41510	Safety-Kleen Systems, Inc.	Parts washer services - 4/26/2023	\$209.07
41511	Scott Graham	Refund - Colonial	\$14.84
41512	Staples Advantage	New purchases - Mar 2023	\$811.49
41512	Staples Advantage	New purchases - April 2023	\$1,152.59
41513	Superior Truck & Auto LLC	AC compressor, shock absorbers, trans temp sensor	\$4,602.59
41514	Underground Service Alert	Dig alerts - May 2023	\$204.25
41514	Underground Service Alert	Board fee - May 2023	\$58.38
41515	United Refrigeration Inc.	R-401A refrigerant, calgon, charging hose	\$555.09
41516	Univar Solutions	Sodium hypo delivery - 4/20/2023	\$13,943.78
41516	Univar Solutions	Sodium Bisulfite Delivery - 4/19/2023	\$6,652.39
41516	Univar Solutions	Sodium hypo delivery - 4/28/2023	\$13,303.53
41517	Valley Office Equipment, Inc	Sharp copier maint - 3/13/2023-4/12/2023	\$99.04
41518	Walters Wholesale Electric	Conduit seal, galvanized nipple	\$94.98
202304252	CalPERS Health	Health insurance - May 2023	\$55,642.80
202304253	Standard Insurance Company	Dental and vision insurance - May 2023	\$4,853.28
202304261	Colonial Life	PR 03/17/2023 - 03/30/2023 PD 04/07/2023	\$1,031.88
202304261	Colonial Life	PR 03/31/2023 - 04/13/2023 PD 04/21/2023	\$1,083.58
202304301	Domino Solar LTD	ELelectricity - March 2023	\$9,267.74
202305011	De Lage Landen Financial Services, Inc	Sharp copier lease - April 2023	\$212.07
202305012	Standard Insurance Company	Disability and life insurance - May 2023	\$1,652.70
202305021	Imperial Irrigation District	Electricity - March 2023	\$52,577.95
202305022	Indio Water Authority	Water - March 2023	\$1,660.77
202305023	FedEx	Shipping charges - 4/25/2023	\$206.11
202305023	FedEx	Shipping charges - 4/19/2023	\$232.97
202305023	FedEx	Shipping charges - 4/11/2023	\$233.46
202305032	Paychex - Fee	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$191.58
202305034	Paychex - Garnishment	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$803.08
202305041	Verizon Wireless	Cell service - April 2023	\$1,110.56
202305051	Paychex - Direct Deposit	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$88,535.93
202305052	Empower (formerly Mass Mutual)	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$10.00
202305053	Paychex - Tax	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$40,471.41
202305054	CalPERS 457	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$870.00
202305055	Mission Square (formerly ICMARC / Vantage Point)	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$1,470.00
202305056	Nationwide Retirement Solution	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$1,975.00
202305057	CalPERS Retirement	PR 04/14/2023 - 04/27/2023 PD 05/05/2023	\$21,300.13
		Totals	\$523,060.80



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Annual Renewal of the Business Package Policy and Earthquake Policy for the Fiscal Year 2023/24 in an Amount Not to Exceed \$357,000

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

The financial impact of \$357,000 is included in the proposed operating budget for the fiscal year 2023/24.

Environmental Review

Not applicable, this is not a project as defined by the California Environmental Quality Act (CEQA).

Background

Hugh Curtis from George Petersen Insurance Agency will present the Business Package Policy and the Earthquake Policy renewal. The 12-month coverage period is from July 1, 2023 – June 30, 2024.

The Business Package Policy includes the Property, General Liability, Management Liability, Inland Marine, Auto and Umbrella coverage. The proposed renewal for July 1, 2023 is \$147,000.

The Earthquake Policy renewal for July 1, 2023 is \$210,000.

Recommendation

Staff recommends that the Board of Directors delegate authority to Interim General Manager to negotiate and execute a contract with Desert Cornerstone Insurance Service, Inc. for the purchase of the Business Package Policy and the Earthquake Policy in an amount not to exceed \$357,000.

Attachments

[7.1 Attachment A Valley Sanitary CPKG Quote Proposal on GP Letterhead.docx](#)

[Valley Sanitary District - JPRIMA Proposal eff 7.1.2023.pdf](#)

[Valley Sanitary District - Prorated JPA Auto Proposal 7.1.23.pdf](#)

[JPRIMA Member Agreement_2016.pdf](#)

[Member Agreement to Join JPRIMA_2016.pdf](#)

April 10, 2023

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

Dear Jeanette:

The Business Package policy and Earthquake policies for Valley Sanitary District renew July 1, 2023. Enclosed is the renewal quote for the Package, Commercial Automobile and the Umbrella. Also attached is the Statement of Values including the Inland Marine scheduled and unscheduled coverages. The vehicle list is included in the Automobile quote.

The business package renewal premium is \$158,045.96, which is up about 13% from last year. Paul Fuller and I have discussed the option of moving this from the regular WaterPlus program to their in-house JPRIMA program. This would reduce the cost to \$145,515 – almost the same as last year, plus exposure changes. The majority of their almost 3,000 renewal clients are being moved to this program due to the availability capacity increase and lower price. This will be very important when the Schneider product is complete,

JPRIMA is similar in scope to WaterPlus, but it offers a \$10M aggregate on the General Liability and Directors & Officers Liability. Structurally, the JPRIMA program has the same underwriting and claims team. The JPRIMA program has a three-year commitment, but Paul has given us the option to move after the first term, if there is an increase in premium of 15% or more.

The program effective dates are April 1, 2023 – April 1, 2024 and the carrier will pro-rate the first term cost from July 1, 2023 to April 1, 2024, so the premium for that period would be \$109,375.

The property Total Insured Value remains the same as last year at \$39,006,621 and the Inland Marine schedule has increased to a total value of \$1,482,338, up from \$607,275 last year. We were not notified during the year of any additional purchases, and this is much of the increase from last year.

The primary general liability coverage has an occurrence limit of \$1,000,000 and an annual aggregate of \$10,000,000. Extension of liability limits on all policies is through an umbrella policy with limits of \$10,000,000 per occurrence and \$10,000,000 aggregate.

The Earthquake is written separately, and we are providing a total \$40,000,000, which includes a \$2,000,000 Business Interruption limit. Because of a tightening market and capacity reduction in California, as well as an increase in catastrophic activities throughout the global marketplace, the earthquake renewal premium will be approximately \$235,000. The only way to offset this increase, without reducing coverage limits, is to increase the deductible from 10% to 15%. That would reduce the cost to about \$207,000. The total Earthquake premium last year was \$195,762. All earthquake carriers are reluctant to give firm earthquake quotes more than 45 days from the effective date, however we have discussed this with the carrier and they have given us the above “closest estimate” numbers, which will be very close.

I am submitting under separate cover a proposal which I feel the Board should consider, regarding Cyber Liability. This would provide coverage for Ransomware and Extortion, as well as Cyber Incident Response and Post Breach Remediation Costs.

Thank you for allowing us the privilege of providing this coverage for Valley Sanitary District. I will be happy to answer any questions you or the Board may have. As always, I appreciate your business and value you as a client.

Sincerely,



Hugh K. Curtis



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**COVERAGE PROPOSAL
Valley Sanitary District**

**COVERAGE PERIOD
7/1/2023 - 4/1/2024**

**PRESENTED BY:
George Petersen Insurance Agency**



**Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment, if offered in the section)	\$	35,532.00
8	SECTION 2. COMMERCIAL CRIME	\$	1,127.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	25,490.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk, if offered in the section)	\$	7,227.00
12	SECTION 5. BUSINESS AUTO	\$	14,268.00
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	15,697.00
	MEMBER CONTRIBUTION	\$	99,341.00
	JPRIMA ADMINISTRATION FEES	\$	10,034.00
	TOTAL AMOUNT DUE*	\$	109,375.00

*Payment is due within thirty (30) days of binding.

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2023.

Your proposal is being pro-rated from your current effective date to April 1, 2024.

Annual Contribution: \$132,195 + \$13,320 (Fees) = \$145,515.

Terrorism coverage is automatically included for Property and General Liability.

Course of Construction: Please be advised that our policy is not intended for anything other than small, ancillary construction or replacement projects. Any substantive construction/replacement projects performed by insured employees or a third party should have a separate Builder's Risk Policy. We do not offer theft of materials. If subcontractors are being used, either entirely or in combination with employees, the insured entity should obtain Certificates of Insurance and request to be named as Additional Insured.

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 1. PROPERTY*

***PROPERTY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$39,006,621
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$2,000,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (scheduled):	\$1,082,339
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$100,000
Mobile Equipment (borrowed, rented & leased):	\$300,000
Flood Zone X(unshaded)/C:	N/A

DEDUCTIBLES:

\$1,000	Property
\$1,000	Mobile Equipment
N/A	Unmanned Aircraft (Drone)
\$1,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$2,500	Equipment Breakdown (greater than 50 feet belowground)
N/A	Flood Zone X(unshaded)/C (per occurrence)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance
- Equipment Breakdown
- Broad Definition of Covered Property
- Proprietary Coverage Extensions

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X(Unshaded)/C only)

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

SPECIAL COVERAGES:

- **New Locations or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.
- **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- **Contamination:**
Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- **Unintentional Errors:**
Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock; but only if such penstock is scheduled in the policy;
- (If not covered by other insurance): Additions under construction, alterations and repairs to the “real property” or structure, material, equipment supplies and temporary structures on or within 100 feet of the described premises, used for making additions, alterations or repairs to the “real property” or structure;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Light standards;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KEY DEFINITIONS *(continued)*

■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment or structures;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises; or
- Dumpsters, concrete trash containers, or permanent recycling bins;

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage	Limit
Accounts Receivable	\$500,000
Valuable Papers and Records	\$500,000
Tools and Equipment Owned by Your Employees	\$5,000
Personal Effects and Property of Others	\$5,000
Fine Arts	\$25,000
Contamination	\$250,000
Indoor and Outdoor Signs (unscheduled)	\$50,000
Outdoor Property (unscheduled)	\$100,000
New Locations or Newly Constructed Property	\$1,000,000
Business Personal Property at New Locations	\$1,000,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$250,000
Utility Services - Direct Damage	\$250,000
Utility Services – Business Income and Extra Expense	\$250,000
Dependent Business Premises	\$250,000
Property at Other Locations	\$250,000
Pollution Remediation Expense (specified cause of loss)	\$250,000
Pollution Remediation Expense (covered cause of loss)	\$100,000
Contract Penalties	\$100,000
SCADA Upgrades	\$100,000
Property in Transit	\$100,000
Limited Coverage for “Fungus”, Wet Rot or Dry Rot	\$50,000
Fire Department Service Charge	\$25,000
Fire Protection Devices	\$25,000
Key and Lock Replacement Expenses	\$25,000
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000
Arson Reward	\$10,000
Rental Reimbursement – Mobile Equipment	\$10,000
Cost of Inventory or Adjustment	\$5,000
Non-Owned Detached Trailers	\$5,000
Water Contamination Notification Expense	\$5,000
Patterns, Dies, Molds, Forms	\$2,500
Debris Removal	25% of debris removal expense + \$250K
Ordinance or Law Provision	100% of scheduled limit plus 25%

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Flood and Earthquake coverages are excluded.

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor’s Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

N/A

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGE(S):

Inverse Condemnation

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.
- **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to “your product” or “your work” after it has been put to its intended use.
- **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any “fungi” or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: “Your product”; “Your work”; or “Impaired property”; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District
EFFECTIVE DATE: 7/1/2023 - 4/1/2024
DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits of Liability

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$10,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts (Coverage A Only)	\$1,000,000 per act
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¹Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Coverage is limited only to the Primary policy. Privacy Retroactive Date: 7/1/2018. Privacy Deductible: \$1,000.

*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.

OPTIONAL COVERAGE(S):

Inverse Condemnation

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

\$1,000 Each Wrongful Act or Offense including expenses

EPL DEDUCTIBLE:

\$1,000 Each Offense including expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Valley Sanitary District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor’s Rating

FORM:

- ISO Business Auto
- Proprietary Endorsements

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV
Fleet Automatic		Included

DEDUCTIBLE:

Liability: None
Comprehensive: \$500
Collision: \$500

POLICY HIGHLIGHTS:

- Fleet Automatic Coverage
- Commercial Auto 360 Endorsement
- Pollution Liability – Broadened Coverage for Coverage Autos

NOTES:

Please refer to the auto worksheet provided for per unit coverage information.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Following Form
- Proprietary

LIMITS:

\$10,000,000/\$10,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability -Yes
 Hired and Non-Owned Auto Liability - Yes
 Owned Auto Liability - Yes
 Public Officials & Management Liability - Yes
 Wrongful Acts -Yes
 Employment Practices - Yes
 Employee Benefit Plans - Yes
 Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - No
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

Employers' Liability subject to JPRIMA minimum security requirements.
Please provide current WC declaration page for EL consideration in Excess line.

Joint Powers Risk and Insurance Management Authority Proposal

Insured	03/29/2023
Valley Sanitary District	Policy:
45-500 Van Buren	FEIN: 95-2405871
Indio, CA 92201	e-mail:

Description	1836528	Business Auto	\$14,268.00
Lock Rates Date	07/01/2023		
Effective Date	07/01/2023		
Expiration Date	04/01/2024	Total	\$14,268.00
Type of Business	New		
Program Name	WaterPlusMID		
Term Factor	0.751	Policy Surcharges and Taxes	
		POLICY TOTAL	\$14,268.00

Policy Totals Breakdown

Business Auto	
Liability	\$7,435.00
Medical	\$407.00
UM/UM	\$725.00
Other Than Coll	\$1,396.00
Collision	\$3,867.00
Hired Auto	\$188.00
Non-Owned	\$250.00
Total	\$14,268.00

Policy Information - Business Auto

Legal Entity	Other	Type of Fleet	Fleet
Liability	1,000,000	CSL Deductible	Full
NAICS Class	221310 Water treatment plants		

Location 1 Joint Powers Risk and Insurance Management Authori

45-500 Van Buren	Business Auto	\$14,268.00
Indio, CA 92201		
Riverside County	Total	\$14,268.00

Business Auto

Territory 169	Total Fleet Premium Information...
	Liability \$7,523
	UM/UIM \$725
	Med Pay \$407
	OTC \$1,396
	Collision \$3,867
	Non-Owned \$162
	Hired \$188
	Fleet Grand Total \$14,268

Hired Auto: Liability class 6619, Physical Damage class 6619

	Limit/Ded	Premium
Liability	1,000,000	\$188†
†Liab Minimum Applies: 188		

Non-Owned Auto class 6602 (26 Employees)

	Limit	Premium
Liability	1,000,000	\$162

Vehicles

Vehicle # 1 - Truck 2004 International Vactor 1HTWGADT4J026232			
Cost New 280,135	Code 40499	Age Group 20	Vehicle Total \$1,487

	Limit	
Liability	1,000,000	\$825
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$109
	Deduct	Premium
Collision	500	\$468

Vehicle # 2 - Truck-Tractor 2014 Kenworth T400 1NKBLJ0X8EJ405381			
Cost New 413,744	Code 50499	Age Group 10	Vehicle Total \$2,089

	Limit	
Liability	1,000,000	\$1,094
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$174
	Deduct	Premium
Collision	500	\$736

Vehicle # 3 - Truck 2014 Ford F150 1FTFW1CF7EKD33533			Vehicle Total	\$636
Cost New	26,761	Code 01499	Age Group 10	

	Limit	
Liability	1,000,000	\$412
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$51
	Deduct	Premium
Collision	500	\$88

Vehicle # 4 - Truck 2014 Ford F150 1FTMF1CM7EKF39019			Vehicle Total	\$605
Cost New	20,295	Code 01499	Age Group 10	

	Limit	
Liability	1,000,000	\$400
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$45
	Deduct	Premium
Collision	500	\$75

Vehicle # 5 - Truck 2017 Ford Video Inspection Van 1FTXE4FS6HDC01126			Vehicle Total	\$1,098
Cost New	190,313	Code 31499	Age Group 7	

	Limit	
Liability	1,000,000	\$584
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$123
	Deduct	Premium
Collision	500	\$306

Vehicle # 6 - Truck 2018 Ford F-150 1FTMF1CB6JKC64364			Vehicle Total	\$886
Cost New	55,000	Code 01499	Age Group 6	

	Limit	
Liability	1,000,000	\$518
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$91
	Deduct	Premium
Collision	500	\$192

Vehicle # 7 - Truck 2017 Ford F-150 1FTMF1EP2HKD82818			Vehicle Total	\$816
Cost New	45,000	Code 01499	Age Group 7	

	Limit	
Liability	1,000,000	\$486
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$79
	Deduct	Premium
Collision	500	\$166

Vehicle # 8 - Trailer 2009 Sewer Equipment 1S9KU15129C381728			
Cost New 40,855 Code 68499	Age Group 15	Vehicle Total	\$201

	Limit	
Liability	1,000,000	\$55
	Limit	Premium
Med Payments	5,000	\$3
	Deduct	Premium
Comprehensive	500	\$36
	Deduct	Premium
Collision	500	\$107

Vehicle # 9 - Trailer 2018 Shorelander Trailer Boat Trailer 1MDP1AM16JA626266			
Cost New 1,200 Code 68499	Age Group 6	Vehicle Total	\$48

	Limit	
Liability	1,000,000	\$21
	Limit	Premium
Med Payments	5,000	\$3
	Deduct	Premium
Comprehensive	500	\$13
	Deduct	Premium
Collision	500	\$11

Vehicle # 10 - Truck 2019 Ford F-250 1FT7X2A65KEE88439			
Cost New 40,000 Code 01499	Age Group 5	Vehicle Total	\$891

	Limit	
Liability	1,000,000	\$513
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$88
	Deduct	Premium
Collision	500	\$205

Vehicle # 11 - Truck 2020 Ford F450 1FX0X4GN3LED08545			
Cost New 56,289 Code 21499	Age Group 4	Vehicle Total	\$963

	Limit	
Liability	1,000,000	\$545
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$109
	Deduct	Premium
Collision	500	\$224

Vehicle # 12 - Truck 2021 Ford F-750 1FDNF7DE2MDF00383			
Cost New 94,709 Code 31499	Age Group 3	Vehicle Total	\$1,075

	Limit	
Liability	1,000,000	\$551
	Limit	Premium
Med Payments	5,000	\$32
Un Motorist	1,000,000	\$53
	Deduct	Premium
Comprehensive	500	\$119
	Deduct	Premium
Collision	500	\$320

Vehicle # 13 - Trailer 2020 Maxey Trailers 10 x 61 Welding Trailer 5R8BS1015LM072898			Vehicle Total	\$55
Cost New	2,000	Code 68499	Age Group 4	
	Limit			
Liability	1,000,000		\$27	
	Deduct		Premium	
Comprehensive	500		\$17	
	Deduct		Premium	
Collision	500		\$11	

Vehicle # 14 - Truck 2021 Ford F-550 4x2 XL Utility 1FD0X5GNXMEC40381			Vehicle Total	\$1,056
Cost New	98,812	Code 21499	Age Group 3	
	Limit			
Liability	1,000,000		\$568	
	Limit		Premium	
Med Payments	5,000		\$32	
Un Motorist	1,000,000		\$53	
	Deduct		Premium	
Comprehensive	500		\$135	
	Deduct		Premium	
Collision	500		\$268	

Vehicle # 15 - Truck 2022 Ford F-150 1FTFW1ED5NFA51976			Vehicle Total	\$951
Cost New	45,860	Code 01499	Age Group 2	
	Limit			
Liability	1,000,000		\$500	
	Limit		Premium	
Med Payments	5,000		\$32	
Un Motorist	1,000,000		\$53	
	Deduct		Premium	
Comprehensive	500		\$101	
	Deduct		Premium	
Collision	500		\$265	

Vehicle # 16 - Private Passenger 2022 Ford Explorer Limited Hybrid 1FM5K7FW1NNA00888			Vehicle Total	\$973
Cost New	53,596	Code 7398	Age Group 2	
	Limit			
Liability	1,000,000		\$336	
	Limit		Premium	
Med Payments	5,000		\$17	
Un Motorist	1,000,000		\$89	
	Deduct		Premium	
Comprehensive	500		\$106	
	Deduct		Premium	
Collision	500		\$425	

[Privacy Statement](#)

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**Amended Joint Powers Agreement
Creating the
California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority**

THIS AGREEMENT is made and entered into in the County of Los Angeles, State of California, by and among the Companies and Districts, as defined herein, organized and existing under the laws of the State of California, which are parties signatory to this Agreement and listed in Appendix "A," which is attached hereto and made a part hereof. Said Companies and Districts are sometimes referred to herein as "parties" or "Members."

RECITALS

WHEREAS, subdivision (a) of California Government Code Section 6525 authorizes a mutual water company and a public agency to enter into a joint powers agreement for the purpose of jointly exercising any power common to those contracting parties, and, effective January 1, 2016, subdivision (b)(1) of California Government Code Section 6525 provides that a mutual water company and a public agency may enter into a joint powers agreement for the purpose of risk-pooling in accordance with Government Code Section 990.8; and

WHEREAS, California Government Code Section 990 authorizes the self-insurance against tort liabilities and inverse condemnation by public entities and California Labor Code Section 3700 provides for self-insurance of liabilities imposed by Labor Code Section 3200, et seq.; and

WHEREAS, California Government Code Section 990.8 states that a mutual water company and a public agency may, by a joint powers agreement, provide coverage for any purpose by any one or more of the methods specified in Government Code Section 990.4; and

WHEREAS, the parties desire to establish a structure to provide such coverage products at contributions competitive with the insurance market and in a manner that alleviates risk through coverage products that are reinsured; and

WHEREAS, the parties to this Agreement desire to join together for the purpose of purchasing insurance or reinsurance at reduced rates and to provide technical support, continuing education, safety engineering, and operational and managerial advisory assistance to said parties in order to reduce risk liabilities and further the technical, managerial and financial capacity of those parties; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so;

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

Article 1 — Definitions

The following definitions shall apply to the provisions of this Agreement:

- (a) **"Association"** shall mean the California Association of Mutual Water Companies.
- (b) **"Auditor/Controller"** shall mean that person, designated by the Board of Directors who is required to draw, or cause to be drawn, checks, warrants, and electronic payments on behalf of the Authority.
- (c) **"Authority"** shall mean the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (CAMWC-JPRIMA) created by this Agreement.
- (d) **"Board of Directors" or "Board"** shall mean the governing body of the Authority.
- (e) **"Chief Executive Officer"** shall mean that employee or other agent of the Authority who is so appointed by the Board of Directors.
- (f) **"Company"** shall mean a mutual water company, as defined in California Corporations Code Section 14300, which is a "Regular Member" of the Association, as defined in Article III, Section 1(a) of the Association's Bylaws; or a ditch company that is formed and operates as a non-profit mutual benefit corporation under California law and is an "Affiliate Member" of the Association, as defined in Article III, Section 1(c) of the Association's Bylaws.
- (g) **"Director"** shall mean an individual elected by the Members to serve on the Authority's Board of Directors.
- (h) **"District"** shall mean any public agency that is an "Associate Member" or "Affiliate Member" of the Association, as defined in the Association's Bylaws.
- (i) **"Duly Constituted Board Meeting"** shall mean any Board of Directors meeting noticed and held in the required manner and at which a quorum was determined to be present at the beginning of the meeting.
- (j) **"Finance and Audit Committee"** shall mean the committee of the Authority composed of financial staff of Members appointed by the Board President and ratified by the Board of Directors.
- (k) **"Fiscal Year"** shall mean the calendar year.
- (l) **"Insurance"** shall mean any Program of the Authority providing

coverage against losses to Members who are participants in the Program, regardless of the exact nature of the coverage to be provided by or on behalf of the Authority.

(m) **"Insurance Program Administrator"** shall mean the individual or firm retained by the Board of Directors to administer the Authority's Programs.

(n) **"Member"** shall mean any **"Company"** or **"District"** which is a signatory to this Agreement.

(o) **"Program"** or **"Programs"** means the specific type of Insurance as set forth in the terms, conditions and exclusions of any coverage documents for Insurance provided to a Member.

(p) **"Re-Insurance"** shall mean that insurance or reinsurance which may be purchased on behalf of the Authority and/or the Members to protect the funds of the Members against catastrophic losses.

(q) **"Secretary"** shall mean the person appointed by the Board of Directors to record or cause to be recorded, and keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may order, a book of minutes of actions taken at all meetings of the Board of Directors.

(r) **"Services"** shall mean various services and programs offered from time to time or on an ongoing basis by or on behalf of the Authority to increase Members' technical, managerial and financial capacity, and to reduce risks of losses.

(s) **"Treasurer"** shall mean the person appointed by the Board of Directors to keep and maintain, or cause to be kept and maintained, adequate and correct financial records of the Authority and who will act as a liaison with the Authority's outside auditor in preparing the Authority's annual audit.

Article 2 — Purposes

This Agreement is entered into by the Members pursuant to the provisions of California Government Code sections 990, 990.4, 990.8 and 6500 *et seq.*, in order to provide comprehensive and economical general liability, public liability, property damage, auto liability, boiler and machinery, directors' and officers' errors and omissions, employment practices, employee dishonesty, employee benefits liability coverage, workers' compensation coverage, and coverage for such other risks as the Board of Directors may determine from time to time; and to allow the Authority to undertake necessary administrative actions pursuant to Government Code Section 6525(a) in advance of the effective date of AB 656 on January 1, 2016.

Additional purposes are to reduce the amount and frequency of losses, to decrease the cost incurred by Members in the handling and litigation of claims and to assist the Members through the Services in building their technical, managerial and financial capacity. These purposes shall be accomplished through the exercise of the powers of such Members jointly in the creation of the Authority as a separate entity in accordance with applicable law.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional Members organized and existing under the laws of the State of California as may desire to become parties to the Agreement and members of the Authority, subject to approval by the Board of Directors as set forth herein.

Article 3 — Parties to Agreement

Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories to this Agreement and, in addition, with such other parties as may later be added as parties to and signatories to this Agreement pursuant to Article 18. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Article 19 or Article 20, shall not be considered the completion of the purpose of this Agreement or affect this Agreement or such party's intent to contract as described above with the other parties to the Agreement then remaining. All parties to this Agreement must be either a Company or a District.

Article 4 — Term of Agreement

This Agreement became effective January 1, 2016, and it shall continue until terminated as hereinafter provided. This Agreement shall become effective as to each new Member upon: (i) approval of its membership by the Board of Directors, (ii) the execution of this Agreement by the Member, and (iii) upon payment by the Member of any initial contribution as the Board of Directors may determine. Any subsequent amendments to the Agreement shall be in accordance with Article 27 of this Agreement.

Article 5 — Creation of Authority

Pursuant to Section 6500 *et seq.* of the California Government Code, there is hereby created a public entity separate and apart from the parties hereto, to be known as the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority. Pursuant to Government Code Section 6508.1, the debts, liabilities and obligations of the Authority shall be solely its own, no District member shall be responsible for the underlying debts or liabilities of the Authority, and such debts, liabilities or obligations of the Authority shall not constitute debts, liabilities or obligations of any party to this Agreement or of any Company or District. Such Company and District Members shall be fully indemnified by the Authority against such debts, liabilities or obligations, to the extent permitted by law, specifically including Government Code Section 6525(b)(1). The Authority exists separately and apart from the Member Agencies.

The Authority is not an insurer, and the Programs offered by or on behalf of the Authority are to be interpreted in conformance with Government Code sections 990, 990.4, 990.8 and 6500 *et seq.* and contract law. The laws of insurance shall not apply.

Article 6 — Powers of Authority

(a) The Authority shall have the powers common to Members and the powers set forth in Government Code Section 6525(b), and is hereby authorized to do all acts necessary for the exercise of said powers, including, but not limited to, any or all of the following:

- (1) To make and enter into contracts;
- (2) To incur debts, liabilities or obligations as necessary, including to finance any Programs and Services offered to Members;
- (3) To receive grants and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- (4) To acquire, hold, lease or dispose of property, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- (5) To employ agents and employees, and/or to contract for services rendered by such agents and employees;
- (6) To sue and be sued in its own name;
- (7) To exercise all powers and perform all acts as otherwise provided for in the Bylaws; and
- (8) To exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law.

(b) Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law. In accordance with Government Code Section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers applicable to North of the River Municipal Water District.

Article 7 — Board of Directors

(a) Subject to the limitations of this Agreement and the laws of the State of California, the Authority shall be governed by a Board of Directors which is hereby established and designated to administer this Agreement pursuant to Government Code Section 6506. The powers of the Authority shall be exercised through the Board of Directors, who may, from time to time, adopt and modify bylaws and other policies and procedures for that purpose and for the conduct of its meetings as it may deem proper.

(b) The Board of Directors shall be composed of between five (5) and nine (9) directors, as determined upon the formation of the Authority by the initial Members and thereafter determined by the Board of Directors from time to time. The initial Board of Directors shall be appointed by the original Members and upon expiration of that initial term, the directors shall be elected by the Members who have executed this Agreement, as it

may be amended. The terms of directors, procedures for election of directors and procedures for meetings shall be as set forth in the Bylaws. Each Member of the Board of Directors shall have one vote. Each Member of the Board shall serve as set forth in the Bylaws.

(c) The Board of Directors shall meet as specified in the Bylaws. All meetings of the Board of Directors, including, without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code Sections 54950 *et seq.*

Article 8 — Powers of the Board of Directors

The Board of Directors of the Authority shall have the powers and functions as set forth in the Bylaws.

Article 9 — Officers of the Authority

The officers of the Authority shall be a President, Vice President, Chief Executive Officer, Secretary, Treasurer and Auditor/Controller, whose duties shall be as set forth in the Bylaws or as prescribed by applicable provisions of law. The position of Treasurer and Auditor/Controller may be held by the same person concurrently.

Article 10 — Standing Committees

The Bylaws shall establish standing committees deemed necessary for the management of the Authority. In addition to those standing committees established in the Bylaws, the Board of Directors may establish other standing or temporary committees from time to time, as provided in the Bylaws.

Article 11 — Insurance Program Administrator and Other Staff

(a) **Insurance Program Administrator.** The Board of Directors shall appoint an Insurance Program Administrator who shall be responsible for the general administration of the Authority's Programs and related activities as directed by the Board of Directors.

(b) **Legal Counsel.** The Board of Directors shall appoint an attorney at law who shall serve as general Legal Counsel to the Authority.

(c) **Other Staff.** The Board of Directors shall provide for such other staff of the Authority, to be hired by the Chief Executive Officer, as may be necessary for the efficient and productive administration and operation of the Authority.

Article 12 — Insurance Coverage

(a) The Authority shall provide for such types and levels of coverage for Programs as the Board of Directors, with the advice of the Authority's Advisory Committee, shall determine.

(b) The Programs provided for Members by or on behalf of the Authority may include protection for comprehensive and economical general liability, public liability, property damage, directors' and officers' errors and omissions, auto liability, boiler and machinery, employment practices, employee benefits liability coverage, workers' compensation, and/or coverage for other risks which the Board of Directors may determine to be advisable. The Board of Directors may arrange for the purchase of insurance or Reinsurance.

Article 13 — Accounts and Records

(a) **Annual Budget.** The Board shall annually adopt an operating budget. As deemed appropriate by the Board of Directors, that budget may include separate budgets for individual Programs and individual types of Services to be provided to the Members.

(b) **Funds and Accounts.** The Treasurer shall establish and maintain such funds and accounts as required by the Board of Directors and as required by generally accepted accounting principles. Books and records of the Authority shall be open to any inspection at all reasonable times by authorized representatives of Members as otherwise required by law. Quarterly unaudited financial statements shall be produced and distributed to all Members. The Authority shall adhere to the standard of strict accountability set forth in Government Code Section 6505.

(c) **Financial Reports.** The Auditor-Controller shall present a complete written report of all financial and investment activities of the Authority for the most recently completed fiscal year to the Board of Directors and to all Members no later than ninety (90) days after completion of the Authority's fiscal year, and shall prepare quarterly reports as required under Government Code Section 53646, and such reports as are required by law.

(d) **Annual Audit.** The Auditor/Controller shall cause to be made by an outside certified public accountant experienced in local governmental agency auditing an annual audit of the accounts and records of the Authority, which audit shall conform to generally accepted auditing standards. Such report shall be presented to the Board of Directors for approval and concurrence. Costs of the audit shall be considered a general expense of the Authority.

Article 14 — Responsibility for Monies

(a) The Auditor-Controller shall have the authority to delegate the signatory function of the Auditor-Controller to such persons as are authorized by resolution of the Board of Directors.

(b) The Auditor-Controller shall perform, and to the extent allowed by law, may cause to be performed, all duties set forth in Government Code Section 6505.5.

(c) A bond in an amount determined adequate by the Board of Directors shall be required of all officers and personnel authorized to disburse funds of the Authority. The premium for such bond shall be paid for by the Authority.

(d) The Treasurer of the Authority shall assume the duties described in California Government Code Section 6505.5, including:

- (1) Receive and acknowledge receipt for all money of the Authority and place it in the treasury of the Authority;
- (2) Be responsible upon his or her official bond for the safekeeping and disbursement of all of the Authority's money so held by him or her;
- (3) Pay, when due, out of money of the Authority so held by him or her, all sums payable on any outstanding bonds or other liabilities of the Authority;
- (4) Pay any other sums due from Authority money only upon checks, warrants, or electronic payments approved by the Chief Executive Officer or his or her designee. The checks, warrants, or electronic payments shall be reviewed by the President of the Board and either the Treasurer or the Chair of the Finance and Audit Committee.

Article 15 — Services Provided by the Authority

The Authority may provide, at the sole discretion of the Board of Directors, the following services to the Members:

- (a) Establish Programs through which Members shall procure coverage as necessary.
- (b) Assist each Member's designated risk manager with the implementation of that risk management function as it relates to risks faced by Members in their ordinary course of business.
- (c) Provide, or cause to be provided, the Services to Members, as well as loss prevention and safety consulting services, as required.
- (d) Review Member contracts to determine sufficiency of indemnity and Insurance provisions when requested.
- (h) Conduct risk assessments for each Member.
- (i) The Authority shall provide such other services and have such other responsibilities as deemed necessary by the Board of Directors.

Article 16 — Responsibilities of Members

Members shall have the following responsibilities:

- (a) Each Member shall appoint an employee or other representative of the Member to be responsible for the risk management function within that Member and to serve as a liaison between the Member and the Authority as to risk management.
- (b) Each Member shall maintain an active safety program through a designated safety officer.
- (c) Each Member shall timely pay its contributions for any Programs.
- (e) Each Member shall cooperate fully with the Authority and any insurer or reinsurer under any Program in determining the causes of losses, in the settlement of losses and in any other matters relating to this Agreement.
- (f) Each Member shall provide the Authority with such other information or assistance as may be necessary for the Authority to carry out the Programs under this Agreement.
- (g) Each Member shall comply with all Bylaws and policies and procedures adopted by the Board of Directors.
- (h) Each Member shall remain a “Regular Member,” “Affiliate Member” or “Associate Member,” as defined in the Association’s Bylaws and as applicable in relation to that Member’s entity status, in good standing of the Association.

Article 17 - Programs and Services

The Authority may develop and implement Programs and provide Services the Authority deems necessary, advisable and beneficial to Members. The Authority, through the Board of Directors, shall use its best efforts to develop outside funding sources to avoid imposing on the Members any monetary obligations other than contributions to be paid as consideration for participation in the Programs. Each Member may apply for membership and participation in any Program conducted by the Authority and to receive any Service provided by the Authority, but acceptance in any Program shall be subject to the approval of the Insurance Program Administrator or the Board of Directors.

Article 18 — New Members

The Authority shall allow new Members to join the Authority and participate in the Programs and receive the Services upon approval by the Board of Directors, and upon any conditions or limitations that the Board deems appropriate. Members entering under this Article may be required to pay their share of the Authority’s organizational expenses as determined by the Board of Directors. Any such new Member must be a “Regular

Member,” “Associate Member” or “Affiliate Member” of the Association, as may be applicable. Any new Member of the Authority must commit to membership for an initial term of three (3) years, subject to earlier withdrawal only in accordance with the provisions of Article 19, below.

Article 19 — Withdrawal

(a) A Member may withdraw as a party to this Agreement upon thirty (30) days' advance written notice to the Authority if it has never been a participant in any Program, or if it has withdrawn from all Programs in which it was a participant in accordance with subdivision (b), below; provided, however, that no Member may withdraw before the expiration of its initial three (3) year membership term unless: (i) there is an increase of fifteen percent (15%) or more in any single year in that Member's contribution(s) for any particular Program(s) that does not result from the Member's actions or misconduct; or (ii) the Insurance Program Administrator in place at the time the Member joined the Authority separates from the Authority for any reason, including, but not limited to, the Authority's termination of the Insurance Program Administrator's engagement with the Authority or the Insurance Program Administrator's resignation from the Authority.

(b) Subject to the provisions of subdivision (a), above, after becoming a participant in a Program, a Member may withdraw from that Program only at the end of a coverage year, or as may otherwise be allowed by the Board of Directors; and only if the Member has given the Authority at least six (6) months' advance written notice of that proposed withdrawal.

(c) A former Member who again desires to participate in an Authority Program after having withdrawn from that Program must again join the Authority as a new Member before it may participate in that Program. The terms of each Program shall determine whether any benefits will be held over from that Member's former status as a previous Program participant.

(d) A Member may not withdraw as a party to this Agreement nor as a member of the Authority until it has withdrawn from all of the Programs of the Authority.

(e) Notwithstanding any other provision of this Article 19, a District that is the only District that is a Member of the Authority at a particular time may not withdraw from the Authority until the first of the following occurs: (i) six (6) months have elapsed since that District has given the Authority written notice of its desire to withdraw; or (ii) the Authority has secured a written commitment from another District to join the Authority.

Article 20 — Cancellation by Authority of Membership or Participation

(a) Notwithstanding the provisions of Article 19, the Authority shall have the right to cancel any Member's participation in any Program upon a two-thirds vote of the Directors present at any Duly Constituted Board Meeting, provided that a reasonable time shall be afforded, at the discretion of the Board of Directors, to place coverage

elsewhere before that cancellation shall be effective. For purposes of this subdivision, a reasonable time shall consist of at least ninety (90) days' prior written notice, unless the cancellation results from a material increase in hazard as a result of the Member's operations, in which case at least ten (10) days' written notice shall be provided. Such cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 21(b).

(b) Notwithstanding any other provisions of this Agreement, the participation of any Member of the Authority, including participation in any of the Authority's Programs and receiving any of the Services, shall cease and be canceled automatically at the end of the next complete coverage year for each Program and Service whenever such Member's membership in the Association ceases. Such automatic cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 21(b).

(c) Notwithstanding any other provisions of this Agreement, the participation of any Member, including participation in any of the Authority's Programs and Services, may be canceled at the discretion of the Board of Directors whenever such Member is dissolved, consolidated, merged or annexed. A reasonable time shall be afforded, in the discretion of the Board of Directors, to place coverage elsewhere. Any such cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 21(b).

Article 21 — Effect of Withdrawal or Cancellation

(a) The withdrawal or cancellation of any Member from this Agreement shall not terminate the Agreement and a Member by withdrawing or being canceled shall not be entitled to payment or return of any contribution, consideration or property paid, or donated by the Member to the Authority, or to any distribution of assets, except as provided in Article 22(c).

(b) The withdrawal or cancellation of any Member after the effective date of any Program shall not terminate its responsibility to pay its share of the costs of that Program until all claims, or other unpaid liabilities, covering the Program period any part of which the Member was signatory thereto have been finally resolved

Article 22 — Termination and Distribution

(a) This Agreement may be terminated at any time by the written consent of three-fourths (3/4) of the Members, provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distributing assets and all other functions necessary to wind up the affairs of the Authority. This Agreement shall also terminate if a District that is the only District then a Member of the Authority withdraws in accordance with Section 19(e), above, and no other District becomes a Member of the Authority before that withdrawal becomes effective.

(b) The Board of Directors is vested with all powers of the Authority for the purpose of winding up and dissolving the business affairs of the Authority.

(c) Upon termination of this Agreement, all properties and cash of the Authority shall be distributed only among the Members that have been signatories hereto, including any of those Members which previously withdrew pursuant to Article 19(d) or were canceled pursuant to Article 20 of this Agreement, in accordance with and proportionate to their cash contributions (including payments and property contributions at market value when received) made during the term of this Agreement. The Board of Directors shall determine such distribution within six (6) months after satisfaction of the last remaining liability of the Authority.

(d) In the absence of a Board of Directors, the Chief Executive Officer shall exercise all powers and authority under this Article. The decision of the Board of Directors or, in the absence of a Board of Directors, the Chief Executive Officer under this Article shall be final.

Article 23 -- Enforcement

The Authority is hereby granted authority to enforce this Agreement. In the event action is instituted to enforce the terms of this Agreement, the Bylaws and/or any policies and/or procedures of the Board of Directors and the nondefaulting party(s) should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party(s) herein contained, the defaulting party agrees that it will on demand therefore pay to the nondefaulting party(s) the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party(s).

Article 24 – Non-liability of Directors, Officers and Employees

In accordance with Government Code Sections 825 et seq., the Board of Directors, and the officers and employees of the Authority, including former Directors, officers and employees, shall not be liable to the Authority, to any Member or former Member, or to any other person, for actual or alleged breach of duty, mistake of judgment, neglect, error, misstatement, misleading statement, or any other act or omission in the performance of their duties hereunder; for any action taken or omitted by any employee or independent contractor; for loss incurred through the investment or failure to invest funds; or for loss attributable to any failure or omission to procure or maintain insurance; except in the event of fraud, gross negligence, or intentional misconduct of such Director, officer or employee. The Authority shall defend and shall indemnify and hold harmless its Directors, officers and employees, including former Directors, officers and employees, from any and all claims, demands, causes of action, and damages arising out of their performance of their duties as such Directors, officers or employees of the Authority except in the event of fraud, gross negligence, corruption, malice or intentional misconduct, and the funds of the Authority shall be used for such purpose. The Authority may purchase conventional insurance to protect the Authority, and its participating Members or former Members, against any such acts or omissions by its Directors, officers and employees, including former Directors, officers and employees.

Article 25 — Provision for Bylaws and Mission Statement

As soon as practicable after the first meeting of the Board of Directors, the Board shall cause to be developed Authority Bylaws and a Mission Statement.

Article 26 — Notices

Notices to Members hereunder shall be sufficient if delivered to the principal office of the respective Member.

Article 27 — Amendment

This Agreement may be amended at any time by a majority vote of the Members, and any such amendment shall be binding on the Members to the extent allowed by law.

Article 28 — Prohibition against Assignment

No Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member shall have any right, claim or title or any part, share, interest, fund, contribution or asset of the Authority.

Article 29 -- Counterparts

This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

Article 30 -- California Law

This Agreement shall be governed by and construed under the laws of the State of California.

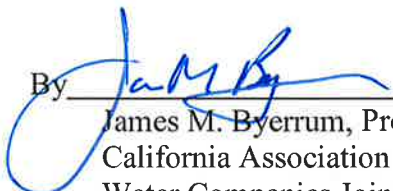
Article 31 -- Severability

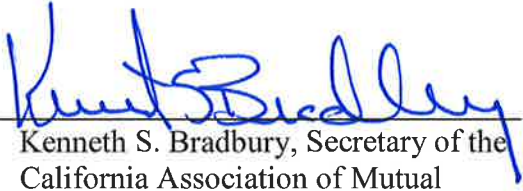
Should any part, term or provisions of this Agreement be determined by any court of component jurisdiction to be illegal or in conflict with any law of the State of California or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Article 32 — Agreement Complete

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

IN WITNESS WHEREOF, this Amended Joint Powers Agreement Creating the California Association of Mutual Companies Joint Powers Risk and Insurance Management Authority was unanimously approved pursuant to Article 27 of the original Joint Powers Agreement Creating the California Association of Mutual Companies Joint Powers Insurance Authority (the "Authority") by the Authority's Board of Directors, by action taken at a duly noticed and held public meeting on January 28, 2016.

By  _____
James M. Byerrum, President of the
California Association of Mutual
Water Companies Joint Powers Risk
and Insurance Management Authority

By  _____
Kenneth S. Bradbury, Secretary of the
California Association of Mutual
Water Companies Joint Powers Risk
and Insurance Management Authority

APPENDIX A

INITIAL MEMBERS OF THE CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY

North of the River Municipal Water District (public agency member)

Bellflower-Somerset Mutual Water Company (mutual water company member)

California Domestic Water Company (mutual water company member)

Covina Irrigating Company (mutual water company member)

Montebello Land & Water Company (mutual water company member)

Oildale Mutual Water Company (mutual water company member)

Rubio Cañon Land and Water Association (mutual water company member)

South Mesa Water Company (mutual water company member)

Sunny Slope Water Company (mutual water company member)

Valencia Heights Water Company (mutual water company member)

**AGREEMENT TO BECOME A PARTY TO THE
AMENDED JOINT POWERS AGREEMENT
CREATING THE
CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY**

_____ [insert name of company or district]
(referred to as “Member”) hereby agrees to become a party to the Amended Joint Powers Agreement Creating the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (the “Authority”), in the form attached hereto as Exhibit A, and agrees to abide by the terms and conditions of that agreement.

Member hereby represents that its action to become a party to the above-referenced agreement and to participate in the Authority has been duly authorized by action of its governing board taken at a duly called and noticed meeting.

Executed this ____ day of _____, 202__ at
_____, California.

[Company or District name]

By _____

Printed Name: _____

Title: _____



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Authorize Interim General Manager to Execute an Agreement for Cyber Liability Insurance in an Amount not to Exceed \$10,566

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

The financial impact of \$10,566 is included in the proposed operating budget for the fiscal year 2023/24.

Environmental Review

Not applicable, this is not a project as defined by the California Environmental Quality Act (CEQA).

Background

With the increase in cyber security crime over the last decade it is imperative that organizations protect themselves through insurance coverage. Cybersecurity insurance protects businesses against financial losses caused by incidents like data breaches and theft, system hacking, ransomware extortion payments, and more. Hugh Curtis from George Petersen Insurance Agency is here today to present the cyber security proposal.

Recommendation

Approve

Attachments

[Valley Sanitary Cyber Quote Proposal on GP Letterhead.docx](#)

VSD Cyber Quote.pdf
CFC Cyber App.pdf
VSD Phily Cyber App.pdf

April 10, 2023

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

Dear Jeanette:

Attached is our best quote for your Cyber Liability coverage. Coverage is through Underwriters at Lloyds, an A+:XV rated, non-admitted carrier.

This is the CFC program through Lloyds, and offers the following coverages:

CYBER INCIDENT RESPONSE

Incident Response Costs	\$2,000,000
Legal and Regulatory Costs	\$2,000,000
Security and Forensic Costs	\$2,000,000
Crisis Communication Costs	\$2,000,000
Privacy Breach Management Costs	\$2,000,000
Third Party Privacy Breach Mgmt Costs	\$2,000,000
Post Breach Remediation Costs	\$ 50,000

CYBER CRIME

Funds Transfer Fraud	\$250,000
Theft of Funds Held in Escrow	\$250,000
Theft of Personal Funds	\$250,000
Extortion (including Ransomware)	\$2,000,000
Corporate Identity Theft	\$250,000
Telephone Hacking	\$250,000
Push Payment Fraud	\$50,000
Unauthorized Use of Corporate Resources	\$250,000

SYSTEM DAMAGE/BUSINESS INTERRUPTION

System Damage/Rectification Costs	\$2,000,000
Income Loss/Extra Expense	\$2,000,000
Additional Extra Expense	\$100,000
Consequential Reputational Harm	\$2,000,000
Claim Preparation Costs	\$25,000
Hardware Replacement Costs	\$2,000,000

NETWORK SECURITY & PRIVACY LIABILITY

Network Security Liability	\$2,000,000
Privacy Liability	\$2,000,000
Regulatory Fines	\$2,000,000

MEDIA LIABILITY

Defamation	\$2,000,000
Intellectual Property Rights Infringement	\$2,000,000

The policy is written on a Claims-Made basis, and there will be a Prior Acts Exclusion endorsement attached.

The premium breakdown is as follows:

Estimated Policy Premium	\$9,990.00
Carrier Policy Fee	\$ 250.00
Surplus Lines Fees	<u>\$ 325.63</u>
Total:	\$10,565.63

To bind coverage, please review the attached Cyber Liability application, complete all unanswered questions and sign and date where indicated, and return along with your check in the amount of \$10,565.63. The carrier will require that you download and create an account with their Response app (detail attached) within 30 days of binding. They also require confirmation of daily offline backups.

Please review and let me know if you would like to discuss. Thank you for allowing me to provide this quote for you.

Sincerely,



Hugh K. Curtis



INDICATION OF TERMS

REFERENCE NUMBER:	3237892
COMPANY NAME:	Valley Sanitary District
TOTAL PAYABLE:	USD10,240.00
Premium breakdown:	
Cyber & Privacy:	USD8,300.00
Cyber Crime:	USD1,690.00
Policy Administration Fee:	USD250.00
TRIA:	USD0.00
BUSINESS OPERATIONS:	Wastewater Treatment Facility
LEGAL ACTION:	Worldwide
TERRITORIAL SCOPE:	Worldwide
REPUTATIONAL HARM PERIOD:	12 months
INDEMNITY PERIOD:	12 months
WAITING PERIOD:	8 hours
WORDING:	Cyber, Private Enterprise (US) v3.0
ENDORSEMENTS:	RT Special Amendatory Clause Policyholder Disclosure Notice Of Terrorism Insurance Coverage
SUBJECTIVITIES:	This quote is subject to the following being provided by the stated deadline:

Premium:	\$ 9,990.00
Policy Fee:	\$ 250.00
Surplus Lines Fees:	\$ 325.63
Total Premium:	\$10,565.63

1. Satisfactory confirmation that you have downloaded & registered our incident response mobile app, details of which can be found with your policy documents. (30 days post binding)
2. Satisfactory version of a fully completed application form (as attached), signed and dated within 30 days of the required inception date. (prior to binding)

POLICY PERIOD:	12 months
DATE OF ISSUE:	02 Mar 2023
OPTIONAL EXTENDED REPORTING PERIOD:	12 months for 100% of applicable annualized premium
SECURITY:	Certain underwriters at Lloyd's and other insurers Ja
UNDERWRITER:	



THIS INDICATION OF TERMS IS ONLY VALID FOR 30 DAYS FROM THE DATE OF ISSUE

PLEASE REFER TO THE FOLLOWING PAGES FOR A FULL BREAKDOWN OF LIMITS,
RETENTIONS AND APPLICABLE CLAUSES

DECLARATIONS

THE FOLLOWING INSURING CLAUSES ARE SUBJECT TO AN EACH AND EVERY CLAIM LIMIT

INSURING CLAUSE 1: CYBER INCIDENT RESPONSE

SECTION A: INCIDENT RESPONSE COSTS

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD0	each and every claim

SECTION B: LEGAL AND REGULATORY COSTS

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION C: IT SECURITY AND FORENSIC COSTS

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION D: CRISIS COMMUNICATION COSTS

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION E: PRIVACY BREACH MANAGEMENT COSTS

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION F: THIRD PARTY PRIVACY BREACH MANAGEMENT COSTS

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION G: POST BREACH REMEDIATION COSTS

Limit of liability:	USD50,000	each and every claim, subject to a maximum of 10% of all sums we have paid as a direct result of the cyber event
Deductible:	USD0	each and every claim



INSURING CLAUSE 2: CYBER CRIME

SECTION A: FUNDS TRANSFER FRAUD

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION B: THEFT OF FUNDS HELD IN ESCROW

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION C: THEFT OF PERSONAL FUNDS

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION D: EXTORTION

Limit of liability:	USD2,000,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION E: CORPORATE IDENTITY THEFT

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION F: TELEPHONE HACKING

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION G: PUSH PAYMENT FRAUD

Limit of liability:	USD50,000	each and every claim
Deductible:	USD10,000	each and every claim

SECTION H: UNAUTHORIZED USE OF COMPUTER RESOURCES

Limit of liability:	USD250,000	each and every claim
Deductible:	USD10,000	each and every claim



INSURING CLAUSE 3: SYSTEM DAMAGE AND BUSINESS INTERRUPTION

SECTION A: SYSTEM DAMAGE AND RECTIFICATION COSTS

Limit of liability: USD2,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION B: INCOME LOSS AND EXTRA EXPENSE

Limit of liability: USD2,000,000 each and every claim, sub-limited to USD1,000,000 in respect of **system failure**

Deductible: USD10,000 each and every claim

SECTION C: ADDITIONAL EXTRA EXPENSE

Limit of liability: USD100,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION D: DEPENDENT BUSINESS INTERRUPTION

Limit of liability: USD2,000,000 each and every claim, sub-limited to USD1,000,000 in respect of **system failure**

Deductible: USD10,000 each and every claim

SECTION E: CONSEQUENTIAL REPUTATIONAL HARM

Limit of liability: USD2,000,000 each and every claim

Deductible: USD10,000 each and every claim

SECTION F: CLAIM PREPARATION COSTS

Limit of liability: USD25,000 each and every claim

Deductible: USD0 each and every claim

SECTION G: HARDWARE REPLACEMENT COSTS

Limit of liability: USD2,000,000 each and every claim

Deductible: USD10,000 each and every claim



THE FOLLOWING INSURING CLAUSES ARE SUBJECT TO AN AGGREGATE LIMIT

INSURING CLAUSE 4: NETWORK SECURITY & PRIVACY LIABILITY

SECTION A: NETWORK SECURITY LIABILITY

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION B: PRIVACY LIABILITY

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION C: MANAGEMENT LIABILITY

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION D: REGULATORY FINES

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION E: PCI FINES, PENALTIES AND ASSESSMENTS

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

INSURING CLAUSE 5: MEDIA LIABILITY

SECTION A: DEFAMATION

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

SECTION B: INTELLECTUAL PROPERTY RIGHTS INFRINGEMENT

Aggregate limit of liability:	USD2,000,000	in the aggregate, including costs and expenses
Deductible:	USD10,000	each and every claim, including costs and expenses

INSURING CLAUSE 6: TECHNOLOGY ERRORS AND OMISSIONS

NO COVER GIVEN



INSURING CLAUSE 7: COURT ATTENDANCE COSTS

Aggregate limit of liability: USD100,000 in the aggregate

Deductible: USD0 each and every claim

RT SPECIAL AMENDATORY CLAUSE

ATTACHING TO POLICY N/A

NUMBER:

THE INSURED: Valley Sanitary District

WITH EFFECT FROM: -

It is understood and agreed that the following **SECTION** is added to **INSURING CLAUSE 4** in the Declarations page:

SECTION F: CONTINGENT BODILY INJURY

Aggregate limit of liability:	USD100,000	in the aggregate, including costs and expenses
Deductible:	USD25,000	each and every claim, including costs and expenses

It is further understood and agreed that the following amendments are made to this Policy:

1. **INSURING CLAUSE 1 (SECTION D only)** is deleted in its entirety and replaced with the following:

SECTION D: CRISIS MANAGEMENT COSTS

We agree to pay on **your** behalf any reasonable sums necessarily incurred by **you**, or on **your** behalf, as a direct result of a **cyber event** or **system failure** first discovered by **you** during the **period of the policy** to:

- a. engage with a crisis communications consultant to obtain specific advice in direct relation to the **cyber event** or **system failure**;
 - b. coordinate media relations in response to the **cyber event** or **system failure**;
 - c. receive training for relevant spokespeople with respect to media communications in direct relation to the **cyber event** or **system failure**; and
 - d. formulate a crisis communications plan in order to reduce damage to **your** brand and reputation as a direct result of the **cyber event** or **system failure**.
2. **INSURING CLAUSE 2 (SECTION D only)** is deleted in entirety and replaced with the following:

SECTION D: EXTORTION

We agree to reimburse **you** for any ransom, including costs associated with securing funds or digital currencies, paid by **you**, or on **your** behalf, in response to an extortion demand first discovered by **you** during the **period of the policy** as a direct result of any threat

to:

- a. introduce malware, or the actual introduction of malware, including Ransomware, into **your computer systems**;
 - b. prevent or not return access to **your computer systems** or data or any **third party** systems hosting **your** applications or data;
 - c. reveal **your** confidential information or confidential information entrusted to **you**; or
 - d. damage **your** brand or reputation by posting false or misleading comments about **you** on social media sites.
3. The last sentence of **INSURING CLAUSE 3 (SECTION F only)** is deleted in its entirety and replaced with the following:

We will only pay these costs where they are incurred with an independent expert appointed by the **cyber incident manager** that is agreed between **you** and **us**.

4. The following **SECTION** is added to **INSURING CLAUSE 4**:

SECTION F: CONTINGENT BODILY INJURY

We agree to pay on **your** behalf all sums which **you** become legally obliged to pay (including liability for claimants' costs and expenses) as a result of any **claim** arising out of any **bodily injury** as a direct result of a **cyber event** affecting **your computer systems** first discovered by **you** during the **period of the policy**.

We will also pay **costs and expenses** on **your** behalf.

However, **we** will not make any payment under this Section for which **you** are entitled to indemnity under any other insurance, except for any additional sum which is payable over and above the other insurance.

5. The following paragraph is added to **INSURING CLAUSE 4 (SECTION D only)**:

The insurability of the fines and penalties will be determined in accordance with the most favorable State law.

6. The following **DEFINITION** is added:

"Bodily injury" means

death, bodily injury, mental injury, illness or disease.

7. The **"Senior executive officer"** **DEFINITION** is deleted in its entirety and replaced with the following:

"Senior executive officer" means

the chief executive officer, chief finance officer, chief information officer, chief information security officer, general counsel and chief

risk manager of the **company**, including any individual performing the functional equivalents of these positions in the **company**.

8. Where “10%” is stated in the “Associated companies” **EXCLUSION**, it is deleted in its entirety and replaced with “25%”.
9. The “Bodily injury and property damage” **EXCLUSION** is deleted in its entirety and replaced with the following:

arising directly or indirectly out of:

- a. **bodily injury**; or
- b. tangible property damage.

However, part a. of this Exclusion will not apply to:

- a. **INSURING CLAUSES 4 (SECTIONS A, B and C only) and 5** for any **claim** as a direct result of mental injury or emotional distress; and
 - b. **INSURING CLAUSE 4 (SECTION F only)**.
10. The “Uninsurable fines” **EXCLUSION** is deleted in its entirety and replaced with the following:

Uninsurable fines

for:

- a. fines, penalties, civil or criminal sanctions, unless insurable by law; or
 - b. multiple, punitive or exemplary damages, unless insurable by law in any applicable venue that most favors coverage for the multiple, punitive or exemplary damages.
11. Part b. of the “What you must do if an incident takes place” **CONDITION** is deleted in its entirety and replaced with the following:
 - b. in respect of **INSURING CLAUSE 2 (SECTIONS A, B and C only)**, report the incident to the appropriate law enforcement authorities if necessary; and

12. The last paragraph of the “Agreement to pay claims (duty to defend)” **CONDITION** is deleted in its entirety and replaced with the following:

We will not settle any **claim** without **your** consent. If **you** refuse to provide **your** consent to a settlement recommended by **us** and elect to continue legal proceedings in connection with the **claim**, our liability for the **claim** will not exceed the amount for which the **claim** could have been settled, plus:

- a. 80% of any **costs and expenses** incurred after the date the settlement was recommended by **us**; and
- b. 80% of that part of any sum **you** become legally obliged to

pay in excess of the settlement amount recommended by **us**.

We will have no responsibility to pay the remaining 20% of the **costs and expenses** and that part of any sum **you** become legally obliged to pay as stated in a. and b. above.

13. The first paragraph of the "Cancellation" **CONDITION** is deleted in its entirety and replaced with the following:

This Policy may be canceled:

- a. at any time upon written request by **you**; or
- b. with 60 days written notice by **us**.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

ATTACHING TO POLICY N/A

NUMBER:

THE INSURED: Valley Sanitary District

WITH EFFECT FROM: -

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is USD0.00 and does not include any charges for the portion of losses covered by the United States government under the Act.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THE POLICY



Basic company details

Please complete the following details for the entire company or group (including all subsidiaries) that is applying for the insurance policy. Any defined terms will be bolded and highlighted in blue and can be found in the glossary at the end of this application form:

Company name: _____ Primary industry sector: _____

Primary address (address, state, ZIP, country): _____

Description of business activities: _____

Website address: _____

Date established (MM/DD/YYYY): _____ Number of employees: _____

Last 12 months gross revenue: \$ _____ Revenue from international sales (%): _____

Last 12 months gross profit: \$ _____

Please state which financial institution(s) you use for your commercial banking: _____

Primary contact details

Please provide contact details for the individual within your organization who is primarily responsible for IT security. These details will be used to provide information about downloading our incident response app and receiving risk management alerts and updates:

Contact name: _____ Position: _____

Email address: _____ Telephone number: _____

Previous cyber incidents

Please tick all the boxes below that relate to any cyber incident that you have experienced in the last three years (there is no need to highlight events that were successfully blocked by security measures):

<input type="checkbox"/> Cyber extortion	<input type="checkbox"/> Data loss	<input type="checkbox"/> Denial of service attack	<input type="checkbox"/> IP infringement
<input type="checkbox"/> Malware infection	<input type="checkbox"/> Privacy breach	<input type="checkbox"/> Ransomware	<input type="checkbox"/> Theft of funds
<input type="checkbox"/> Other (please specify) _____			

If you ticked any of the boxes above, did the incident(s) have a direct financial impact upon your business of more than \$10,000? Yes No

If 'yes', please provide more information below, including details of the financial impact and measures taken to prevent the incident from occurring again:

Revenue analysis

Please provide the following details for your top 5 clients:

Name of client: _____	Primary services: _____	Annual revenue derived from client: _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____



IT infrastructure and resourcing

Please confirm the name of your **managed service provider** (if applicable):

What is the approximate number of servers on your network?

What is the approximate number of desktops and laptops on your network?

What is your annual IT budget?

What approximate percentage of your IT budget is spent on IT security?

Is any part of your IT infrastructure outsourced to third party technology providers, including application service providers? Yes No

If you answered "yes" to the question above, please list your critical third party technology providers below (up to a maximum of 10), including a brief summary of the technology services they provide for you:

Data storage and management

Please provide the approximate number of unique individuals that you collect, store and/or process personally identifiable information from, whether on your own systems or with third parties:

Data type

Number of unique individuals

Sensitive data (e.g. medical records, passport details, social security numbers etc)

Non-sensitive data (e.g. full names, addresses, email addresses etc)

Please describe your approach towards protecting sensitive and confidential information (e.g. access controls, encryption, network segmentation etc):

Please provide details of how often you purge records that are no longer required:

Please provide details on how you store your back-ups of critical data (e.g. online back-ups stored on your organisation's live environment, offline back-ups stored on a removable storage device that is fully disconnected and inaccessible from the live environment, back-ups stored with an online cloud storage provider etc.):

Please provide details on the frequency of your back-ups, including the frequency of full system back-ups and the frequency of incremental/differential back-ups of critical data:

Please provide details on how you secure your back-ups (e.g. back-ups are disconnected and inaccessible from the live environment, multi-factor authentication is required for access to cloud back-ups etc):

Please provide details on how you test your back-ups, including details on how frequently you test the full restoration and recovery of key server configurations and data from back-ups:

Please provide details on the number of back-up copies you take, including details on how you prevent separate back-up copies being impacted by the same event (if applicable):

Endpoint security

Which **endpoint protection** product do you use on your network?
Please provide the name of the vendor and the product used

Do you use an **endpoint detection and response (EDR)** product on your network? Yes No

If "yes":

Which product do you use:

Please provide an overview of how your EDR product is monitored and managed (e.g. internal IT team or outsourced to a third party):

Is the EDR product deployed on all endpoints on your network? Yes No

If "no":

What percentage of endpoints do not have EDR deployed and why is it not deployed on these endpoints:

Perimeter security

Do you have **next-generation firewalls** deployed at all network ingress/egress points? Yes No

How often do you conduct **vulnerability scanning** of your network perimeter?

How often do you conduct **penetration testing** of your network architecture?

Please provide details of the third party providers you use to conduct penetration testing (if applicable)

Please confirm whether **multi-factor authentication** is required for *all remote access to your network*: Yes No

If you use an alternative method for securing remote access to your network, such as certificate based authentication for devices, please provide details here:

Please confirm whether **multi-factor authentication** is required to access *all cloud resources holding sensitive or confidential information* Yes No

Email security

Please confirm that **multi-factor authentication** is enabled for remote access to all company email accounts: Yes No

Do you simulate phishing attacks to test employees at least annually? Yes No

Do you use **email filtering** software to scan all inbound and outbound email messages in order to filter out spam and malicious content? Yes No

If you answered "yes" to the previous question, please state the name of the vendor and product used for email filtering:

If you are an Office 365 user, please provide your Microsoft Secure Score (administrators can find the score using the following link <https://security.microsoft.com/securescore>):

Network security

Please provide details on how you protect privileged user accounts (e.g. using privileged access management solutions, restricting privileged user accounts to specific devices, enhanced monitoring of accounts for anomalous usage, multifactor authentication enabled for remote access etc):

Do non-IT users have local administrator rights on their laptops/desktops? Yes No

Do you use a [network monitoring](#) solution to alert your organisation to suspicious activity or malicious behaviour on your network? Yes No

If you answered "yes" to the previous question, please state the name of the vendor and product used for network monitoring:

Please provide details on whether you have a [Security Operations Centre \(SOC\)](#) that is responsible for event monitoring and detection, vulnerability management and incident response. Please include details on the hours of operation and whether this is an internal function or outsourced to a third party:

Do you have any end of life or end of support software? Yes No

If "yes", please provide details on what the end of life or end of support software is, how it is used, whether it is segregated from the rest of the network and if so, how it is segregated:

Please describe your patch management process and how you ensure that all critical patches are applied in a timely fashion, including a timeframe of how quickly you would implement patches for zero day vulnerabilities after they have been released by the vendor:

Please provide details of any major changes that you have planned for your IT infrastructure in the next 12 months (if any):

Additional controls

Please confirm that **before** any change is made to a third party's account details, you obtain authorization from the third party via an authentication method which is different to the original method used to request the change? Yes No

Please confirm that **before** you transfer funds to an account that you haven't paid into before, you obtain authorisation from the recipient of the funds via an authentication method which is different to the original method used to request the transfer? Yes No

Do you provide training on phishing/social engineering scams for all employees involved in transferring funds on behalf of your organisation on at least an annual basis? Yes No

Please tick all the boxes below that relate to controls that you currently have implemented within your IT infrastructure (including where provided by a third party). If you're unsure of what any of these tools are, please refer to the explanations on the final page of this document.

Application whitelisting	Asset inventory	Custom threat intelligence	Database encryption
Data loss prevention	DDoS mitigation	DMARC	DNS filtering
Employee awareness training	Incident response plan	Intrusion detection system	Perimeter firewalls
Security info & event management	Virtual private network (VPN)	Web application firewall	Web content filtering

Please provide the name of the software or service provider that you use for each of the controls highlighted above:

Important notice

By signing this form you agree that the information provided is both accurate and complete and that you have made all reasonable attempts to ensure this is the case by asking the appropriate people within your business. CFC Underwriting will use this information solely for the purposes of providing insurance services and may share your data with third parties in order to do this. We may also use anonymized elements of your data for the analysis of industry trends and to provide benchmarking data. For full details on our privacy policy please visit www.cfcunderwriting.com/privacy

Contact name: _____ Position: _____

Signature: _____ Date (MM/DD/YYYY): _____

Application whitelisting

A security solution that allows organisations to specify what software is allowed to run on their systems, in order to prevent any nonwhitelisted processes or applications from running.

Asset inventory

A list of all IT hardware and devices an entity owns, operates or manages. Such lists are typically used to assess the data being held and security measures in place on all devices.

Custom threat intelligence

The collection and analysis of data from open source intelligence (OSINT) and dark web sources to provide organisations with intelligence on cyber threats and cyber threat actors pertinent to them.

Database encryption

Where sensitive data is encrypted while it is stored in databases. If implemented correctly, this can stop malicious actors from being able to read sensitive data if they gain access to a database.

Data loss prevention

Software that can identify if sensitive data is being exfiltrated from a network or computer system.

DDoS mitigation

Hardware or cloud based solutions used to filter out malicious traffic associated with a DDoS attack, while allowing legitimate users to continue to access an entity's website or web-based services.

DMARC

An internet protocol used to combat email spoofing – a technique used by hackers in phishing campaigns.

DNS filtering

A specific technique to block access to known bad IP addresses by users on your network.

Email filtering

Software used to scan an organisation's inbound and outbound email messages and place them into different categories, with the aim of filtering out spam and other malicious content.

Employee awareness

Training programmes designed to increase employees' security awareness. For example, programmes can focus on how to identify potential phishing emails.

Endpoint detection and response (EDR)

A software tool that works by monitoring and collecting data from endpoints and recording the information in a central database where further analysis, detection, investigation, reporting and alerting take place.

Endpoint protection

Software installed on individual computers (endpoints) that uses behavioural and signature based analysis to identify and stop malware infections.

Incident response plan

Action plans for dealing with cyber incidents to help guide an organisation's decision-making process and return it to a normal operating state as quickly as possible.

Intrusion detection system

A security solution that monitors activity on computer systems or networks and generates alerts when signs of compromise by malicious actors are detected.

Managed service provider

A third party organisation that provides a range of IT services, including networking, infrastructure and IT security, as well as technical support and IT administration.

Mobile device encryption

Encryption involves scrambling data using cryptographic techniques so that it can only be read by someone with a special key. When encryption is enabled, a device's hard drive will be encrypted while the device is locked, with the user's passcode or password acting as the special key.

Multi-factor authentication

Where a user authenticates themselves through two different means when remotely logging into a computer system or web based service. Typically a password and a passcode generated by a physical token device or software are used as the two factors.

Network monitoring

A system, utilising software, hardware or a combination of the two, that constantly monitors an organisation's network for performance and security issues.

Next-generation firewalls

Software or hardware solutions that combines traditional firewall technology with additional functionality, such as encrypted traffic inspection, intrusion prevention systems and anti-virus.

Penetration tests

Authorized simulated attacks against an organisation to test its cyber security defences. May also be referred to as ethical hacking or red team exercises.

Perimeter firewalls

Hardware solutions used to control and monitor network traffic between two points according to predefined parameters.

Security info & event management (SIEM)

System used to aggregate, correlate and analyse network security information – including messages, logs and alerts – generated by different security solutions across a network.

Security Operations Centre (SOC)

A facility that houses an information security team responsible for monitoring and analysing an organisation's security posture on an ongoing basis. The SOC team's goal is to detect, analyse and respond to cybersecurity incidents using a combination of technology solutions and a strong set of processes. SOC's can be internal and run by the organisation themselves or outsourced to a third party.

Virtual private network (VPN)

A VPN is an encrypted connection over the internet from a device to a network. The encrypted connection helps ensure that sensitive data is safely transmitted. Most commonly used to provide a secure remote connection to an organisation's network.

Vulnerability scans

Automated tests designed to probe computer systems or networks for the presence of known vulnerabilities that would allow malicious actors to gain access to a system.

Web application firewall

Protects web facing servers and the applications they run from intrusion or malicious use by inspecting and blocking harmful requests and malicious internet traffic.

Web content filtering

The filtering of certain web pages or web services that are deemed to pose a potential security threat to an organisation. For example, known malicious websites are typically blocked through some form of web content filtering.

CYBER SECURITY LIABILITY APPLICATION

COVERAGES E., F., AND G. ARE CLAIMS MADE AND REPORTED COVERAGES.

CLAIM EXPENSES UNDER COVERAGES E., F., AND G. ARE INCLUDED WITHIN THE AVAILABLE LIMIT OF INSURANCE. ANY CLAIM EXPENSES PAID UNDER THIS COVERAGE FORM WILL REDUCE THE AVAILABLE LIMITS OF INSURANCE AND MAY EXHAUST THEM COMPLETELY. PLEASE READ THE ENTIRE POLICY CAREFULLY.

Certain terms have specific meaning as defined in the policy form and noted in **bold**. Throughout this Application the words "you" and "your" refer to the **Named Insured** shown in the Declarations, and any other person or organization qualifying as a **Named Insured** under the proposed policy.

SECTION I – GENERAL INFORMATION

Name of Applicant:

Address:

City:

State:

Zip:

Telephone:

Website: www.

Risk Management Contact:

Risk Management Email:

Please provide a brief description of operations:

Please list all subsidiaries for which coverage is requested under this policy:

To enter more information, please use the Additional information page attached to this application.

	US / Canada	Other Countries	Total
Total number of employees			
Annual sales or revenue	\$	\$	\$
Annual revenue from online sales or services	\$	\$	\$

- Do you collect, store or process any of the following types of Personally Identifiable Information (PII)? Yes No
Please check all that apply:

Bank Account Information	Protected Health Information / Medical Records
Credit Card Numbers	Social Security Numbers
Driver's License Information	Other: (please specify)
- Please estimate the total number of Personally Identifiable Information records held:

SECTION II - COVERAGE SELECTION

CURRENT CARRIER	EXPIRATION DATE	ANNUAL PREMIUM	LIMITS	DEDUCTIBLE	RETROACTIVE DATE
		\$	\$	\$	
Insuring Agreement		Requested Limit		Requested Deductible	
A. Loss of Digital Assets		\$		\$	
B. Non-Physical Business Interruption & Extra Expense		\$		(N/A – Time Retention Applies)	
C. Cyber Extortion Threat		\$		\$	
D. Security Event Costs		\$		\$	
E. Network Security & Privacy Liability		\$		\$	
F. Employee Privacy Liability		\$		\$	
G. Electronic Media Liability		\$		\$	
H. Cyber Terrorism Coverage		\$		\$	

SECTION III - LOSS EXPERIENCE

(Explain any "Yes" responses, including corrective actions and damages incurred on the ADDITIONAL INFORMATION page below)

- | | | |
|---|-----|----|
| 1. During the past three (3) years whether insured or not, have you sustained any losses due to unauthorized access, unauthorized use, virus, denial of service attack, electronic media liability, data breach, data theft, fraud, electronic vandalism, sabotage or other similar electronic security events? | Yes | No |
| 2. Within the past three (3) years, have you experienced any network related business interruption exceeding eight (8) hours other than planned maintenance? | Yes | No |
| 3. During the last three (3) years, has anyone alleged that you were responsible for damage to their computer system(s) arising out of the operation of your computer system(s)? | Yes | No |
| 4. During the last three (3) years, have you received a complaint or other proceeding (including an injunction or other request for non-monetary relief) arising out of intellectual property infringement, copyright infringement, media content, or advertising material? | Yes | No |
| 5. During the last three (3) years, has anyone made a demand, claim, complaint, or filed a lawsuit against you alleging invasion of, or interference with rights of privacy, or the inappropriate disclosure of personally identifiable information (PII)? | Yes | No |
| 6. During the last three (3) years, have you been the subject of an investigation or action by any regulatory or administrative agency for privacy-related violations? | Yes | No |
| 7. Are you aware of any circumstance that could reasonably be anticipated to result in a claim being made against you for the coverage being applied for? | Yes | No |

SECTION IV – RISK CONTROLS

- | | | |
|--|-----|----|
| 1. Do you have a firewall?
a. How often do you review the rules within the firewalls?
b. When was the last time a rule was removed / deactivated? | Yes | No |
| 2. Do you require your Information Technology Department or outsourced third party vendors/providers to adhere to a software update process, including software patches and anti-virus software definition upgrades? | Yes | No |
| 3. Do you perform virus scans of emails, downloads, and portable devices? | Yes | No |
| 4. Do you restrict access to sensitive client, customer, employee or other third party information? | Yes | No |
| 5. Do you have a process for managing user accounts, including the timely revocation of access for terminated employees and the removal of outdated accounts? | Yes | No |

6. Do you have physical security controls in place to restrict access to your computer systems and sensitive paper records? Yes No
7. Do you have role-based controls or other procedures that address user access to critical and sensitive computer systems, applications, or records? Yes No
8. Do you have a written business continuity/disaster recovery plan that includes procedures to be followed in the event of a disruptive computer or network incident? Yes No
9. Are system back-up and recovery procedures tested for all mission-critical systems and performed at least annually? Yes No
10. Do you have a designated individual or group responsible for information security and compliance operations? Please specify below by checking all that apply:
 Risk Management Department
 Chief Information Officer / Chief Information Security Officer
 Other: (please specify)
11. Is all sensitive customer, client and employee data:
 a. encrypted at rest? Yes No
 b. encrypted in transit? Yes No
 c. accessible via mobile devices, laptops or other portable storage media? Yes No
 If yes, are the mobile devices, laptops or other storage media encrypted? Yes No
12. How long would it take to restore your operations after a computer attack or other loss/corruption of data? 0-12 Hours 12-24 Hours 24 Hours
13. Are mission-critical transactions and security logs reviewed periodically for suspicious activity?
 If yes, how frequently? Yes No
14. Have you undergone an information security or privacy compliance evaluation?
 If yes, identify who performed the evaluation, the date it was performed, the type of evaluation, and attach a copy of it. Yes No

Were all recommendations implemented and deficiencies corrected?
 If no, please explain on the ADDITIONAL INFORMATION page) Yes No

15. Do you outsource critical components of your network/computer system or internet access/presence to others? Yes No

If yes, check all that apply and name the service provider for each category:

TECH-RELATED SERVICE			
Internet Service Provider	Backup, co-location and data recovery	Financial Services and Payment Processing	Other: "cloud", ASP, SAAS, Etc.
Comcast	AT & T	ADP	Amazon
Verizon	Mozy	Authorize.net	Microsoft
Time Warner	HP	Blackbaud	Google
AT & T	IBM	BA Merchant Services	Go Daddy
Optimum / Cablevision	Iron Mountain	First Data	IBM
Cox	Rackspace	Fiserv	Media Temple
Century Link	Sunguard	Global Payments	Endurance/Bluehost
Windstream	TierPoint	Heartland	Rackspace
Charter	In House	Metavente	Akamai
Road Runner	Other:	Paymentech	Verizon
Level 3		Paypal	SoftLayer

Other:	Other:	Square	HostGator
		Stripe	VMWare/Dell/EMC
		Verisign	Salesforce
		Other:	Other:

- | | | | |
|-----|---|-----|----|
| 16. | Do you have a program in place to periodically test your data security controls? | Yes | No |
| 17. | Do you have written contracts in place to enforce your information security policy and procedures with third party service providers? | Yes | No |
| 18. | Do such contracts contain hold harmless or indemnification clauses in your favor? | Yes | No |
| 19. | Do you audit all vendors and service providers who handle or access your data and require them to have adequate security protocols? | Yes | No |
| 20. | Do you have a document destruction and retention policy? | Yes | No |
| 21. | Do you monitor your network in real time to detect possible intrusions or abnormalities in the performance of the system? | Yes | No |

SECTION V – PRIVACY CONTROLS

- | | | | | |
|----|---|-----|----|-----|
| 1. | Have you achieved compliance with the following: (check all that apply) | | | |
| | PCIDSS (Payment Card Industry Data Security Standard) | Yes | No | N/A |
| | GLBA (Gramm-Leach-Bliley Act) | Yes | No | N/A |
| | HIPAA (Health Insurance Portability and Accountability Act) | Yes | No | N/A |
| 2. | Does your hiring process include the following for all employees and independent contractors (check all that apply): | | | |
| | Drug testing | | | |
| | Criminal background checks | | | |
| | Educational background | | | |
| | Work history checks | | | |
| | Credit history checks | | | |
| | Other (specify): | | | |
| 3. | Do you have a current enterprise-wide computer network and information security policy that applies to employees, independent contractors, and third-party vendors? | Yes | No | |
| | If yes, is the information published within the company (e.g. corporate intranet, employee handbook, etc.)? | Yes | No | |
| 4. | Are all employees periodically instructed on their specific job responsibilities with respect to information security, such as the proper reporting of suspected security incidents? | Yes | No | |
| 5. | Do you have a formal written privacy policy? | Yes | No | |
| | If yes, has the policy been reviewed and approved by legal counsel? | Yes | No | |
| 6. | Are your information systems and supporting business procedures prepared to honor customer preferences concerning the opt-out of sharing of non-public, personal information to non-affiliated third parties? | Yes | No | |
| 7. | Do you require the transmission of personal customer information such as credit card numbers, contact information, etc., as part of your internet-based services? | Yes | No | |

SECTION VI – MEDIA LIABILITY CONTROLS

- | | | | |
|----|---|-----|----|
| 1. | Do you have a process to review content or materials (including meta tags) before they are published, broadcasted, distributed, or displayed on your website for the following: | | |
| | Defamation (Slander or Libel)? | Yes | No |
| | Right to privacy or publicity? | Yes | No |
| | Copyright, trademark or domain name? | Yes | No |
| 2. | Have your products or services been the subject of copyright, patent or trademark infringement allegations? | Yes | No |

- | | | |
|--|-----|----|
| 3. Does your organization use social media? | Yes | No |
| a. Do you monitor postings? | Yes | No |
| b. Are there formal procedures for complaints? | Yes | No |
| c. Is content reviewed by legal counsel? | Yes | No |

FRAUD STATEMENT AND SIGNATURE SECTIONS

The Undersigned states that he/she is an authorized representative of the Applicant and declares to the best of his/her knowledge and belief and after reasonable inquiry, that the statements set forth in this Application (and any attachments submitted with this Application) are true and complete and may be relied upon by Company * in quoting and issuing the policy. If any of the information in this Application changes prior to the effective date of the policy, the Applicant will notify the Company of such changes and the Company may modify or withdraw the quote or binder.

The signing of this Application does not bind the Company to offer, or the Applicant to purchase the policy.

*Company refers collectively to Philadelphia Indemnity Insurance Company and Tokio Marine Specialty Insurance Company

VIRGINIA APPLICANT: READ YOUR POLICY. THE POLICY OF INSURANCE FOR WHICH THIS APPLICATION IS BEING MADE, IF ISSUED, MAY BE CANCELLED WITHOUT CAUSE AT THE OPTION OF THE INSURER AT ANY TIME IN THE FIRST 60 DAYS DURING WHICH IT IS IN EFFECT AND AT ANY TIME THEREAFTER FOR REASONS STATED IN THE POLICY.

FRAUD NOTICE STATEMENTS

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE (OR STATEMENT OF CLAIM) CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THAT PERSON TO CRIMINAL AND CIVIL PENALTIES (IN OREGON, THE AFOREMENTIONED ACTIONS MAY CONSTITUTE A FRAUDULENT INSURANCE ACT WHICH MAY BE A CRIME AND MAY SUBJECT THE PERSON TO PENALTIES). **(NOT APPLICABLE IN AL, AR, CA, CO, DC, FL, KS, KY, LA, ME, MD, NJ, NM, NY, OH, OK, PA, RI, TN, VA, VT, WA AND WV).**

APPLICABLE IN AL, AR, LA, MD, NM, RI AND WV: ANY PERSON WHO KNOWINGLY (OR WILLFULLY IN MD) PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY (OR WILLFULLY IN MD) PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND/OR CONFINEMENT IN PRISON (IN ALABAMA, MAYBE SUBJECT TO RESTITUTION FINES OR CONFINEMENT IN PRISON, OR ANY COMBINATION THEREOF).

APPLICABLE IN CALIFORNIA: FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM. ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT INFORMATION TO OBTAIN OR AMEND INSURANCE COVERAGE OR TO MAKE A CLAIM FOR PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

APPLICABLE IN COLORADO: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

APPLICABLE IN DISTRICT OF COLUMBIA: WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

APPLICABLE IN FLORIDA ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

APPLICABLE IN KANSAS: AN ACT COMMITTED BY ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER, BROKER OR ANY AGENT THEREOF, ANY WRITTEN, ELECTRONIC, ELECTRONIC IMPULSE, FACSIMILE, MAGNETIC, ORAL, OR TELEPHONIC COMMUNICATION OR STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF, OR THE RATING OF AN INSURANCE POLICY FOR PERSONAL OR COMMERCIAL INSURANCE, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT PURSUANT TO AN INSURANCE POLICY FOR COMMERCIAL OR PERSONAL INSURANCE WHICH SUCH PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY FACT MATERIAL THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO.

APPLICABLE IN KENTUCKY: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSONS FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

APPLICABLE IN MAINE: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

APPLICABLE IN NEW JERSEY: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

APPLICABLE IN OHIO: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

APPLICABLE IN OKLAHOMA: WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

APPLICABLE IN PENNSYLVANIA: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

APPLICABLE IN TENNESSEE, VIRGINIA AND WASHINGTON: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

APPLICABLE IN VERMONT: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW.

APPLICABLE IN NEW YORK: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION. THIS APPLIES TO AUTO INSURANCE.

NAME (PLEASE PRINT/TYPE)

TITLE

(MUST BE SIGNED BY THE PRESIDENT, CHAIRMAN, CEO OR EXECUTIVE DIRECTOR)

SIGNATURE

DATE

SECTION TO BE COMPLETED BY THE PRODUCER/BROKER/AGENT

PRODUCER

(If this is a Florida Risk, Producer means Florida Licensed Agent)

AGENCY

PRODUCER LICENSE NUMBER

(If this a Florida Risk, Producer means Florida Licensed Agent)

ADDRESS (STREET, CITY, STATE, ZIP)

ADDITIONAL INFORMATION

This page may be used to provide additional information to any question on this application. Please identify the question number to which you are referring.

Signature

Date



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Review and Discussion of Valley Sanitary District Draft Fiscal Year 2023/24 Operating and Capital Budget

Suggested Action

Discussion

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

There is no fiscal impact from this report.

Environmental Review

Not applicable, this is not a project as defined by the California Environmental Quality Act (CEQA).

Background

The action for approval and adoption of the annual budget is completed in June of each calendar year. In preparation for the fiscal year 2023/24 budget, staff has prepared a presentation for the Board of Directors to review.

The proposed operating and capital budget for the fiscal year 2023/24 is \$18,622,984 and \$55,180,000 respectively. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to further advance the District's Capital Improvement Program (CIP). There are 22 capital projects

requested in the fiscal year 2023/24. The CIP for the fiscal year 2023/24 includes the Recycled Water Project Phase I Design Build, the Influent Pump Station Rehabilitation Project, and the Collection System Sewer Main Rehabilitation and Replacement Program.

This discussion item allows the Board of Directors to review the draft budget and allow for modifications.

Recommendation

Recommend that the Board of Directors receive this report for information.

Attachments

[Budget in Brief.docx](#)

[Variance Overview.docx](#)

[Technical Memo Budget Variance FY 2023-24.docx](#)

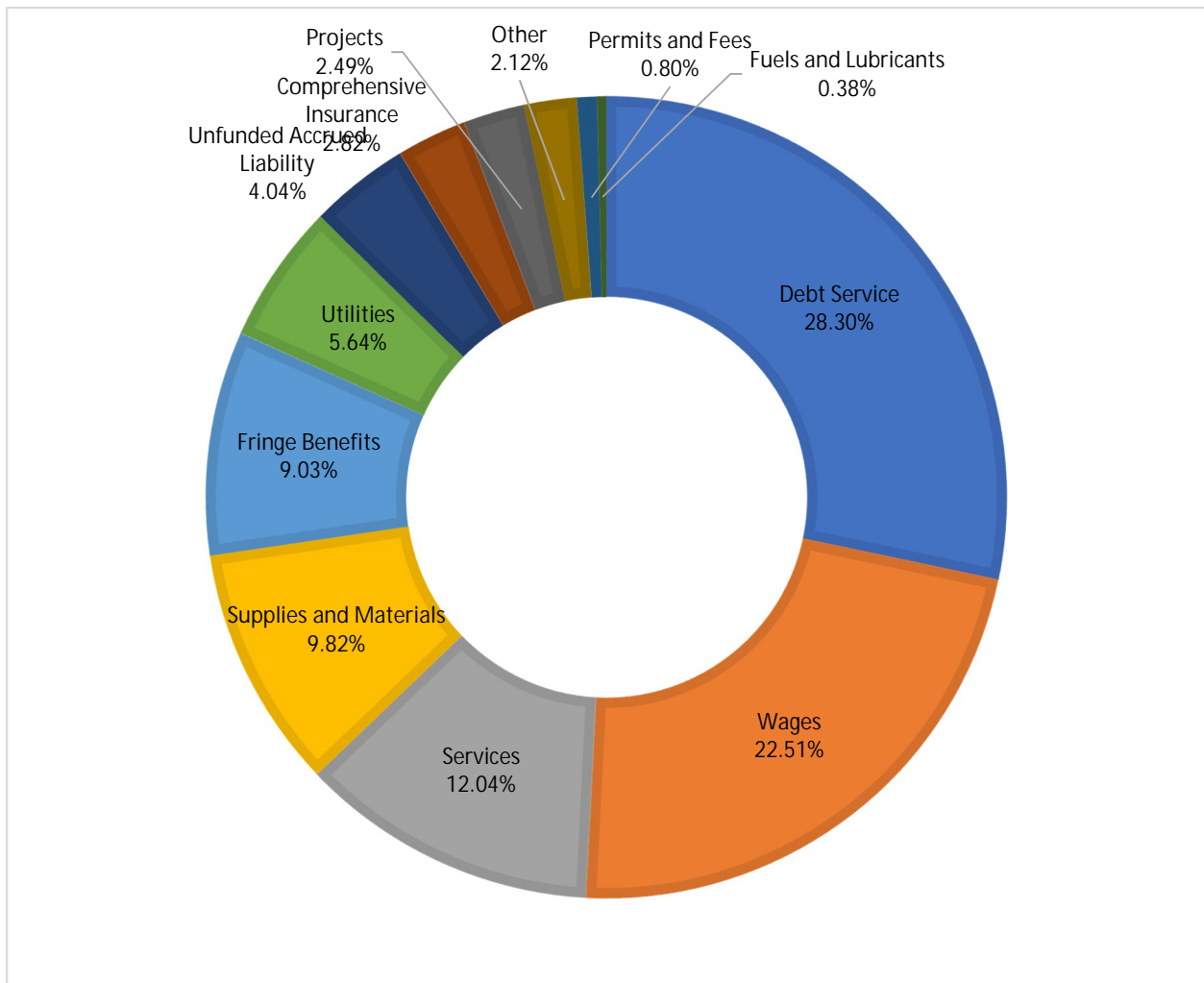
[Financial Plan and CIP Rev. 2.pptx](#)

[7.3 Attachment F Draft Book.pdf](#)

[FY24 Budget Presentation Rev. 2.pptx](#)

Expense by Category

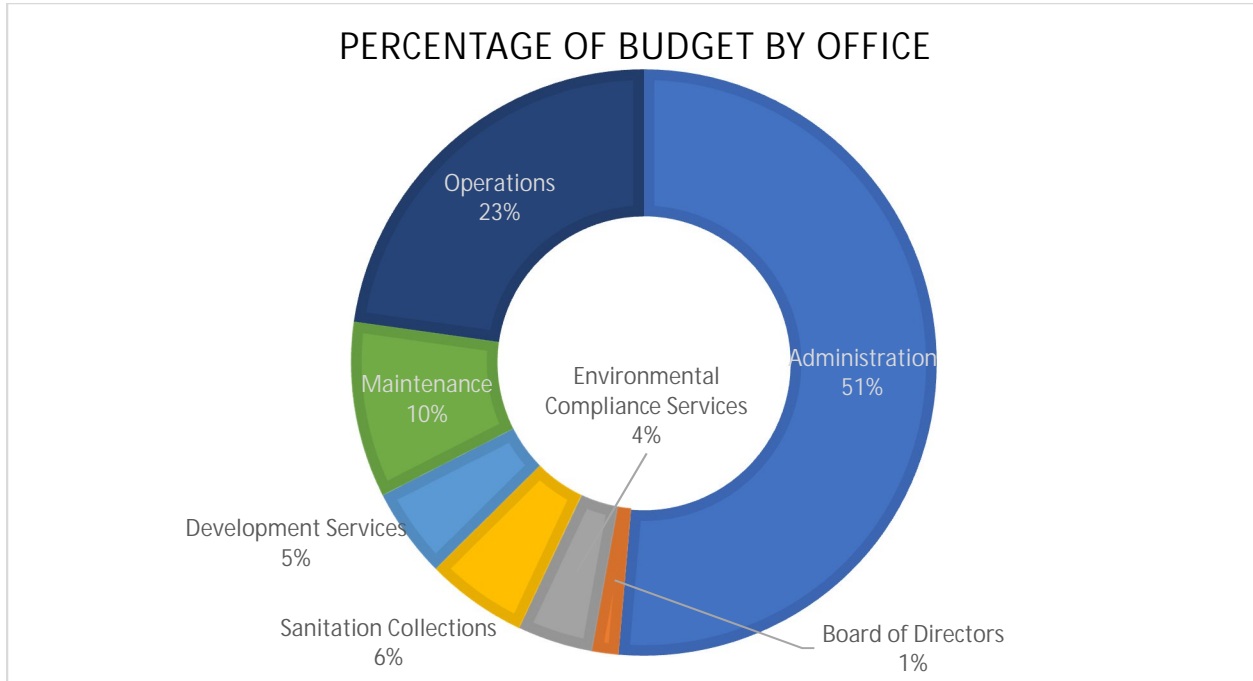
Expense	FY22	FY23	FY23	FY24	Budget	Percentage Change
	Actual	Budget	Projected	Budget	Change	
Wages	\$ 3,158,780	\$ 3,756,809	\$ 3,621,362	\$ 4,192,639	\$ 435,830	11.6%
Fringe Benefits	1,130,355	1,433,130	1,294,736	1,682,004	248,874	-
Services	1,181,047	1,851,990	947,403	2,242,542	390,552	21.1%
Supplies and Materials	1,200,601	1,675,242	1,362,399	1,828,990	153,748	9.2%
Fuels and Lubricants	44,267	66,060	61,351	70,000	3,940	6.0%
Comprehensive Insurance	407,825	452,816	433,680	525,926	73,110	16.1%
Projects	313,389	369,000	735,243	464,000	95,000	25.7%
Utilities	758,223	854,420	868,203	1,051,000	196,580	23.0%
Debt Service	1,018,873	4,412,971	4,412,971	5,270,359	857,388	19.4%
Permits and Fees	57,370	141,025	73,333	148,870	7,845	5.6%
Unfunded Accrued Liability		736,606	736,606	752,121	15,515	2.1%
Other	196,297	439,007	210,036	394,443	(44,564)	-10.2%
Total	\$ 9,467,026	\$ 16,189,076	\$ 14,757,323	\$ 18,622,894	\$ 2,433,818	15.0%



Budget Comparison

	FY23 Budget	FY24 Budget	Budget Change	Percentage Change
Operating Budget	\$ 16,189,077	\$ 18,622,894	\$ 2,433,817	15.0%
Capital Budget	\$ 33,195,633	\$ 61,477,311	\$ 28,281,678	85.2%

Expense Summary by Department



Department	FY23 Budget	FY24 Budget	Variance
ADMINISTRATION			
Administration	\$ 8,408,388	\$ 9,566,467	51%
Board of Directors	308,469	273,906	1%
Environmental Compliance Services	689,928	773,849	4%
Subtotal	\$ 9,406,785	\$ 10,614,222	57%
ENGINEERING			
Sanitation Collections	\$ 983,201	\$ 1,041,393	6%
Development Services	829,974	919,917	5%
Subtotal	\$ 1,813,175	\$ 1,961,310	11%
OPERATIONS			
Maintenance	\$ 1,642,188	\$ 1,808,805	10%
Operations	3,326,928	4,238,557	23%
Subtotal	\$ 4,969,116	\$ 6,047,362	32%
Total Expenses	\$ 16,189,076	\$ 18,622,894	100%

Budget Variance Overview

Expense	FY23 Budget	FY24 Budget	Budget Change	Percentage Change
Wages	3,756,809	4,192,639	\$ 435,830	11.6%
Services	1,851,990	2,242,542	\$ 390,552	21.1%
Supplies and Materials	1,675,242	1,828,990	\$ 153,748	9.2%
Fringe Benefits	1,433,130	1,682,004	\$ 248,874	17.4%
Utilities	854,420	1,051,000	\$ 196,580	23.0%
Comprehensive Insurance	452,816	525,926	\$ 73,110	16.1%
Projects	369,000	464,000	\$ 95,000	25.7%
Other	439,007	394,443	\$ (44,564)	-10.2%
Permits and Fees	141,025	148,870	\$ 7,845	5.6%
Fuels and Lubricants	66,060	70,000	\$ 3,940	6.0%
Subtotal	11,039,499	12,600,414	\$ 1,560,915	14.1%
Debt Service	\$ 4,412,971	\$ 5,270,359	\$ 857,388	19.4%
CalPERS UAL	736,606	752,121	\$ 15,515	-
Total	\$ 16,189,076	\$ 18,622,894	\$ 2,433,818	15.0%

Wages:

Wages	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	614,801	675,473	60,672
410-1 Collections	431,584	463,892	32,308
411-1 Operations	902,931	984,735	81,804
412-1 Maintenance	626,374	702,073	75,699
414-2 Laboratory	292,672	393,597	100,925
414-3 Administration	793,462	859,469	66,007
Dept 20 Board	94,985	113,400	18,415
Grand Total	3,756,809	4,192,639	435,830

The change to the wages is attributed to a Cost-of-Living Adjustment (COLA) of 7.5% as per the Consumer Price Index, Riverside November 2022. Also, there are the projected positions that will be promoted to the next classification due to certification (e.g. Wastewater Operator II will promote to Wastewater Operator III). Additionally, the lab has one FTE fully funded for the year that was approved last year but not funded.

Budget Variance Overview

Services:

Services	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	8,700	8,700	-
410-1 Collections	118,283	120,920	2,637
411-1 Operations	258,722	679,700	420,978
412-1 Maintenance	195,140	213,590	18,450
414-2 Laboratory	93,000	44,163	(48,837)
414-3 Administration	1,109,545	1,096,869	(12,676)
Dept 20 Board	68,600	78,600	10,000
Grand Total	1,851,990	2,242,542	390,552

the increase in services is attributed to increases in legal costs \$10K, Roach Control \$2K, Janitorial Services, Lucy, Uniforms \$18K, and sludge disposal and transportation \$401K

Supplies and Materials:

Supplies and Materials	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	1,000	1,000	-
410-1 Collections	161,500	166,000	4,500
411-1 Operations	781,740	926,700	144,960
412-1 Maintenance	503,821	517,615	13,794
414-2 Laboratory	170,806	160,800	(10,006)
414-3 Administration	53,875	53,875	-
Dept 20 Board	2,500	3,000	500
Grand Total	1,675,242	1,828,990	153,748

Operations Chemical expenditures had an increase of \$105K, Ammonia probes \$17K, and Polymers \$8K. Maintenance had increased to repairs and maintenance for \$35K due to aging equipment. Collections had an increase in their rental budget of \$4K.

Fringe Benefits:

Fringe	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	192,642	221,913	29,271
410-1 Collections	207,564	222,211	14,647
411-1 Operations	349,050	404,652	55,602
412-1 Maintenance	280,893	335,627	54,734
414-2 Laboratory	101,800	143,504	41,704
414-3 Administration	286,101	334,831	48,730
Dept 20 Board	15,080	19,266	4,186
Grand Total	1,433,130	1,682,004	248,874

Budget Variance Overview

Fringe benefits had an increase due to a budgeted 8% increase in health insurance contributions, a 3% increase in PEMCHA contributions, and an 8% in vision and dental contributions. Additionally, more employees are enrolled than in previous years.

Utilities:

Utilities	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	-	-	-
410-1 Collections	13,500	17,000	3,500
411-1 Operations	840,920	1,034,000	193,080
412-1 Maintenance	-	-	-
414-2 Laboratory	-	-	-
414-3 Administration	-	-	-
Dept 20 Board	-	-	-
Grand Total	854,420	1,051,000	196,580

Utilities had an increase due to increased usage and costs and usage for electricity, natural gas, trash removal, and water.

Comprehensive Insurance:

Casualty and Liability	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	-	-	-
410-1 Collections	-	-	-
411-1 Operations	-	-	-
412-1 Maintenance	-	-	-
414-2 Laboratory	-	-	-
414-3 Administration	452,816	525,926	73,110
Dept 20 Board	-	-	-
Grand Total	452,816	525,926	73,110

Insurance premiums increased for general liability by \$52K due to CPI and an increase in assets. The earthquake insurance increased by \$12K due to the insurance pool increase. Workers' compensation insurance increased \$6K due to an increase in projected wages and insurance pool x mod.

Earthquake Insurance	\$ 202,902	\$ 215,000	\$ 12,098
Umbrella Business Insurance (e.g., Liability, Auto, and General)	133,798	186,000	52,202
Environmental Pollution	23,993	25,433	1,440
Cyber Insurance	10,500	11,130	630
Subtotal	\$ 371,193	\$ 437,563	\$ 66,370

Workers Compensation Insurance Premium	\$ 81,623	\$ 88,363	\$ 6,740
Subtotal	\$ 81,623	\$ 88,363	\$ 6,740

Budget Variance Overview

Projects:

Projects	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	-	-	-
410-1 Collections	-	-	-
411-1 Operations	-	-	-
412-1 Maintenance	-	-	-
414-2 Laboratory	-	-	-
414-3 Administration	369,000	464,000	95,000
Dept 20 Board	-	-	-
Grand Total	369,000	464,000	95,000

Project costs increased due to a \$100K increase in projected EVRA contributions.

Other Costs:

Other	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	11,831	11,831	-
410-1 Collections	27,170	27,170	-
411-1 Operations	50,480	53,510	3,030
412-1 Maintenance	33,860	37,590	3,730
414-2 Laboratory	20,450	21,785	1,335
414-3 Administration	167,912	182,917	15,005
Dept 20 Board	127,304	59,640	(67,664)
Grand Total	439,007	394,443	(44,564)

Other costs decreased primarily due to a decrease in election contribution of \$70K. No election costs are projected for FY 2023/24.

Permits and Fees

Permits and Fees	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	1,000	1,000	-
410-1 Collections	23,600	24,200	600
411-1 Operations	77,025	85,260	8,235
412-1 Maintenance	2,100	2,310	210
414-2 Laboratory	11,200	10,000	(1,200)
414-3 Administration	26,100	26,100	-
Dept 20 Board			-
Grand Total	141,025	148,870	7,845

Permits and fees in operations increased \$8K, and Collections increased \$600 due to the Annual Encroachment Permit (City Of Indio).

Budget Variance Overview

Annual NPDES Permit Fee (SWRCB)	\$ 52,000	\$ 57,500	\$ 5,500
South Coast Air Quality Management District (SCAQMD) Facility Permits	17,000	18,700	1,700
Dept of Environmental Health	3,900	4,300	400
Fire Service Permit (City of Indio)	2,200	2,500	300
Alarm System Permit (City of Indio)	550	650	100
Occupational Lead Poisoning Prevention/Toxic Substance	550	650	100
Miscellaneous	550	650	100
Hot Spot Program (SCAQMD)	275	310	35
Subtotal	\$ 77,025	\$ 85,260	\$ 8,235

Fuels and Lubricants:

Fuels and Lubricants	FY23 Budget	FY 24 Budget	Variance
414-1 Engineering	-	-	-
410-1 Collections	-	-	-
411-1 Operations	66,060	70,000	3,940
412-1 Maintenance	-	-	-
414-2 Laboratory	-	-	-
414-3 Administration	-	-	-
Dept 20 Board	-	-	-
Grand Total	66,060	70,000	3,940

Fuels and lubricants increased due to increased fuel costs.

Debt Service:

Debt Service	FY23 Budget	FY24 Budget	Variance
Principal and Interest Payment for State Revolving Fund (SRF)	553,361.00	553,361.00	-
Principal and Interest Payment for Revenue Refunding Bonds, 2015	886,688.00	885,750.00	(938.00)
Annual Administrative Expenses for Revenue Refunding Bonds, 2015	2,500.00	2,500.00	-
Principal and Interest Payment for Recycled Water Project Phase 1	2,970,422.00	3,828,748.00	858,326.00
Total	4,412,971.00	5,270,359.00	857,388.00

The increase in debt service is attributed to having a year's worth of payments to the Banc of America loan. The payments are made bi-annually. In the fiscal year 2023, only one payment was made.

Budget Variance Overview

CalPERS UAL:

Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date.	\$ 736,606	\$ 752,121	\$ 15,515
Subtotal	\$ 736,606	\$ 752,121	\$ 15,515

The increase in the CalPERS UAL is attributed to a projected escalator in the plan. Final figures will be posted in June.



Technical Memo Budget Variance FY 2023/24

April 18, 2023

To: Honorable Directors

From: Jeanette Juarez, Chief Administrative Officer



The purpose of this technical memo is for the Board of Directors to review the operating budget variances between the fiscal years 2022/23 and 2023/24. Attached to this memo is a breakdown of the budget variances by category. The proposed annual budget for the fiscal year 2023/24 is \$18,622,894. The operating budget encompasses such costs as personnel, California Public Employees' Retirement System (CalPERS) Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations.

This discussion item allows the Board of Directors to review the draft budget and allow for modifications.

Expense	FY23 Budget	FY24 Budget	Budget Change	Percentage Change
Wages	3,756,809	4,192,639	\$ 435,830	11.6%
Services	1,851,990	2,242,542	\$ 390,552	21.1%
Supplies and Materials	1,675,242	1,828,990	\$ 153,748	9.2%
Fringe Benefits	1,433,130	1,682,004	\$ 248,874	17.4%
Utilities	854,420	1,051,000	\$ 196,580	23.0%
Comprehensive Insurance	452,816	525,926	\$ 73,110	16.1%
Projects	369,000	464,000	\$ 95,000	25.7%
Other	439,007	394,443	\$ (44,564)	-10.2%
Permits and Fees	141,025	148,870	\$ 7,845	5.6%
Fuels and Lubricants	66,060	70,000	\$ 3,940	6.0%
Subtotal	11,039,499	12,600,414	\$ 1,560,915	14.1%
Debt Service	\$ 4,412,971	\$ 5,270,359	\$ 857,388	19.4%
CalPERS UAL	736,606	752,121	\$ 15,515	-
Total	\$ 16,189,076	\$ 18,622,894	\$ 2,433,818	15.0%

As always, please feel free to contact me should you have any questions or require anything further.

Jeanette Juarez
Chief Administrative Officer

 760-238-5415 |  760-625-2378

 jj Suarez@valley-sanitary.org

Valley Sanitary District
45500 Van Buren Street, Indio, CA 92201
www.valley-sanitary.org

RATE REVENUE REQUIREMENTS SUMMARY ¹	Actuals	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:						
Sewer Service Charge	\$ 11,872,945	\$ 14,575,652	\$ 14,721,409	\$ 14,868,623	\$ 15,017,309	\$ 15,167,482
Revenue from Rate Increases ²	-	-	1,840,176	3,949,478	6,364,758	6,860,323
Subtotal: Rate Revenue After Rate Increases	11,872,945	14,575,652	16,561,585	18,818,101	21,382,067	22,027,806
Non-Rate Revenue:						
Plan Check & Inspection Fees (incl. Permits)	48,545	48,000	48,480	48,965	49,454	49,949
Other Services	18,213	20,854	21,063	21,273	21,486	21,701
Interest Income ³	29,507	522,621	572,518	439,533	341,416	195,416
Non-Operating Revenue	1,025,747	558,585	564,171	569,812	575,511	581,266
Subtotal: Non-Rate Revenue	1,122,012	1,150,060	1,206,231	1,079,584	987,867	848,332
Total Sources of Funds	\$ 12,994,958	\$ 15,725,713	\$ 17,767,816	\$ 19,897,685	\$ 22,369,934	\$ 22,876,138
Uses of Funds						
Operating Expenses:						
Engineering	\$ 633,696	\$ 665,626	\$ 838,156	\$ 880,064	\$ 924,067	\$ 970,270
Collections	1,183,857	784,371	996,492	1,046,317	1,098,632	1,153,564
Operations	2,845,694	2,576,085	3,336,972	3,503,821	3,679,012	3,862,962
Maintenance	1,335,676	1,217,593	1,679,923	1,763,919	1,852,115	1,944,721
Lab	414,620	483,847	626,047	657,349	690,217	724,728
Administration/Board	2,178,993	2,880,292	3,564,412	3,741,208	3,852,589	4,121,632
Additional Staffing	-	-	-	-	-	-
Unfunded Accrued Liability	482,379	700,420	736,606	773,436	812,108	852,714
Subtotal: Operating Expenses	\$ 9,074,916	\$ 9,308,234	\$ 11,778,608	\$ 12,366,114	\$ 12,908,740	\$ 13,630,590
Other Expenditures:						
Existing Debt Service	\$ 1,445,048	\$ 1,440,798	\$ 1,440,048	\$ 1,439,111	\$ 1,440,861	\$ 1,440,611
Future Debt Service	-	-	2,970,421	3,828,748	3,804,006	4,863,597
Rate-Funded Capital Expenses	-	-	-	-	6,964,927	37,043,482
Subtotal: Other Expenditures	\$ 1,445,048	\$ 1,440,798	\$ 4,410,469	\$ 5,267,858	\$ 12,209,794	\$ 43,347,689
Total Uses of Water Funds	\$ 10,519,964	\$ 10,749,033	\$ 16,189,077	\$ 17,633,972	\$ 25,118,534	\$ 56,978,280
Annual Surplus/(Deficit)	\$ 2,474,994	\$ 4,976,680	\$ 1,578,739	\$ 2,263,712	\$ (2,748,600)	\$ (34,102,142)
Net Revenue Req't. (Total Uses less Non-Rate Revenue)	\$ 9,397,952	\$ 9,598,972	\$ 14,982,846	\$ 16,554,388	\$ 24,130,668	\$ 56,129,948
Total Rate Revenue After Rate Increases	\$ 11,872,945	\$ 14,575,652	\$ 16,561,585	\$ 18,818,101	\$ 21,382,067	\$ 22,027,806
Projected Annual Rate Revenue Increase	0.00%	0.00%	12.50%	12.50%	12.50%	2.00%
Cumulative Increase from Annual Revenue Increases	0.00%	0.00%	12.50%	26.56%	42.38%	45.23%
Debt Coverage After Rate Increase	2.71	4.45	1.36	1.43	1.80	1.47

(Un-Audited) Reserve Balances Fund 11

Fund 11 General Fund		
	Balance as of 03/31/23	\$ 22,931,305
Add:	Wells Fargo Checking Balance	\$ 2,365,113
Less:	Projected FY23 Expense	(3,701,004)
Less:	6 month O&M Budget	(6,300,207)
	Subtotal	\$ 15,295,207
Add:	FY24 Projected Revenue	19,897,685
Less:	FY24 O&M Budget	(18,622,894)
Less:	40% of FY24 O&M Budget	(5,040,165)
	Estimated Available Ending Balance	\$ 11,529,833

(Un-Audited) Reserve Balances Fund 12

Fund 12 Capital Replacement Reserve Fund		
	Balance as of 03/31/23	\$ 26,208,021
Less:	Vehicle Replacement Reserve	(1,785,892)
Less:	Projected FY23 Expense	(1,000,000)
	Subtotal	\$ 23,422,129
Add:	40% of FY24 O&M Budget	5,040,165
Less:	Vehicle and Equipment Replacement Fund	(825,000)
Less:	Lateral Grant Program	(51,000)
Less:	Sewer Emergency Repairs	(118,450)
Less:	Contingency for Emergency Repairs	(102,000)
Less:	Emergency Sewer Siphon Replacement Desig	(1,392,750)
Less:	Emergency Sewer Siphon Replacement Const	(215,400)
Less:	Laboratory Information Management System	(70,000)
Less:	Concrete Repairs to ASP Plant	(100,000)
Less:	Electrical Control Panel Replacements Blowe	(120,000)
Less:	Trimax PLC Upgrades SCADA	(70,000)
Less:	Water Reclamation Facility Master Plan	(800,000)
Less:	Repairs to two (2) Primary Clarifiers	(130,000)
Less:	Plant Instrumentation Upgrade	(100,000)
Less:	Nitrification Reduction ASP upgrade	(100,000)
Less:	Bathroom Upgrade	(100,000)
Less:	Upgrade District Security Cameras	(100,000)
	Estimated Available Balance	\$ 24,067,694

(Un-Audited) Reserve Balances Fund 13

Fund 13 Capital Improvement Reserve Fund		
	Balance as of 03/31/23	\$ 12,047,148
Less:	Rotary Thickener	(10,374,394)
	Estimated Available Ending Balance	\$ 1,672,754

Proposed FY24 CIP Budget (Original)

System	Recurring Project	Project Number	Project	Carryover					Total
				Fund 12	Fund 12	Fund 13	FEMA	B of A Loan	
Plant Facility	✓	21-0001	Vehicle and Equipment Replacement Fund	\$ 825,000	\$ 809,000				\$ 1,634,000
Sewage Collection	✓	21-0002	Lateral Grant Program	51,000					51,000
Sewage Collection	✓	21-0003	Sewer Emergency Repairs	118,450					118,450
Sewage Collection	✓	21-0004	Contingency for Emergency Repairs	102,000					102,000
Sewage Collection		21-0005	Sewer Main Rehabilitation or Replacement Design	1,762,810					1,762,810
Sewage Collection		21-0006	Sewer Main Rehabilitation or Replacement Const.	5,698,051					5,698,051
Plant Facility		21-0007	Recycled Water Project Phase 1 (Amend #1 & #2)					35,700,000	35,700,000
Sewage Collection		21-0008	Emergency Sewer Siphon Replacement Design/CM	1,392,750			7,892,250		9,285,000
Sewage Collection		21-0009	Emergency Sewer Siphon Replacement Construction	215,400			1,220,600		1,436,000
Plant Facility		21-0011	Training & Office Building Design			1,000,000			1,000,000
Plant Facility		21-0012	Laboratory Building Design			1,000,000			1,000,000
Plant Facility		21-0013	Laboratory Information Management System (LIMS)			70,000			70,000
Plant Facility		23-0002	Concrete Repairs to ASP Plant	100,000					100,000
Plant Facility		23-0003	Electrical Control Panel Replacements Blower Building	120,000					120,000
Plant Facility		23-0005	Trimax PLC Upgrades SCADA			70,000			70,000
Plant Facility		23-0006	Water Reclamation Facility Master Plan	400,000		400,000			800,000
Plant Facility		24-0001	Repairs to two (2) Primary Clarifiers	130,000					130,000
Plant Facility		24-0002	Plant Instrumentation Upgrade	100,000					100,000
Plant Facility		24-0003	Nitrification Reduction ASP upgrade			100,000			100,000
Plant Facility		24-0004	Bathroom Upgrade			100,000			100,000
Plant Facility		24-0005	Upgrade District Security Cameras			100,000			100,000
Plant Facility		24-0006	Biosolids Conversion Project			2,000,000			2,000,000
Total				\$ 11,015,461	\$ 809,000	\$ 4,840,000	\$ 9,112,850	\$ 35,700,000	\$ 61,477,311

Proposed FY24 Capital Improvement Budget (Revised)

System	Recurring	Project	Project	Carryover					Total
	Project	Number		Fund 12	Fund 12	Fund 13	FEMA	B of A Loan	
Plant Facility	✓	21-0001	Vehicle and Equipment Replacement Fund	\$ 825,000	\$ 809,000	\$ -	\$ -	\$ -	\$ 1,634,000
Sewage Collection	✓	21-0002	Lateral Grant Program	50,000	-	-	-	-	50,000
Sewage Collection	✓	21-0003	Sewer Repairs and/ or Rehabilitation	120,000	-	-	-	-	120,000
Sewage Collection	✓	21-0004	Contingency for Emergency Repairs	100,000	-	-	-	-	100,000
Sewage Collection		21-0005	Sewer Main Rehabilitation or Replacement Design	365,000	-	-	-	-	365,000
Plant Facility		21-0006	Recycled Water Project Phase 1 (Amend #1 & #2)	-	-	4,200,000	-	35,700,000	39,900,000
Sewage Collection		21-0007	Emergency Sewer Siphon Replacement Design/ CM	1,392,750	-	-	7,892,250	-	9,285,000
Sewage Collection		21-0008	Emergency Sewer Siphon Replacement Construction	215,400	-	-	1,220,600	-	1,436,000
Plant Facility		21-0009	Laboratory Information Management System (LIMS)	70,000	-	-	-	-	70,000
Plant Facility		21-0011	Concrete Repairs to ASP Plant	100,000	-	-	-	-	100,000
Plant Facility		21-0012	Electrical Control Panel Replacements Blower Building	120,000	-	-	-	-	120,000
Plant Facility		21-0013	Trimax PLC Upgrades SCADA	70,000	-	-	-	-	70,000
Plant Facility		23-0002	Water Reclamation Facility Master Plan	400,000	-	-	-	-	400,000
Plant Facility		23-0003	Repairs to two (2) Primary Clarifiers	130,000	-	-	-	-	130,000
Plant Facility		23-0005	Plant Instrumentation Upgrade	100,000	-	-	-	-	100,000
Plant Facility		23-0006	Nitrification Reduction ASP upgrade	100,000	-	-	-	-	100,000
Plant Facility		24-0001	Bathroom Upgrade	100,000	-	-	-	-	100,000
Plant Facility		24-0002	Upgrade District Security Cameras	100,000	-	-	-	-	100,000
Plant Facility		24-0003	Biosolids Conversion Project	-	-	1,000,000	-	-	1,000,000
Total				\$ 4,358,150	\$ 809,000	\$ 5,200,000	\$ 9,112,850	\$ 35,700,000	\$ 55,180,000



Fiscal Year
2023 / 2024



OPERATING AND CAPITAL BUDGET

PREPARED BY
THE ADMINISTRATION DEPARTMENT



Wastewater Facility Maintenance Bay

OVERVIEW

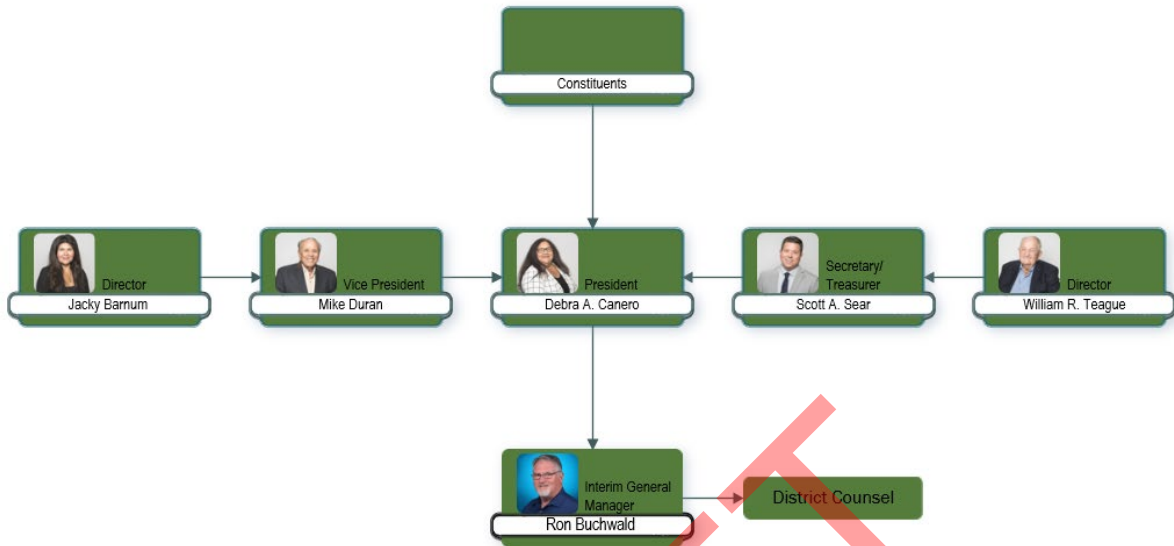




Wastewater Facility Grit Hoppers

BOARD OF DIRECTORS





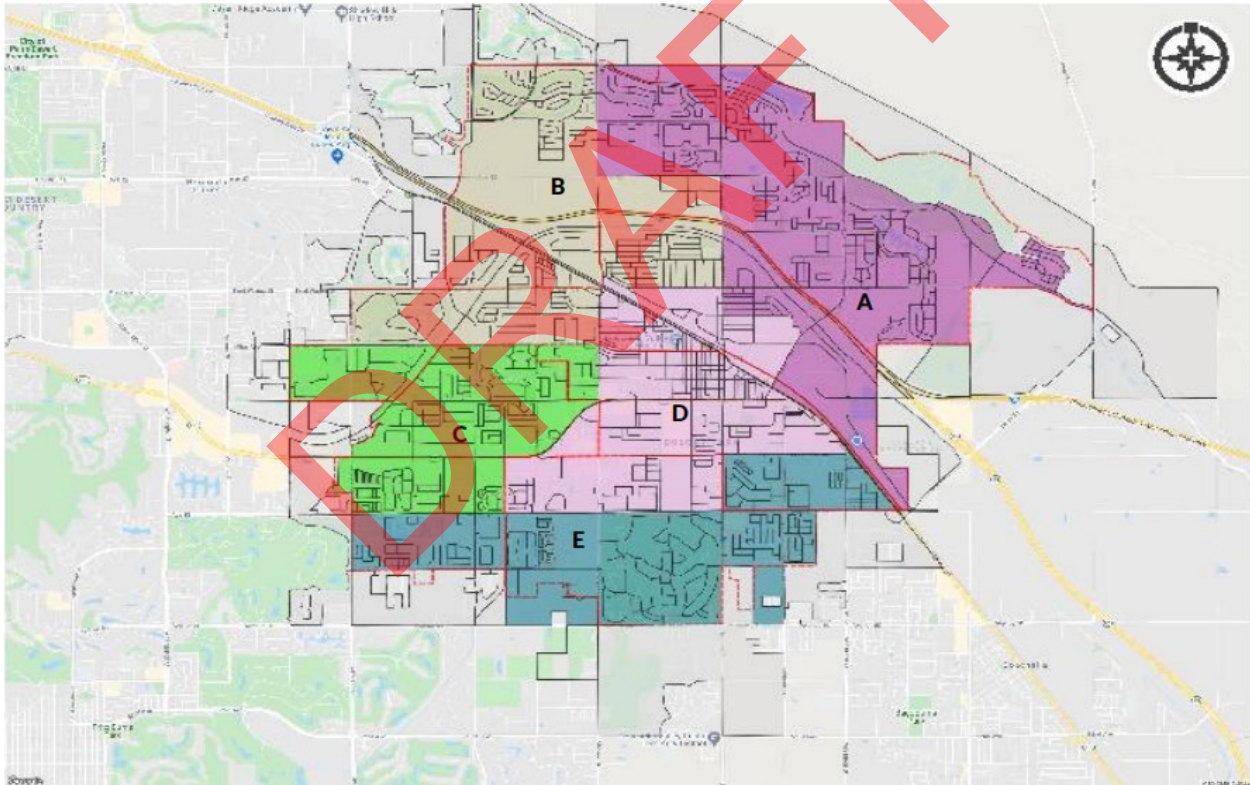
THE VALLEY SANITARY DISTRICT BOARD OF DIRECTORS



DESCRIPTION

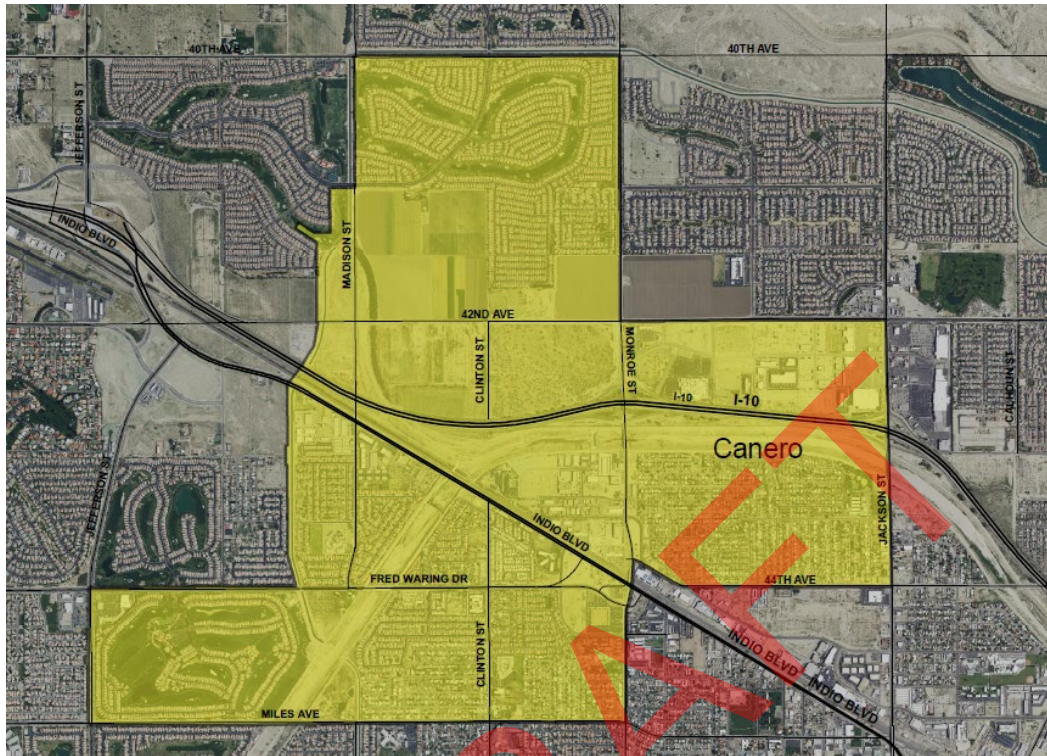
Valley Sanitary District is governed by a five (5) member Board of Directors elected by ward from within the District's service area. Each Director represents a specific geographic area known as a ward. Under California law, the Board of Directors establishes and implements policies for the operation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

DISTRICT DIVISIONS MAP

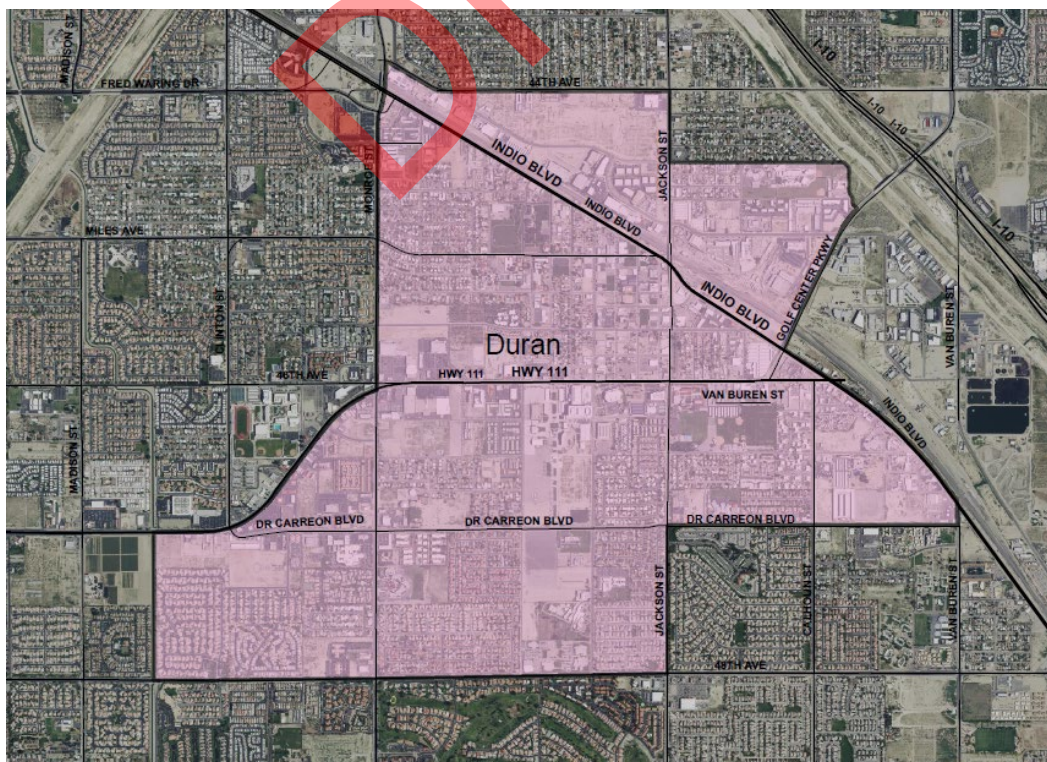


DIVISION MAPS PER BOARD MEMBER

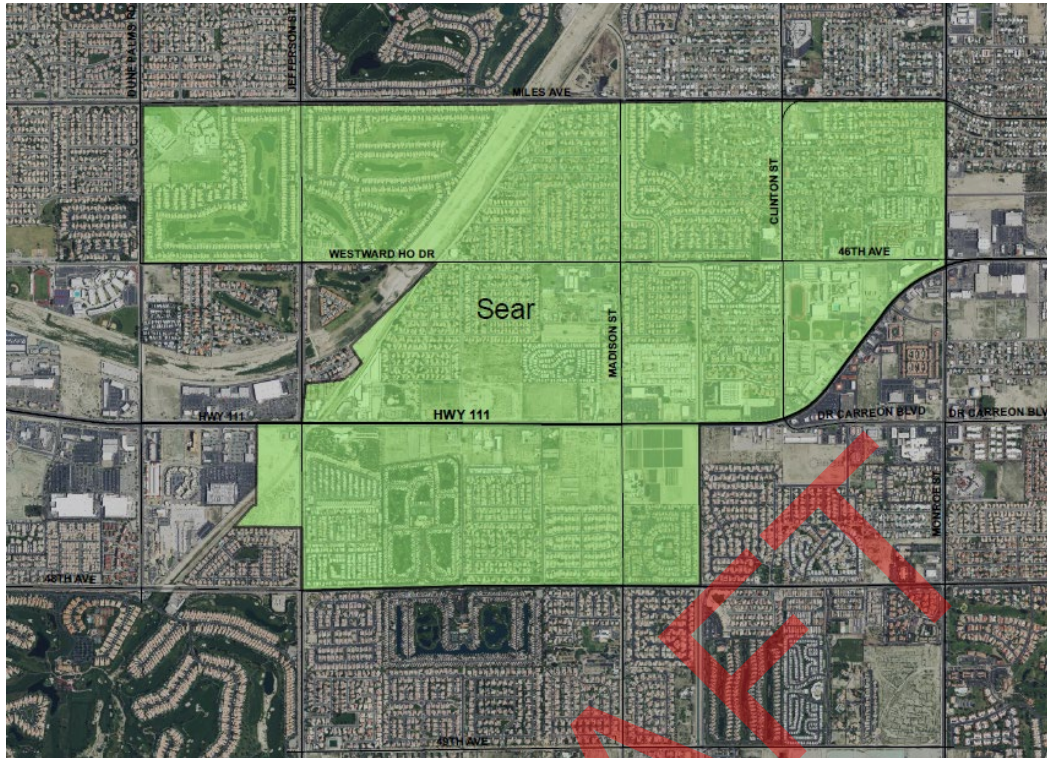
Ward B – President Debra Canero



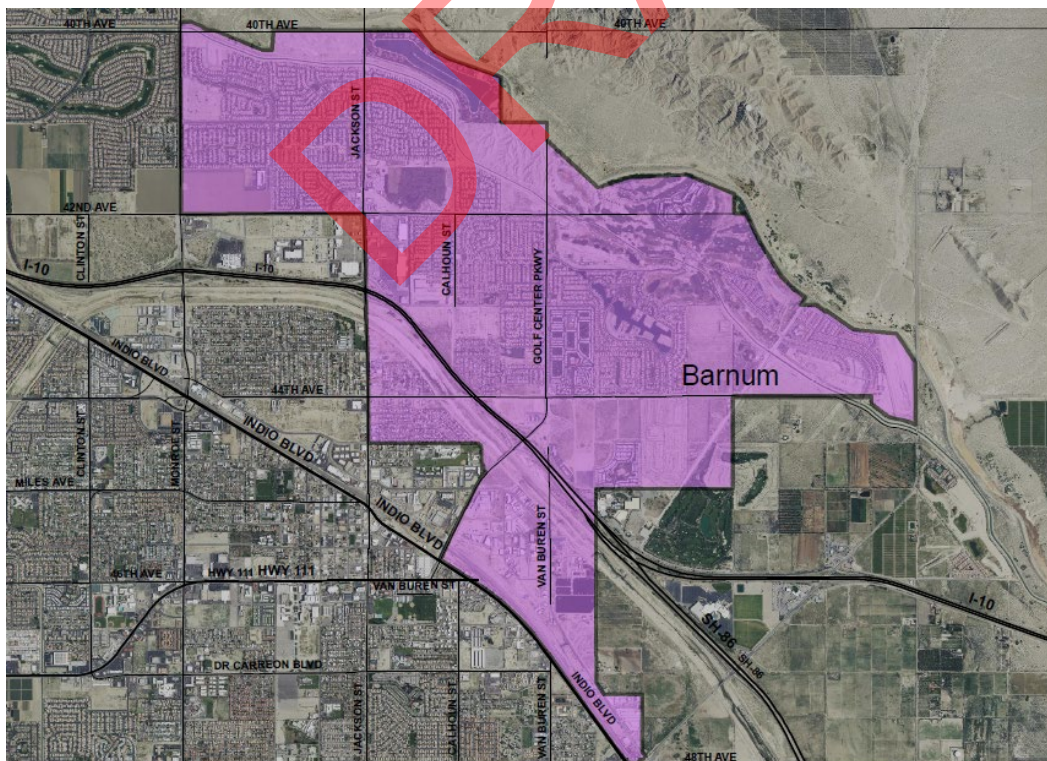
Ward D – Vice President Mike Duran



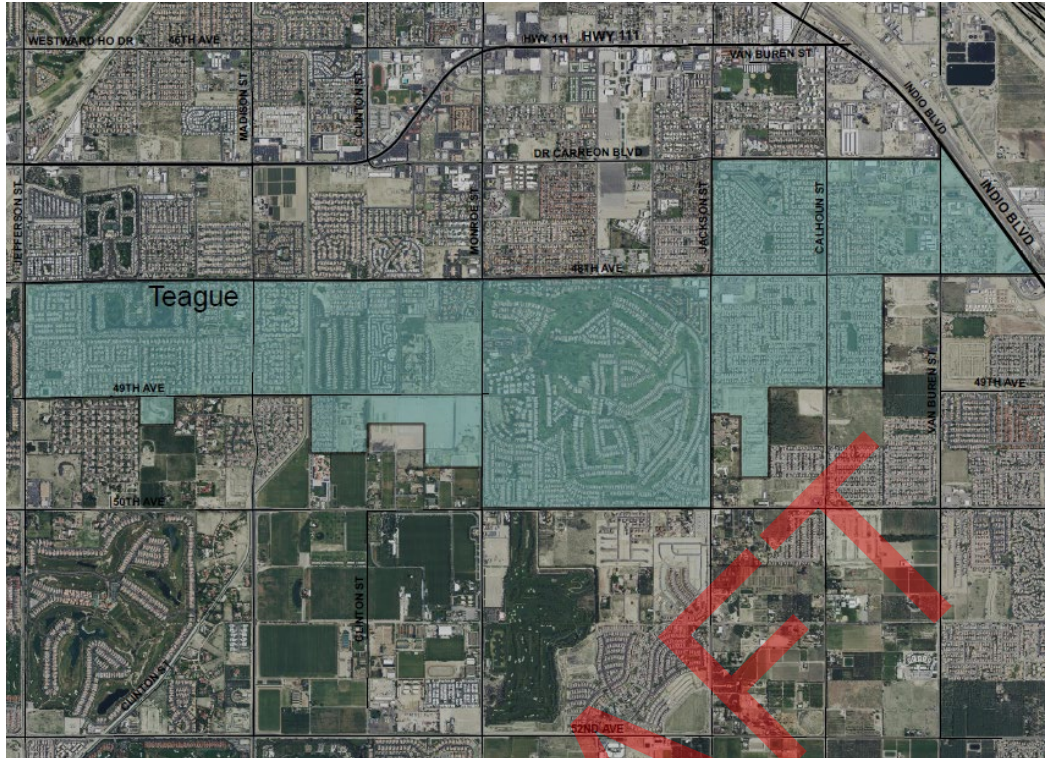
Ward C – Secretary/Treasurer Scott Sear



Ward A – Director Jacky Barnum



Ward E – Director Bill Teague



METRICS

MEETINGS AND RECORDS

	FY2019/20	FY 2020/21	FY 2021/22	YTD-April FY2022/23
Regular Board Meetings	21	23	22	16
Special Board Meetings	7	4	3	10
East Valley Reclamation Authority Meetings	4	4	3	2
Budget & Finance Committee Meetings	0	7	5	3
Operations Committee Meetings	0	5	6	4
Community Engagment Committee Meetings	0	0	4	4
Board/Committee Minutes Compiled	32	43	43	41
General Manager's Reports	6	12	12	10
Documents Notarized	4	5	5	10
Public Records Requests	1	3	4	11

CONFERENCES ATTENDED

Conferences	FY 2021/22	YTD-April FY2022/23
CASA Annual Conference	X	X
CSDA Annual Conference	X	X
CASA Winter Conference	X	X
CSDA Leadership Conference	X	X
CASA DC Forum	X	X
CSDA Legislative Days		X

FISCAL YEAR 2022/23 ACCOMPLISHMENTS

- On April 19, 2023, VSD received notice from Innovative Federal Strategies that Senators Feinstein and Padilla have submitted the District's request to the Senate Appropriations Committee for consideration in the Interior Appropriations bill.
- On April 12, 2023, conducted a tour of the plant facility with Congressman Ruiz's Director of Stakeholder Engagement to discuss infrastructure needs and active projects.

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 4: Increase Community Understanding and Support
- GOAL 5: Long-Term Financial Strength
- GOAL 6: Improve Planning, Administration, and Governance

Goals

- Continue lobbying efforts at both the state and federal levels to obtain grant funding for the Recycled Water Project and the Biosolid Conversion Project.
- Advance public outreach to increase public awareness and engagement of Valley Sanitary District through an increase in web-based impressions.

- Continue to promote the Send Agenda feature of Peak that enables constituents to subscribe and get emailed the District’s meeting agendas once they are posted.

PERSONNEL SUMMARY

FY24 Physical Count	Classification	FY23 Base	FY24 Base	Variance
5	Director	5.00	5.00	0.00
5	Total	5.00	5.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percent Change
11-5030414-4 SALARIES AND WAGES	-	57,000	\$ 94,985	\$ 66,150	\$ 113,400	\$ 18,415	19.4%
11-5116414-4 FICA AND MEDICARE	-	4,058	4,180	5,044	10,206	6,026	144.2%
11-5126414-4 HEALTH INSURANCE	-	9,615	10,900	2,940	9,060	(1,840)	(0.17)
11-5225414-3 ELECTION	-	-	70,000	-	-	(70,000)	-
11-5500414-4 CONTRACTS	-	14,500	35,000	9,375	35,000	-	0.0%
11-5552414-4 LEGAL SERVICES	-	25,326	30,000	32,076	40,000	10,000	33.3%
11-5400414-4 OFFICE SUPPLIES	-	833	2,500	894	3,000	500	20.0%
11-5950414-4 OTHER EXPENSES	-	6,624	10,000	2,534	10,000	-	-
11-5901414-4 TELEPHONE AND INTERNET	-	1,231	3,600	1,240	3,600	-	-
11-5800414-4 CONFERENCES AND MEETINGS	-	34,990	47,304	31,457	49,640	2,336	4.9%
Total Expenses	-	154,177	308,469	151,711	\$ 273,906	\$ (34,563)	-11.2%

BOARD OF DIRECTOR'S BUDGET DETAIL

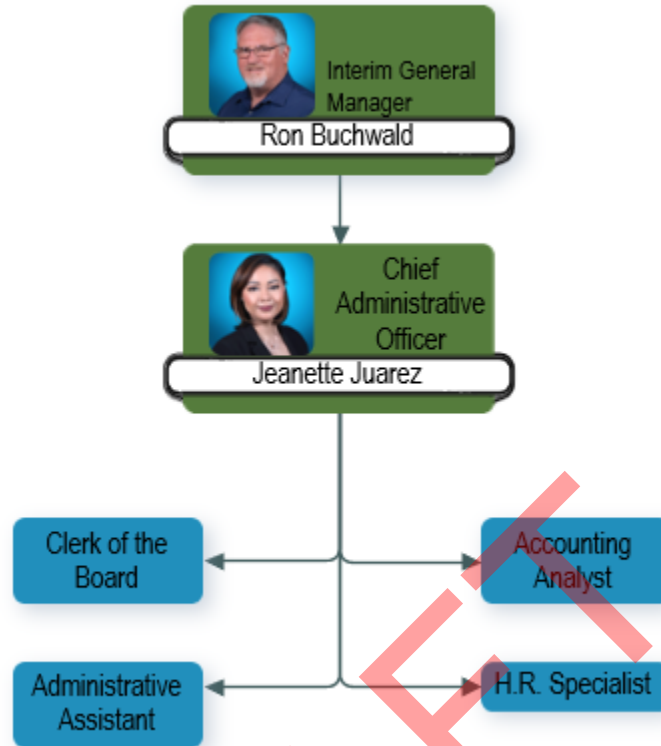
General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030414-4 SALARIES AND WAGES		\$ 94,985	\$ 113,400	\$ 18,415
11-5116414-4 FICA AND MEDICARE		4,180	10,206	6,026
11-5126414-4 HEALTH INSURANCE		10,900	9,060	(1,840)
Subtotal		\$ 110,065	\$ 132,666	\$ 22,601
11-5225-414-4 ELECTION				
A governing board member election shall be held biennially on the first Tuesday after the first Monday in November of each succeeding odd-numbered year to fill the offices of members whose terms expire on the first Friday in December next succeeding the election.		\$ 70,000	\$ -	\$ (70,000)
Subtotal		\$ 70,000	\$ -	\$ (70,000)
11-5500414-4 CONTRACTS				
Professional and Technical Services		\$ 35,000	\$ 35,000	\$ -
Subtotal		\$ 35,000	\$ 35,000	\$ -
11-5552414-4 LEGAL SERVICES				
Costs Associated with General Legal Counsel		\$ 30,000	\$ 40,000	\$ 10,000
Subtotal		\$ 30,000	\$ 40,000	\$ 10,000
11-5400414-4 OFFICE SUPPLIES				
Postage, Courier, Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils, Pads, Mailing Labels, Etc.		\$ 2,500	\$ 3,000	\$ 500
Subtotal		\$ 2,500	\$ 3,000	\$ 500
11-5950414-4 OTHER EXPENSES				
Miscellaneous Expense Contingency Fund		\$ 10,000	\$ 10,000	\$ -
Subtotal		\$ 10,000	\$ 10,000	\$ -

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5901414-4 TELEPHONE AND INTERNET				
	Cell Phones-4 Board Members	\$ 3,600	\$ 3,600	\$ -
	Subtotal	\$ 3,600	\$ 3,600	\$ -
11-5800414-4 CONFERENCES AND MEETINGS				
	Expenses Incurred for Attending the California Association of Sanitation Agencies (CASA) and or California Special Districts Association (CSDA) Conferences Held Three (3) Times a Year, Including Hotel and Travel Expenses Incurred While Attending Meetings, Conferences, and Various Educational Seminars.	\$ 47,304	\$ 49,640	\$ 2,336
	Subtotal	\$ 47,304	\$ 49,640	\$ 2,336
	Total Expenses	\$ 308,469	\$ 273,906	\$ (34,563)

DRAFT

ADMINISTRATION





DESCRIPTION

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

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

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

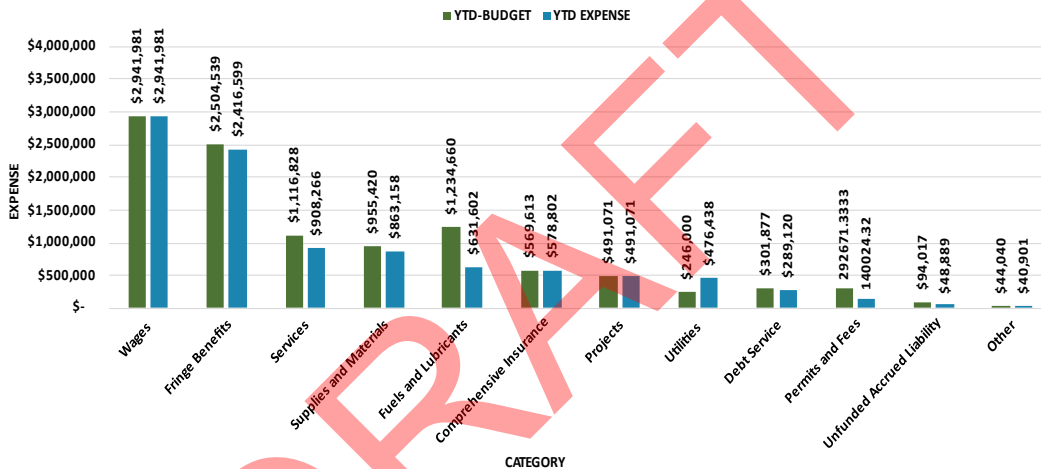
The Clerk of the Board is responsible for preparing and publishing postings, maintaining records of Board actions, processing public records requests, providing administrative support to the Board of Directors, and coordinating required legal filings.

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

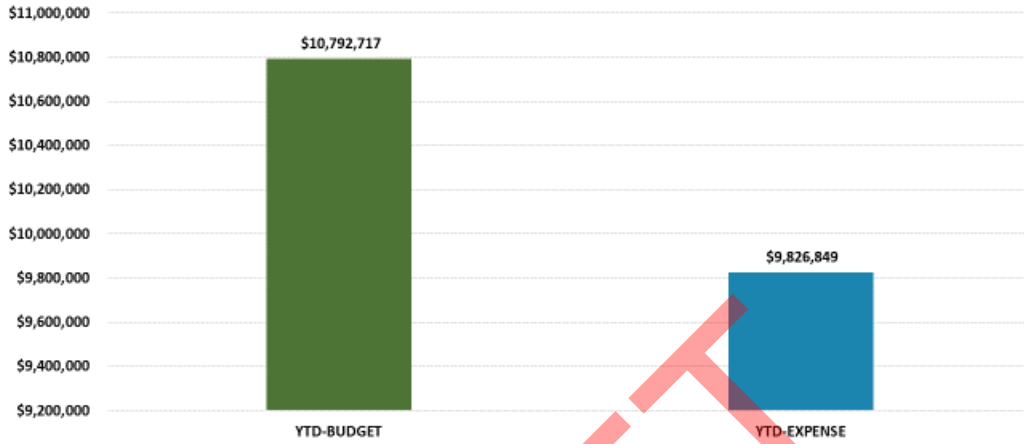
METRICS

FINANCE

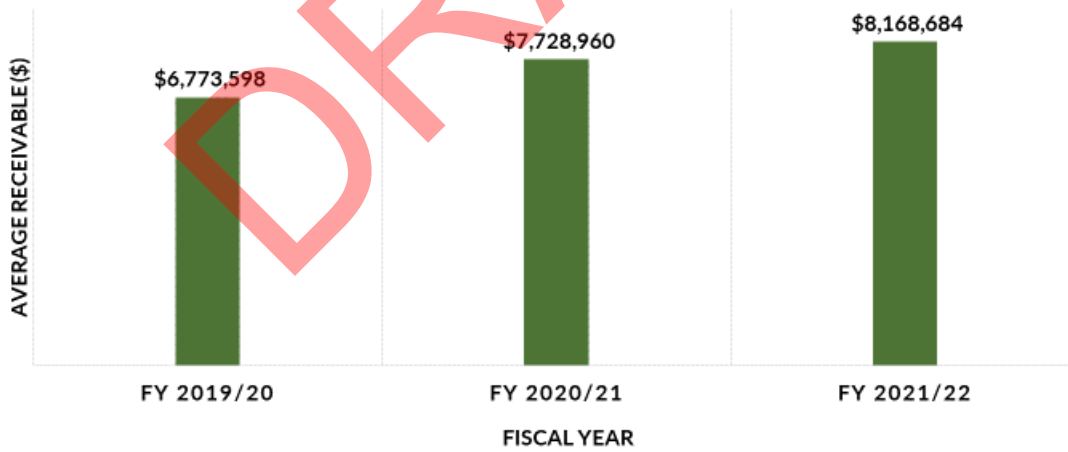
YEAR-TO-DATE BUDGET VS. YEAR-TO-DATE EXPENSE FEBRUARY 2023



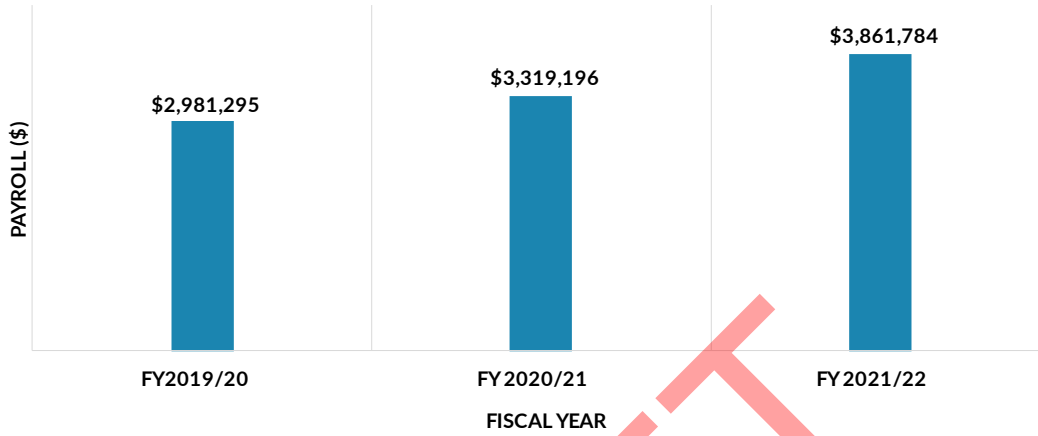
YEAR-TO-DATE BUDGET VS. YEAR-TO-DATE EXPENSE FEBRUARY 2023



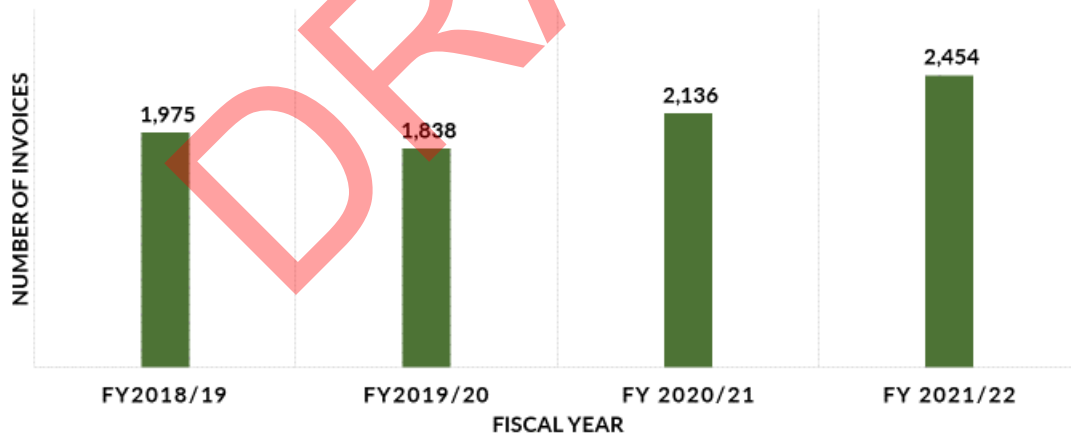
AVERAGE ACCOUNTS RECEIVABLE



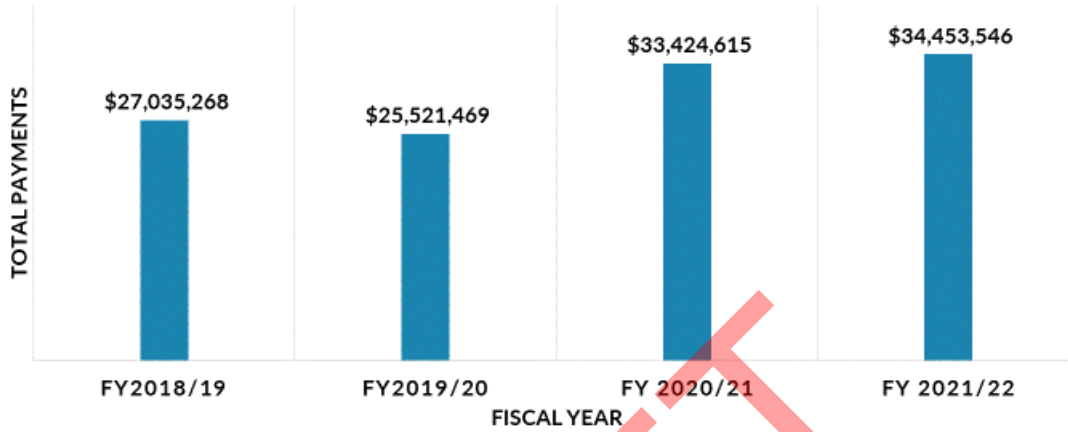
PAYROLL



NUMBER OF INVOICES PROCESSED



TOTAL PAYMENTS



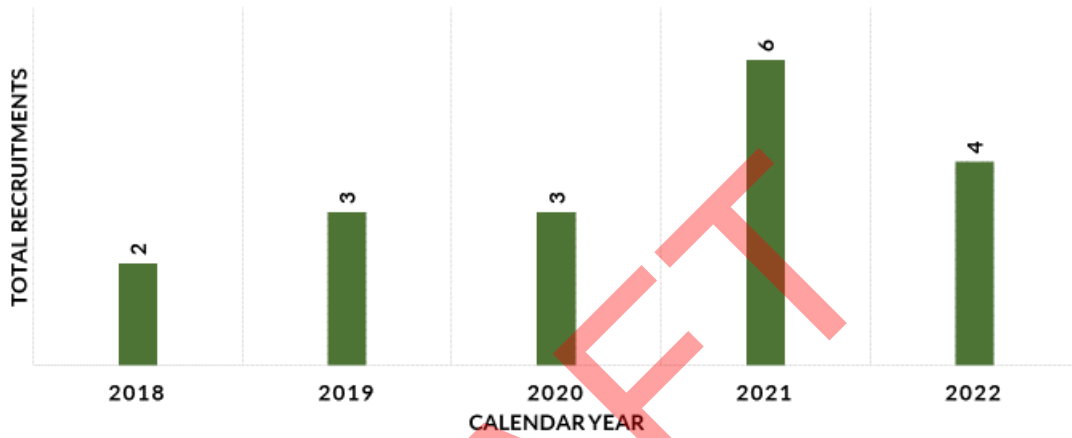
CLERK OF THE BOARD

MEETINGS AND RECORDS

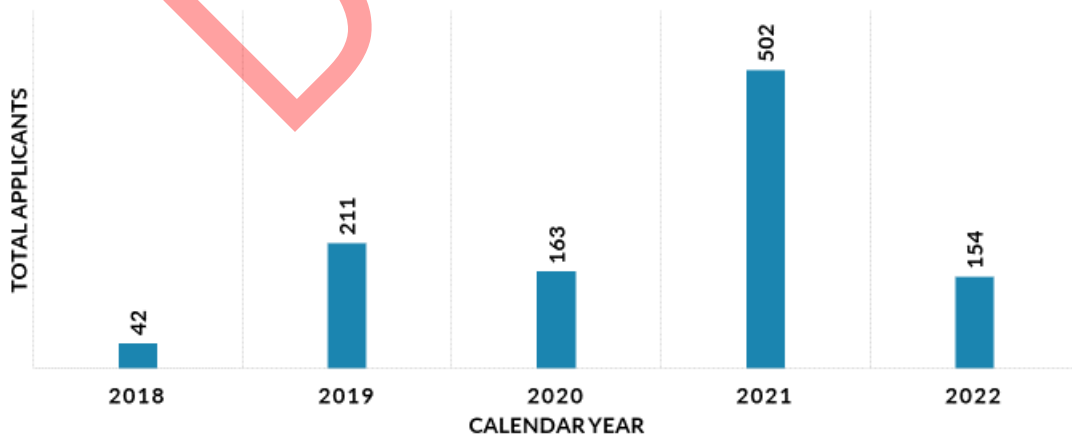
Board Items	FY20	FY21	FY22	YTD-April FY23
Regular Board Meetings	21	23	22	16
Special Board Meetings	7	4	3	10
East Valley Reclamation Authority Meetings	4	4	3	2
Budget & Finance Committee Meetings	0	7	5	3
Operations Committee Meetings	0	5	6	4
Community Engagment Committee Meetings	0	0	4	4
Board/Committee Minutes Compiled	32	43	43	41
General Manager's Reports	6	12	12	10
Documents Notarized	4	5	5	10
Public Records Requests	1	3	4	11

HUMAN RESOURCES

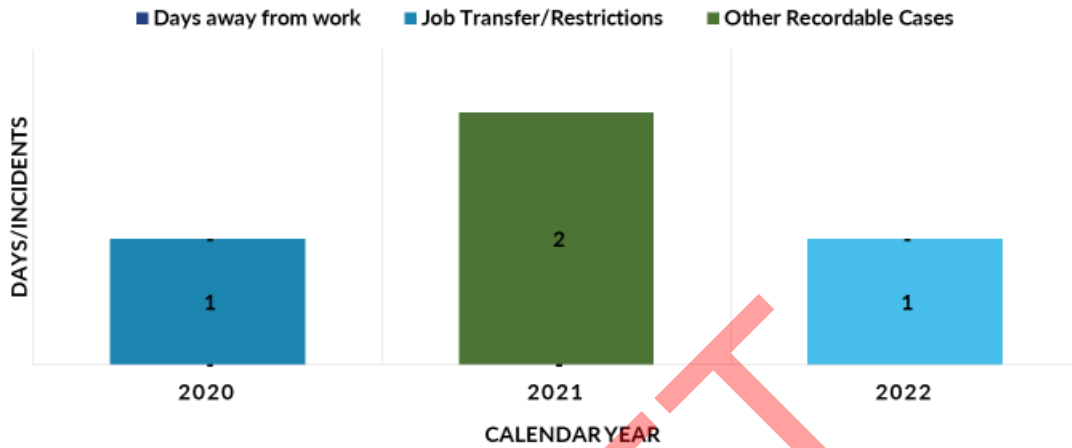
RECRUITMENTS



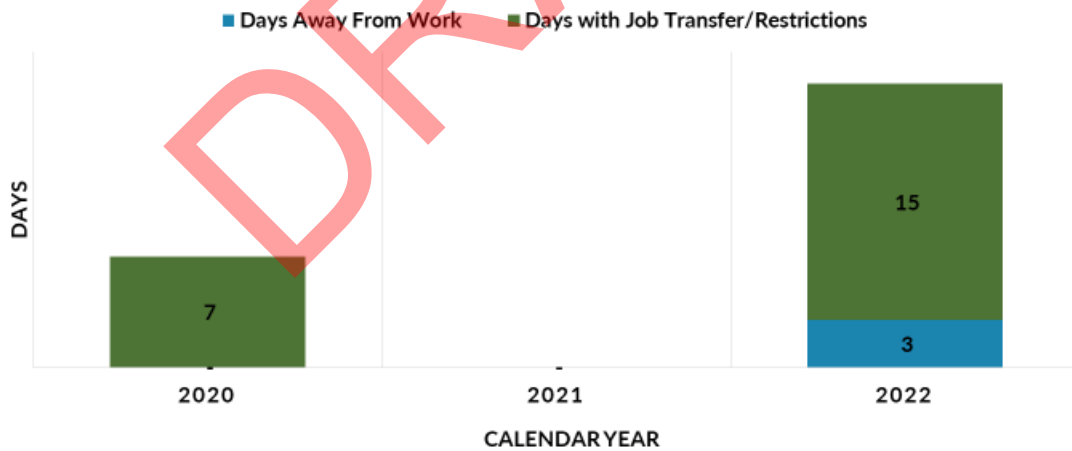
APPLICANTS



WORK-RELATED INJURIES NUMBER OF CASES



WORK-RELATED INJURIES - DAYS AWAY FROM WORK



FISCAL YEAR 2022/23 ACCOMPLISHMENTS

Finance

- Received Government Finance Officers Association (GFOA)'s Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2022.
- Received California Society of Municipal Finance Officers (CSMFO)'s Operating Budget Meritorious Award for the fiscal year 2021/22
- Completed an updated rate study to include major Capital Improvement Projects (CIP), including Phases 2 and 3 of the Recycled Water Project, a biosolid conversion project, and rehabilitation and replacement of the sewer main.
- Completed the implementation of a new procurement software, OpenGov.
- Successfully billed and updated direct billing reports using the new rate information per Resolution 2021-1142.
- Continued to increase and streamline the number of vendors paid electronically for faster payment.

Clerk of the Board

- Continued publishing public information regarding COVID-19 surveillance in wastewater information on the District website.
- Revised the Election Division Boundaries to align with 2020 Census Data.
- Received the Special District Leadership Foundation (SDLF) Transparency Certificate of Excellence.
- Completed District-wide implementation of the Peak Agenda software.

Human Resources

- In October 2022 held an Employee Benefits Fair, with health screenings for employees.
- Joined Coachella Valley Human Resources Group.
- Migrated to online enrollment for employee benefits and coordinated benefit deductions to a semi-monthly plan.
- Update of the District's background/reference checks procedures.

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 1: Fully Staffed with a Highly Trained and Motivated Team
- GOAL 4: Increase Community Understanding and Support
- GOAL 5: Long-Term Financial Strength

- GOAL 6: Improve Planning, Administration, and Governance

Finance Goals

- Complete accounting software upgrades and train staff on the procurement process and requisition entries.
- Continue training and utilization of OpenGov for all Request for Proposals (RFP), and contact management.
- Implement new elements of the Credit Card Policy to increase efficiency in the purchasing and accounts payable process.
- Conduct quarterly meetings with Chiefs and their selected staff to review the status of capital project funding to further advance the Capital Improvement Program.
- Analyze revenue streams and diversify revenue sources for the Agency. Greater emphasis on submissions for various grant funding opportunities.

Clerk of the Board Goals

- Continue to promote the send agenda feature of Peak that enables constituents to subscribe and get emailed the District’s meeting agendas once they are posted.

Human Resources Goals

- Update and consolidate Human Resources Policies
- Complete a classification study of District positions as well as a comprehensive salary survey.

PERSONNEL SUMMARY

FY24 Physical Count	Classification	FY23 Base FTEs	FY24 Base FTEs	Variance
1	General Manager	1.00	1.00	0.00
1	Chief Administrative Officer	1.00	1.00	0.00
1	Accounting Analyst	1.00	1.00	0.00
1	Administrative Assistant	1.00	1.00	0.00
1	Clerk of the Board	1.00	1.00	0.00
1	Human Resources Specialist	1.00	1.00	0.00
6	Total FTEs	6.00	6.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percent Change
11-3650000-0 CSWRCB RESERVE FUND	\$ 553,361	\$ 553,361	\$ 553,361	\$ 553,361	\$ 553,361	\$ -	0.0%
11-9160000-0 TRANSFER TO FUND 6	467,729	465,512	889,188	889,188	888,250	(938)	-0.1%
11-5030414-3 SALARIES AND WAGES	604,533	684,035	785,662	759,747	851,769	66,107	8.4%
11-5060414-3 BONUS, AWARDS, AND RECERTIFICATION	1,300	2,440	2,800	2,600	2,700	(100)	-3.6%
11-5110414-3 LONGEVITY	1,823	3,185	3,600	3,531	3,600	-	0.0%
11-5070414-3 OVERTIME	4,359	1,179	5,000	24	5,000	-	0.0%
11-5116414-3 FICA AND MEDICARE	44,007	42,806	71,736	47,348	77,677	5,941	8.3%
11-5112414-3 RETIREMENT CONTRIBUTIONS	291,402	65,942	82,778	77,282	99,438	16,660	20.1%
11-5118414-3 UNEMPLOYMENT PAYMENTS	(142)	-	-	-	-	-	0.0%
11-5128414-3 VISION INSURANCE	-	1,589	1,416	1,521	1,404	(12)	-0.8%
11-5122414-3 WORKERS' COMPENSATION	8,483	78,078	81,623	78,878	88,363	6,740	8.3%
11-5124414-3 LIFE INSURANCE	1,186	1,408	1,488	1,567	1,668	180	12.1%
11-5126414-3 HEALTH INSURANCE	90,323	97,148	115,435	115,860	138,636	23,201	20.1%
11-5129414-3 DENTAL INSURANCE	16,999	7,774	7,548	9,257	10,056	2,508	33.2%
11-5132414-3 LONG TERM DISABILITY	1,592	1,966	2,100	2,218	2,352	252	12.0%
11-5554414-3 ACCOUNTING SERVICES	-	78,031	77,771	63,148	81,761	3,990	5.1%
11-5300414-3 COMPREHENSIVE INSURANCE	309,876	329,747	371,193	354,802	437,563	66,370	17.9%
11-5500414-3 CONTRACTS	197,377	409,397	733,252	460,799	707,829	(25,423)	-3.5%
11-5410414-3 COUNTY EXPENSE	20,521	22,186	23,100	30,947	23,100	-	0.0%
11-5225414-3 ELECTION EXPENSE	6,470	-	-	-	-	-	0.0%
11-5552414-3 LEGAL SERVICES	294,241	37,129	40,000	26,600	45,000	5,000	12.5%
11-5555414-3 MEDICAL SERVICES	-	18,653	32,943	10,625	3,843	(29,100)	-88.3%
11-5350414-3 MEMBERSHIPS	34,957	48,168	48,148	67,520	53,153	5,005	10.4%
11-5553414-3 MISC. PROFESSIONAL SERVICES	-	75,515	109,391	81,816	138,483	29,092	26.6%
11-5400414-3 OFFICE SUPPLIES	16,427	16,697	23,500	11,543	23,500	-	0.0%
11-5450414-3 SUPPLIES	10,775	5,306	11,000	3,009	11,000	-	0.0%
11-5545414-3 OPEB HEALTH INSURANCE	-	56,493	81,719	16,782	82,119	400	0.5%
11-5950414-3 OTHER EXPENSES	32,800	8,979	10,000	32,355	20,000	10,000	100.0%
11-5420414-3 PERMITS AND FEES	2,957	325	3,000	-	3,000	-	0.0%
11-5600414-3 PUBLICATIONS	3,673	2,614	3,500	2,149	3,500	-	0.0%
11-5700414-3 REPAIRS AND MAINTENANCE	2,651	15,631	19,375	10,692	19,375	-	0.0%
11-5810414-3 TUITION REIMBURSEMENT	-	4,772	12,000	6,437	12,000	-	0.0%
11-5901414-3 TELEPHONE AND INTERNET	20,911	28,996	30,969	30,170	34,334	3,365	10.9%
11-5800414-3 CONFERENCES AND MEETINGS	25,008	40,927	97,764	25,910	97,764	-	0.0%
11-8680000-0 ADMINISTRATIVE FACILITIES	40,019	22,970	60,000	60,000	55,000	(5,000)	-8.3%
11-5150414-4 DIRECTOR FEE	48,350	-	-	-	-	-	0.0%
11-8660000-0 GENERAL PLANT FACILITIES	46,115	290,419	309,000	675,243	409,000	100,000	32.4%
11-22820000-0 UNFUNDED ACCRUED LIABILITY CALPERS	482,379	-	736,606	736,606	752,121	15,515	0.0%
11-9190000-0 BANK OF AMERICA LOAN	-	-	2,970,422	2,970,422	3,828,748	858,326	0.0%
Total Expenses	\$ 3,682,462	\$ 3,519,377	\$ 8,408,388	\$ 8,219,955	\$ 9,566,467	\$ 1,158,079	13.8%

ADMINISTRATION BUDGET DETAIL

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030414-3 SALARIES AND WAGES		\$ 785,662	\$ 851,769	\$ 66,107
11-5060414-3 BONUS, AWARDS, AND RECERTIFICATION		2,800	2,700	(100)
11-5070414-3 OVERTIME		5,000	5,000	-
11-0000414-3 TOTAL FRINGE BENEFITS		286,101	334,831	48,730
Subtotal		\$ 1,079,563	\$ 1,194,300	\$ 114,737
11-3650000-0 CSWRCB RESERVE FUND				
Principal and Interest Payment for State Revolving Fund (SRF)		\$ 553,361	\$ 553,361	\$ -
Subtotal		\$ 553,361	\$ 553,361	\$ -
11-9160000-0 TRANSFER TO FUND 6				
Principal and Interest Payment for Revenue Refunding Bonds, 2015		\$ 886,688	\$ 885,750	\$ (938)
Annual Administrative Expenses for Revenue Refunding Bonds, 2015		2,500	2,500	-
Subtotal		\$ 889,188	\$ 888,250	\$ (938)
10-2650000-0 BANK OF AMERICA LOAN				
Principal and Interest Payment for Recycled Water Project Phase 1		\$ 2,970,422	\$ 3,828,748	\$ 858,326
Subtotal		\$ 2,970,422	\$ 3,828,748	\$ 858,326
11-5122414-3 WORKERS' COMPENSATION				
Workers Compensation Insurance Premium		\$ 81,623	\$ 88,363	\$ 6,740
Subtotal		\$ 81,623	\$ 88,363	\$ 6,740
11-5554414-3 ACCOUNTING SERVICES				
Annual Audit		\$ 31,105	\$ 31,610	\$ 505
Annual Sewer Service Charge Administration Services (NBS)		18,000	19,800	1,800
Annual Software Support (Blackbaud)		17,502	18,521	1,019
Payroll Processing		5,444	6,000	556
Timekeeping System (CTE)		3,600	3,710	110
Annual Report Submittal To GFOA/CSMFO		1,120	1,120	-
Budget Report Submittal To GFOA/CSMFO		1,000	1,000	-
Subtotal		\$ 77,771	\$ 81,761	\$ 3,990

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5300414-3 COMPREHENSIVE INSURANCE				
	Earthquake Insurance	\$ 202,902	\$ 215,000	\$ 12,098
	Umbrella Business Insurance (e.g., Liability, Auto, and General)	133,798	186,000	52,202
	Environmental Pollution	23,993	25,433	1,440
	Cyber Insurance	10,500	11,130	630
	Subtotal	\$ 371,193	\$ 437,563	\$ 66,370
11-5500414-3 CONTRACTS				
	Plant Security (Superior Protection Consultants)	\$ 134,004	\$ 147,404	\$ 13,400
	Public Relations (e.g., Outreach, Social Media, and Advertising)	117,416	117,416	-
	Federal Advocacy	85,000	90,000	5,000
	State Advocacy	86,071	90,000	3,929
	Grant Assistance	80,000	80,000	-
	Computer Maintenance (Southwest Networks)	41,196	42,987	1,791
	Other IT Support	36,256	36,256	-
	Coachella Valley History Museum	30,000	30,000	-
	Outreach Newsletter	23,392	24,000	608
	General Consulting for Human Resource Training and Development, Benefits, and Legal Compliance	22,278	22,278	-
	Temporary Help Services	9,108	10,000	892
	Services Related to the Shadow Hills and Indio Terrace Assessment Districts (Willdan)	8,911	10,000	1,089
	CalPERS Actuarial Study for GASB 68 Requirements	2,216	2,500	284
	Section 125 Plan	1,604	1,604	-
	CalPERS Health Plan Annual Fee	1,247	1,247	-
	Paper Shredding (Desert Arc)	891	891	-
	Postage Meter Lease (Pitney Bowes)	623	623	-
	CalPERS 218 Fee (Social Security Agreement)	623	623	-
	Sewer Rate and Capacity Fee Study (NBS)	44,557	-	(44,557)
	Backup/Disaster Recovery Storage (Southwest Networks)	7,859	-	(7,859)
	Subtotal	\$ 733,252	\$ 707,829	\$ (25,423)
11-5410414-3 COUNTY EXPENSE				
	County Auditor Fees Special Assessments to the Tax Roll	\$ 11,550	\$ 11,550	\$ -
	County Treasurer Fees for Collection of Special Assessments	\$ 11,550	\$ 11,550	\$ -
	Subtotal	\$ 23,100	\$ 23,100	\$ -

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5552414-3 LEGAL SERVICES				
	Costs Associated with General Legal Counsel	\$ 40,000	\$ 45,000	\$ 5,000
	Subtotal	\$ 40,000	\$ 45,000	\$ 5,000
11-555414-3 MEDICAL SERVICES				
	Medical Exams-DMV & Pre-Employment	\$ 1,243	\$ 1,243	\$ -
	Background Checks	1,000	1,200	200
	First Aid Medical	700	700	-
	Drug/Alcohol Testing Five (5) Employees	500	700	200
	Wellness Program	\$ 29,500	\$ -	\$ (29,500)
	Subtotal	\$ 32,943	\$ 3,843	\$ (29,100)
11-5350414-3 MEMBERSHIPS				
	California Association of Sanitation Agencies (CASA)	\$ 14,000	\$ 18,000	\$ 4,000
	California Special Districts Association (CSDA)	7,805	8,810	1,005
	National Association Clean Water Agency (NACWA)	7,680	7,680	-
	Liebert Cassidy Whitmore (LCW)	5,625	5,625	-
	Southern California Allowance of Publicly Owned Treatment Works (SCAP)	5,100	5,100	-
	WateReuse Membership	3,418	3,418	-
	California Society of Municipal Finance Officers (CSMFO)	800	800	-
	Greater Coachella Valley Chamber of Commerce	760	760	-
	California Public Employer Labor Relations Association (CalPERLA)	740	740	-
	Government Finance Officers Association (GFOA)	480	480	-
	American Water Works Association (AWWA)	300	300	-
	California Clerk of The Board of Supervisors Association (CCBSA)	300	300	-
	California Association of Public Procurement Officials (CAPPO)	225	225	-
	Society for Human Resource Management (SHRM)	219	219	-
	California Water Environment Association (CWEA)	200	200	-
	International Public Management Association for Human Resources (IPMA-HR)	156	156	-
	Professionals In Human Resources Association (PIHRA)	150	150	-
	Palm Springs Desert Sun Subscription	100	100	-
	Municipal Management Association of Southern California (MMASC)	90	90	-
	Subtotal	\$ 48,148	\$ 53,153	\$ 5,005

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5553414-3 MISC. PROFESSIONAL SERVICES				
	Computer Consulting	\$ 70,000	\$ 70,000	\$ -
	OpenGov Procurement	-	15,588	\$ 15,588
	Government Job Listing Service (NeoGov)	8,139	9,770	1,631
	Website Annual Service (CivicPlus)	2,199	7,250	5,051
	AP Automation Software		7,200	7,200
	Office 365 Annual Billing	5,670	5,670	-
	CART Captioning Services for Board Meeting Live Stream	4,800	4,800	-
	Peak Agenda Management (Granicus)	4,305	4,521	216
	Civic Plus	3,500	3,500	-
	Body Temperature Scanner (Turing Video)	3,234	3,234	-
	Board Meeting Software	3,150	3,150	-
	Video Conferencing	3,000	3,000	-
	e skill	450	450	-
	Canva Pro	200	200	-
	Grammarly PRO	144	150	6
	Flipping Book	600	-	(600)
	Subtotal	\$ 109,391	\$ 138,483	\$ 29,092
11-5400414-3 OFFICE SUPPLIES				
	General Office Supplies (e.g., Letterhead, Envelopes, Business Cards, Copy Paper, Binders, Calendars, File Folders, Pens, Pencils)	\$ 17,500	\$ 17,500	\$ -
	Printed Employee Handbook	2,000	2,000	-
	Printed Budget Book	2,000	2,000	-
	Postage	2,000	2,000	-
	Subtotal	\$ 23,500	\$ 23,500	\$ -
11-5450414-3 SUPPLIES				
	Office Software Upgrades	\$ 7,000	\$ 7,000	\$ -
	Computer Supplies-Printer Cartridges and Toner	4,000	4,000	-
	Subtotal	\$ 11,000	\$ 11,000	\$ -
11-5545414-3 OPEB HEALTH INSURANCE				
	OPEB Annual Required Contribution (ARC)	\$ 68,000	\$ 68,000	\$ -
	CalPERS OPEB Health Insurance fees	10,119	10,119	-
	Biennial OPEB Actuarial Study (Due in 2023/2024)	3,600	4,000	400
	Subtotal	\$ 81,719	\$ 82,119	\$ 400
11-5950414-3 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 20,000	\$ 10,000
	Subtotal	\$ 10,000	\$ 20,000	\$ 10,000

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-22820000-0 UNFUNDED ACCRUED LIABILITY CALPERS				
	Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date.	\$ 736,606	\$ 752,121	\$ 15,515
	Subtotal	\$ 736,606	\$ 752,121	\$ 15,515
11-5420414-3 PERMITS AND FEES				
	The Cortese Knox-Hertzberg Local Government Reorganization Act Of 2000 States that Special Districts are Responsible for Paying One-Third of the Cost of LAFCO.	\$ 3,000	\$ 3,000	\$ -
	Subtotal	\$ 3,000	\$ 3,000	\$ -
11-5600414-3 PUBLICATIONS				
	Costs For Publication of Official Notices and Bid Requests in Online Platforms	\$ 3,500	\$ 3,500	\$ -
	Subtotal	\$ 3,500	\$ 3,500	\$ -
11-5700414-3 REPAIRS AND MAINTENANCE				
	Replacement Computers	\$ 12,000	\$ 12,000	\$ -
	Copier II Lease & Maintenance	3,875	3,875	-
	Innovative Document Solutions - Monthly Maintenance Costs For Copier	2,000	2,000	-
	Miscellaneous	1,500	1,500	-
	Subtotal	\$ 19,375	\$ 19,375	\$ -
11-5810414-3 TUITION REIMBURSEMENT				
	Tuition Assistance Program	\$ 12,000	\$ 12,000	\$ -
	Subtotal	\$ 12,000	\$ 12,000	\$ -
11-5901414-3 TELEPHONE AND INTERNET				
	VOIP Main Telephone System (Spectrum)	\$ 14,000	\$ 14,000	\$ -
	Cell Phones Employee (Verizon Wireless)	13,314	13,950	636
	Fire Control Alarms (Frontier)	3,655	3,884	229
	EPIC IPO (Scada Wireless)	-	2,500	2,500
	Subtotal	\$ 30,969	\$ 34,334	\$ 3,365

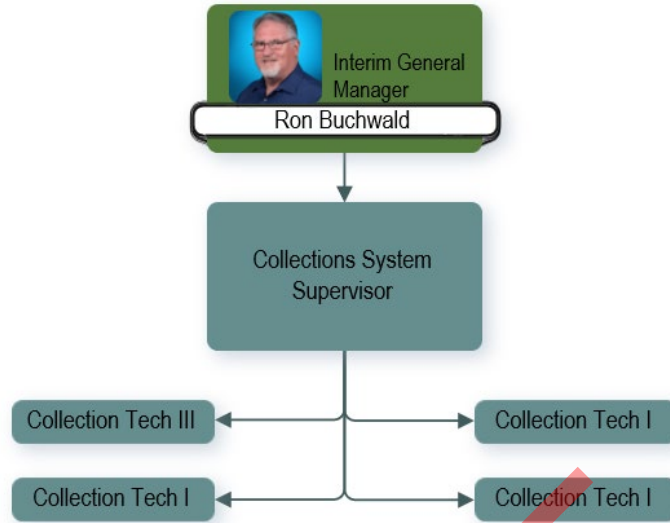
General Ledger Code	FY23 Budget	FY24 Budget	Variance
11-5800414-3 CONFERENCES AND MEETINGS			
Leadership Academy	\$ 25,000	\$ 25,000	\$ -
ARC Flash Training (Electrical Safety)	25,000	25,000	-
Costs Associated with Employee Travel and Training	14,302	14,302	-
Harassment Training	5,000	5,000	-
Confined Space & Temporary Traffic Control	5,000	5,000	-
DFK Solutions Group	4,740	4,740	-
Association of California Water Agencies (ACWA)	4,709	4,709	-
California Association of Sanitation Agencies (CASA)	4,709	4,709	-
Government Finance Officers Association (GFOA) Conference	2,500	2,500	-
CPR Training	2,500	2,500	-
CalPERLA	2,130	2,130	-
Government Finance Officers Association (GFOA)	575	575	-
Fire Extinguisher Training	500	500	-
Procurement Uniform Guidance Training	500	500	-
California Society of Municipal Finance Offices (CSMFO)	400	400	-
Pryor Learning	199	199	-
Subtotal	\$ 97,764	\$ 97,764	\$ -
11-8680000-0 ADMINISTRATIVE FACILITIES			
New Time Keeping System	\$ 30,000	\$ 30,000	\$ -
SCADA Server Replacement (2)	-	25,000	25,000
Procurement Software	30,000	-	(30,000)
Subtotal	\$ 60,000	\$ 55,000	\$ (5,000)
11-8660000-0 GENERAL PLANT FACILITIES			
Water Reuse Project (EVRA JPA)	\$ 200,000	\$ 300,000	\$ 100,000
Coachella Valley Integrated Regional Water Management Plan (IRWMP)	50,000	50,000	-
Salt and Nutrient Management Plan (SNMP)	50,000	50,000	-
Phase 1 Gap Monitoring Well Plan	9,000	9,000	-
Telemetric for District Vehicles	-	-	-
District Building Alarm System Replacement	-	-	-
Subtotal	\$ 309,000	\$ 409,000	\$ 100,000
Total Expense	\$ 8,408,388	\$ 9,566,467	\$ 1,158,079



Wastewater Facility Recycled Water Project Sewer Piping

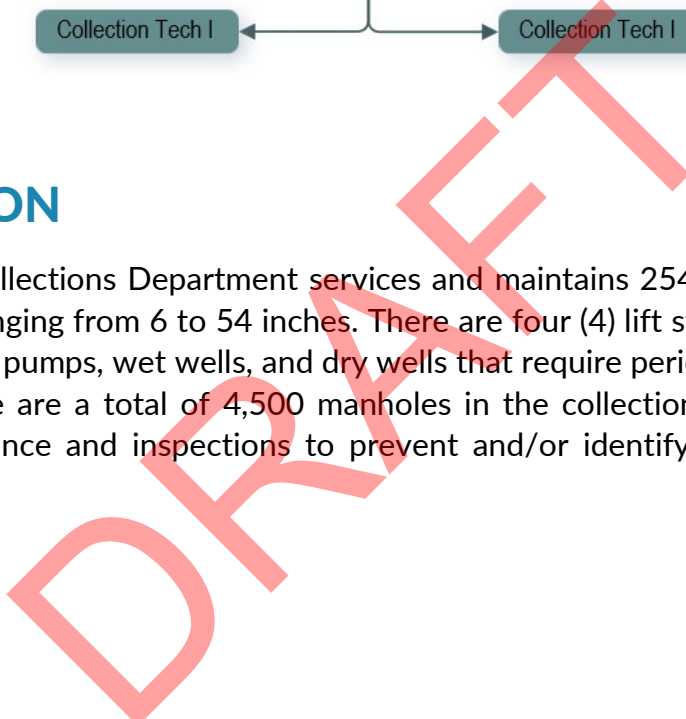
SANITATION COLLECTIONS





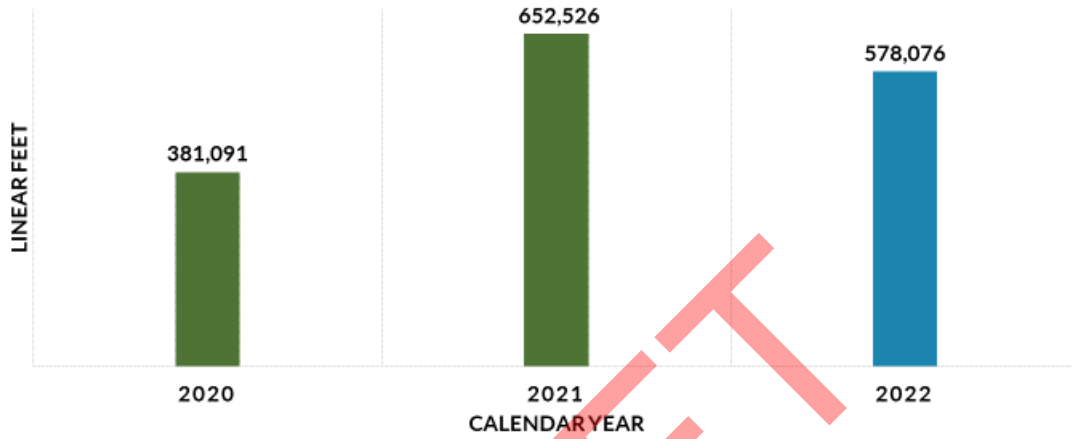
DESCRIPTION

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

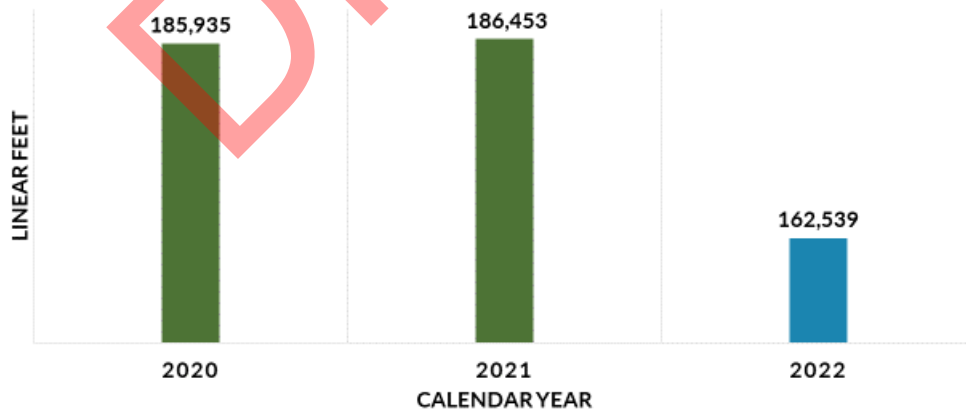


METRICS

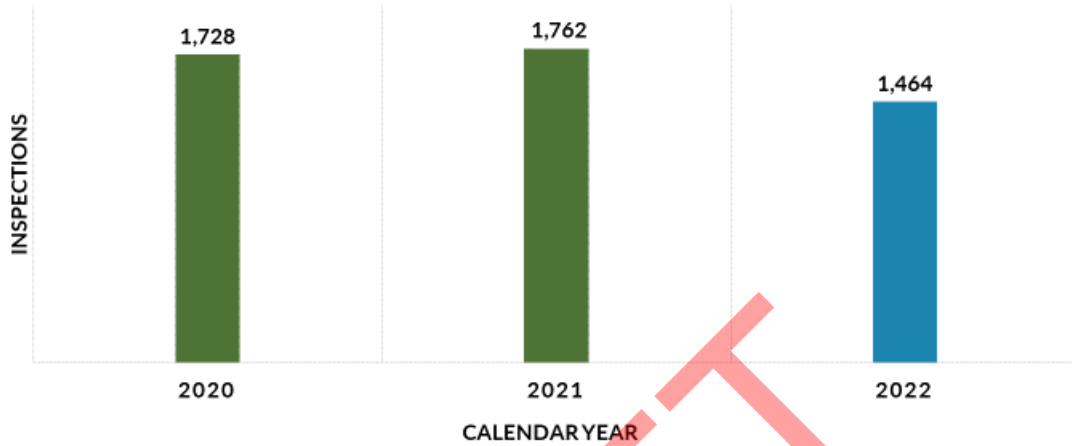
VACTOR/ JETTING OF LINES



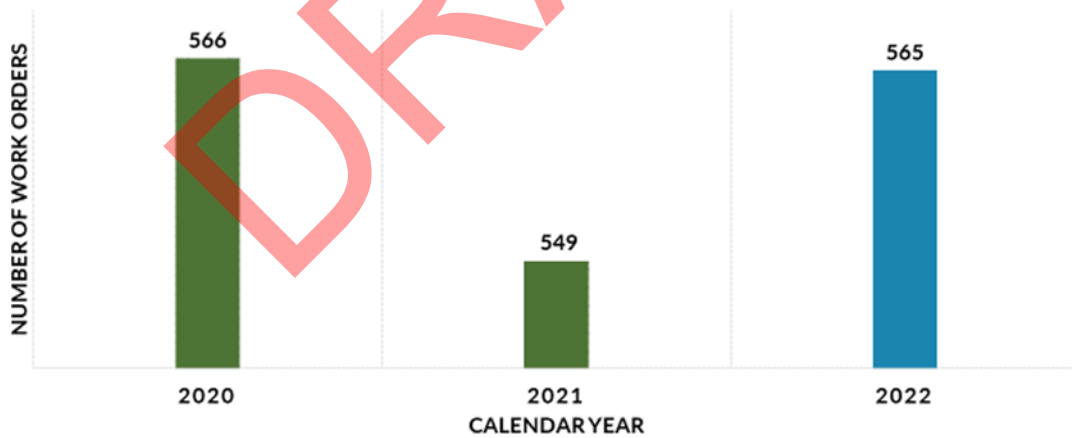
PIPE ASSESSMENT INSPECTION



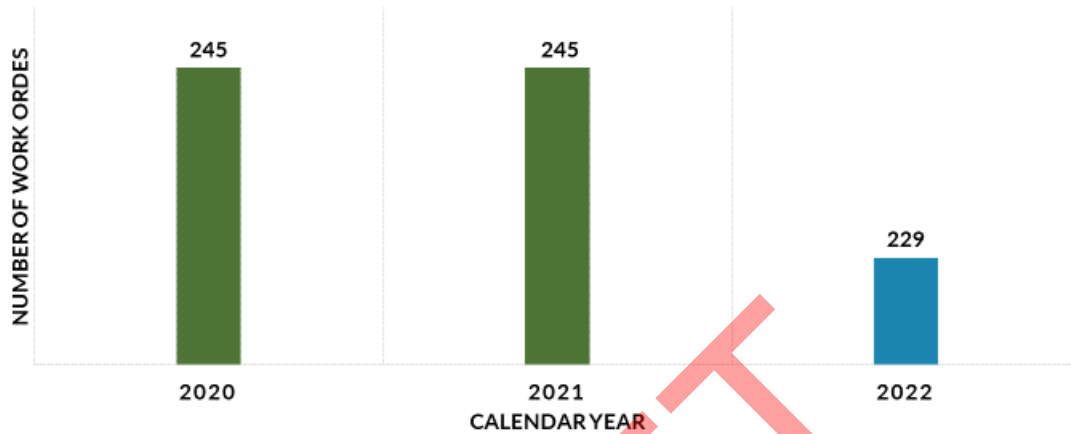
MANHOLES INSPECTED



UNDERGROUND SERVICE ALERT MARKINGS



LIFT STATION MAINTENANCE



FISCAL YEAR 2022/23 ACCOMPLISHMENTS

- Completed the collection system annual pipeline assessment inspection benchmark.
- Assisted with the design and planning of the collections system rehabilitation program.
- Completed an assessment of all lift stations that provided the development of a recommended rehabilitation program.
- Attended workshops for upcoming revisions and adoption of new statewide general waste discharge requirements.
- Team members accomplished acquiring in-vocation certifications.

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 1: Fully Staffed with a Highly Trained and Motivated Team
- GOAL 3: Excellent Facilities
- GOAL 6: Improve Planning, Administration, and Governance

Goals

- Meet or exceed annual sewer main cleaning production of 130 miles per year.
- Meet the 2-year benchmark for cleaning the entire sewer system.
- Meet or exceed annual CCTV production of 30 miles per year.
- Meet the 10-year benchmark of inspecting the entire system.
- Meet and exceed the requirements of the statewide general Waste Discharge Requirements (WDR), Sewer System Management Plan (SSMP) to prevent Sanitary Sewer Overflows (SSO).
- Update the Sewer System Management Plan (SSMP) as required by the newly adopted Statewide general WDR.
- Assist in the design and planning of the collection system rehabilitation program. A 10-year project focusing on lift stations, manholes, and sewer main infrastructure.
- Continue to develop staff through training and professional development.

PERSONNEL SUMMARY

FY24 Physical Count	Classification	FY23 Base FTEs	FY24 Base FTEs	Variance
1	Collection System Supervisor	1.00	1.00	0.00
3	Collection System Technician I	2.00	3.00	1.00
0	Collection System Technician II	2.00	0.00	(2.00)
1	Collection System Technician III	0.00	1.00	1.00
5	Total FTEs	5.00	5.00	(1.00)

EXPENSE BUDGET SUMMARY

General Ledger Code	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percent Change
11-5030410-1 SALARIES AND WAGES	368,024	329,082	382,518	361,758	410,150	27,632	7.2%
11-5060410-1 BONUS, AWARDS, AND RECERTIFICATION	-	1,111	1,250	800	1,250	-	0.0%
11-5080410-1 CALLOUT	2,950	3,232	5,000	5,468	6,000	1,000	20.0%
11-5110410-1 LONGEVITY	2,308	3,969	5,200	4,708	4,800	(400)	-7.7%
11-5070410-1 OVERTIME	697	509	1,600	326	1,600	-	-
11-5090410-1 STANDBY PAY	18,794	30,885	41,216	40,605	44,892	3,676	8.9%
11-5116410-1 FICA AND MEDICARE	13,886	28,306	39,311	32,574	42,093	2,782	7.1%
11-5112410-1 RETIREMENT CONTRIBUTIONS	493,724	29,278	40,900	32,159	47,818	6,918	16.9%
11-5128410-1 VISION INSURANCE	-	1,153	1,392	1,181	1,344	(48)	-3.4%
11-5122410-1 WORKERS' COMPENSATION	8,723	-	-	-	-	-	-
11-5124410-1 LIFE INSURANCE	785	787	912	808	984	72	7.9%
11-5126410-1 HEALTH INSURANCE	84,940	86,735	110,153	99,196	114,732	4,579	4.2%
11-5129410-1 DENTAL INSURANCE	7,082	6,636	8,448	7,043	9,048	600	7.1%
11-5132410-1 LONG TERM DISABILITY	1,108	1,067	1,248	1,157	1,392	144	11.5%
11-5801410-1 CERTIFICATIONS	2,716	3,707	5,120	2,460	5,120	-	0.0%
11-5500410-1 CONTRACTS	74,767	80,337	112,583	8,366	115,220	2,637	2.3%
11-5350410-1 MEMBERSHIPS	1,647	1,483	2,050	1,492	2,050	-	0.0%
11-5450410-1 SUPPLIES	5,400	3,688	5,000	6,109	5,000	-	-
11-5950410-1 OTHER EXPENSES	3,129	-	10,000	-	10,000	-	-
11-5420410-1 PERMITS AND FEES	16,998	18,975	23,600	21,757	24,200	600	2.5%
11-5700410-1 REPAIRS AND MAINTENANCE	51,484	137,947	154,500	89,297	159,000	4,500	2.9%
11-5720410-1 TOOLS AND EQUIPMENT	292	1,619	2,000	1,089	2,000	-	-
11-5152410-1 UNIFORM SERVICES	6,798	5,126	5,700	4,146	5,700	-	0.0%
11-5902410-1 ELECTRICITY	4,429	5,264	6,000	7,050	9,000	3,000	50.0%
11-5905410-1 WATER	5,849	6,776	7,500	7,129	8,000	500	6.7%
11-5800410-1 CONFERENCES AND MEETINGS	7,327	3,815	10,000	3,924	10,000	-	-
Total Expenses	\$ 1,183,857	\$ 791,488	\$ 983,201	\$ 740,602	\$ 1,041,393	\$ 58,192	5.9%

SANITATION COLLECTIONS BUDGET DETAIL

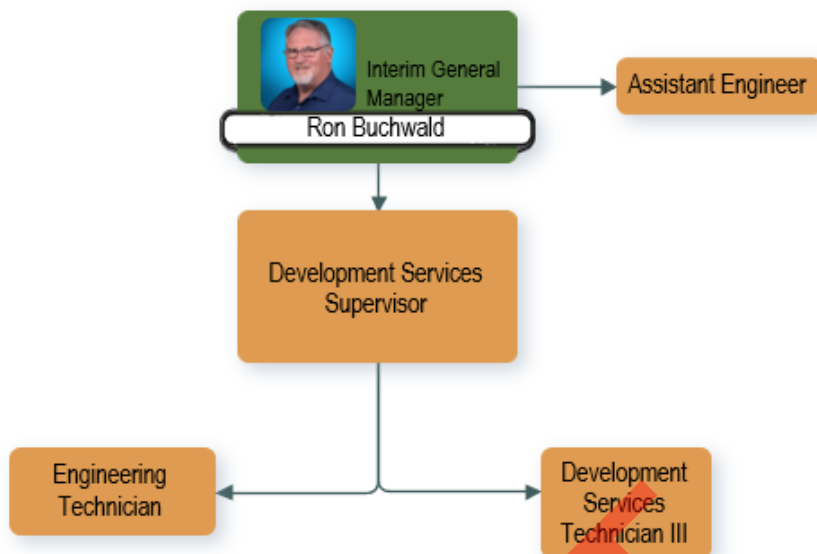
General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030410-1 SALARIES AND WAGES		\$ 382,518	\$ 410,150	\$ 27,632
11-5060410-1 BONUS, AWARDS, AND RECERTIFICATION		1,250	1,250	-
11-5080410-1 CALLOUT		5,000	6,000	1,000
11-5070410-1 OVERTIME		1,600	1,600	-
11-5090410-1 STANDBY PAY		41,216	44,892	3,676
11-0000410-1 TOTAL FRINGE BENEFITS		207,564	222,211	14,647
Subtotal		\$ 639,148	\$ 686,103	\$ 46,955
11-5801410-1 CERTIFICATIONS				
	Pipe Assessment Certification Program (PACP) for Two (2) Employees	\$ 3,000	\$ 3,000	\$ -
	California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)	1,400	1,400	-
	CWEA Technical Certification Programs Collection System Technician I and III (5)	600	600	-
	CWEA Technical Certification Programs Collection System Supervisor	120	120	-
Subtotal		\$ 5,120	\$ 5,120	\$ -
11-5500410-1 CONTRACTS				
	Roach Control Program (Golden Bell)	\$ 51,300	\$ 53,320	\$ 2,020
	Emergency Contingency Service (Rain for Rent)	16,383	16,500	117
	Root Control Program (Duke's Root Control)	15,000	15,000	-
	Emergency Response Consultant	10,000	10,000	-
	ERICA Radio Member Fee (City of Indio)	6,000	6,000	-
	Dig Alerts and Board Fees (Underground Dig Alert)	4,000	4,000	-
	Annual Monitoring Fee/Pump Stations (2 yr Service Discount Rate)	3,500	3,500	-
	Software Support Fee (Pipelogix)	3,000	3,000	-
	After Hours Answering Service (Around the Clock)	2,000	2,500	500
	Miscellaneous Contractual Services	1,000	1,000	-
	Wireless Beepers (SPOK)	400	400	-
Subtotal		\$ 112,583	\$ 115,220	\$ 2,637

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5350410-1 MEMBERSHIPS				
	CWEA Membership Renewal	\$ 1,650	\$ 1,650	\$ -
	National Association of Sewer Service Companies; Updates New Criteria Related to PACP Inspection Standards	400	400	-
	Subtotal	\$ 2,050	\$ 2,050	\$ -
11-5450410-1 SUPPLIES				
	Traffic Control Signs/Cones/Safety Equipment	\$ 3,000	\$ 3,000	\$ -
	Miscellaneous Supplies	2,000	2,000	-
	Subtotal	\$ 5,000	\$ 5,000	\$ -
11-5950410-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
				\$ -
11-5420410-1 PERMITS AND FEES				
	State General Waste Discharge Annual Permit Fee (SWRCB)	\$ 21,000	\$ 21,000	\$ -
	Annual Encroachment Permit (City Of Indio)	1,600	2,200	600
	Miscellaneous Permits and/or Fees	1,000	1,000	-
	Subtotal	\$ 23,600	\$ 24,200	\$ 600
11-5700410-1 REPAIRS AND MAINTENANCE				
	Vactor Parts/Repairs/Planned Expenditures	\$ 80,500	\$ 80,500	\$ -
	Mainline Repair	20,000	20,000	-
	TV Van Parts and Repair	16,500	16,500	-
	Manhole Covers	15,000	15,000	-
	Pump Station Repairs And Parts	12,000	12,000	-
	Equipment Rentals	8,500	13,000	4,500
	Equipment Repairs	2,000	2,000	-
	Subtotal	\$ 154,500	\$ 159,000	\$ 4,500

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5720410-1 TOOLS AND EQUIPMENT				
	Miscellaneous Small Tool Acquisition and Replacement	\$ 2,000	\$ 2,000	\$ -
	Subtotal	\$ 2,000	\$ 2,000	\$ -
11-5152410-1 UNIFORM SERVICES				
	Uniforms-Five (5) Employees (Cintas)	\$ 2,700	\$ 2,700	\$ -
	PPE Gloves/Clothing/Gear	1,500	1,500	-
	Boots-Five (5) Employees	1,500	1,500	-
	Subtotal	\$ 5,700	\$ 5,700	\$ -
11-5902410-1 ELECTRICITY				
	Imperial Irrigation District (IID)	\$ 6,000	\$ 9,000	\$ 3,000
	Subtotal	\$ 6,000	\$ 9,000	\$ 3,000
11-5905410-1 WATER				
	Hydrant Water (Indio Water Authority)	\$ 7,500	\$ 8,000	\$ 500
	Subtotal	\$ 7,500	\$ 8,000	\$ 500
11-5800410-1 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
				-
	Total Expenses	\$ 983,201	\$ 1,041,393	\$ 58,192

ENGINEERING





DESCRIPTION

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

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

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

METRICS

DEVELOPMENT SERVICES TASKS

	FY21	FY22	FY23
New Projects	32	56	42
Projects Permitted	37	28	35
Projects Finaled	31	28	40
Single Family Finaled	208	160	285
Development Review Comments	31	16	20
Request for Sewer location	19	15	50

FISCAL YEAR 2022/23 ACCOMPLISHMENTS

- Provided a high-quality and customer-friendly plan check process.
- Provided high-quality and developer-friendly inspection services.
- Returned plan check comments within 30 days.
- Completed new employee training for the Engineering Technician position.
- Commenced Phase 1 of the Recycled water project.

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 1: Fully Staffed with a Highly Trained and Motivated Team
- GOAL 3: Excellent Facilities
- GOAL 4: Increase Community Understanding and Support
- GOAL 6: Improve Planning, Administration, and Governance

Goals

- To provide a high-quality and customer-friendly plan check process.
- To provide high-quality and developer-friendly inspection services.
- To return plan check comments within 30 days.

- To coach employees within the department to become fully trained and capable of helping each other in their job duties.
- Continue to develop leadership within the department through coaching and training.

PERSONNEL SUMMARY

FY24 Physical Count	Classification	FY23	FY24	Variance
		Base FTEs	Base FTEs	
1	District Engineer	1.00	1.00	0.00
1	Assistant Engineer	1.00	1.00	0.00
1	Development Services Supervisor	1.00	1.00	0.00
1	Development Services Technician III	1.00	1.00	0.00
1	Engineering Technician	1.00	1.00	0.00
5	Total FTEs	5.00	5.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percent Change
11-5030414-1 SALARIES AND WAGES	\$ 485,492	\$ 534,496	\$ 612,551	\$ 640,545	\$ 673,223	\$ 60,672	9.9%
11-5060414-1 BONUS, AWARDS, AND RECERTIFICATION	-	1,072	1,250	1,000	1,250	-	0.0%
11-5070414-1 OVERTIME	-	40	1,000	278	1,000	-	-
11-5110414-1 LONGEVITY	5,769	6,600	7,500	7,061	9,500	2,000	26.7%
11-5116414-1 FICA AND MEDICARE	46,951	38,228	56,007	44,231	61,648	5,641	10.1%
11-5112414-1 RETIREMENT CONTRIBUTIONS	61,221	55,900	68,485	66,683	84,180	15,695	22.9%
11-5128414-1 VISION INSURANCE	-	792	932	896	933	1	0.1%
11-5122414-1 WORKERS' COMPENSATION	1,789	-	-	-	-	-	-
11-5124414-1 LIFE INSURANCE	1,000	1,129	1,248	1,330	1,452	204	16.3%
11-5126414-1 HEALTH INSURANCE	27,183	37,235	51,774	51,436	56,328	4,554	8.8%
11-5129414-1 DENTAL INSURANCE	2,822	3,819	4,896	4,947	5,844	948	19.4%
11-5132414-1 LONG TERM DISABILITY	1,469	1,637	1,800	1,896	2,028	228	12.7%
11-5801414-1 CERTIFICATIONS	-	96	3,870	315	3,870	-	0.0%
11-5500414-1 CONTRACTS	-	3,178	4,000	5,851	4,000	-	0.0%
11-5350414-1 MEMBERSHIPS	-	600	1,200	909	1,200	-	-
11-5950414-1 OTHER EXPENSES	-	-	-	135	-	-	-
11-5420414-1 PERMITS AND FEES	-	-	1,000	-	1,000	-	-
11-5720414-1 TOOLS AND EQUIPMENT	-	-	1,000	-	1,000	-	-
11-5152414-1 UNIFORM SERVICES	-	2,499	4,700	1,811	4,700	-	-
11-5800414-1 CONFERENCES AND MEETINGS	-	4,116	6,761	5,619	6,761	-	0.0%
Total Expenses	\$ 633,696	\$ 691,437	\$ 829,974	\$ 834,944	\$ 919,917	\$ 89,943	10.8%

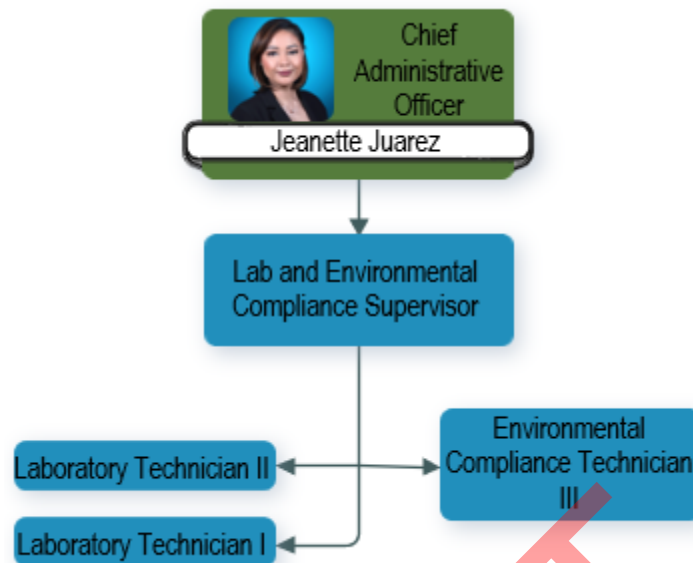
ENGINEERING BUDGET DETAIL

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030414-1 SALARIES AND WAGES		\$ 612,551	\$ 673,223	\$ 60,672
11-5060414-1 BONUS, AWARDS, AND RECERTIFICATION		1,250	1,250	-
11-5080414-1 CALLOUT		-	-	-
11-5070414-1 OVERTIME		1,000	1,000	-
11-5090414-1 STANDBY PAY		-	-	-
11-0000414-1 TOTAL FRINGE BENEFITS		192,642	221,913	29,271
Subtotal		\$ 807,443	\$ 897,386	\$ 89,943
11-5801414-1 CERTIFICATIONS				
Pipe Assessment Certification Program (PACP) for Two (2)		\$ 2,400	\$ 2,400	\$ -
California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)		450	450	-
American Water Works Association (AWWA) Grade D4/T3		300	300	-
State Water Resource Control Board (SWRCB) Operator Certification Programs Operator TI		170	170	-
SWRCB Board Operator Certification Programs Operator DI		170	170	-
Professional Engineer (PE) (District Engineer and Associate		150	150	-
CWEA Technical Certification Programs Development Services Supervisor (CST IV)		120	120	-
CWEA Technical Certification Programs Development Service Technician III (CST II)		110	110	-
Subtotal		\$ 3,870	\$ 3,870	\$ -
11-5500414-1 CONTRACTS				
ESRI ARCVIEW 10.0 Annual Renewal		\$ 3,000	\$ 3,000	\$ -
Autocad Annual Maintenance and Helpdesk		1,000	1,000	-
Subtotal		\$ 4,000	\$ 4,000	\$ -

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5350414-1 MEMBERSHIPS				
	California Water Environment Association (CWEA) Membership Renewal	\$ 1,200	\$ 1,200	\$ -
	Subtotal	\$ 1,200	\$ 1,200	\$ -
11-5420414-1 PERMITS AND FEES				
	Miscellaneous Permits and/or Fees	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5720414-1 TOOLS AND EQUIPMENT				
	Small Tool Acquisition and Replacement	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5152414-1 UNIFORM SERVICES				
	Uniforms-Three (4) employees (Cintas)	\$ 2,700	\$ 2,700	\$ -
	Boots-Three (4) Employees	1,000	1,000	-
	Gloves	1,000	1,000	-
	Subtotal	\$ 4,700	\$ 4,700	\$ -
11-5800414-1 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 6,761	\$ 6,761	\$ -
	Subtotal	\$ 6,761	\$ 6,761	\$ -
	Total Expenses	\$ 829,974	\$ 919,917	\$ 89,943

ENVIRONMENTAL COMPLIANCE AND LAB





DESCRIPTION

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

LABORATORY

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

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

Trains District staff to perform sample collection and water quality analysis.

PRETREATMENT

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

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

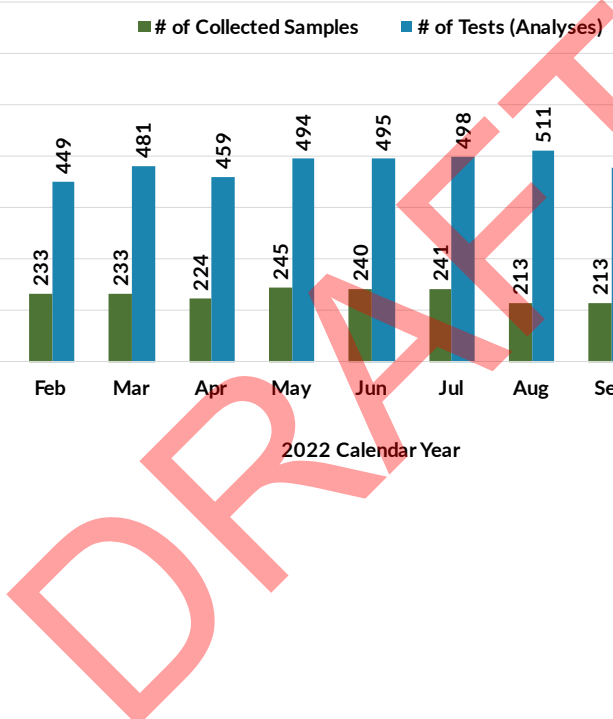
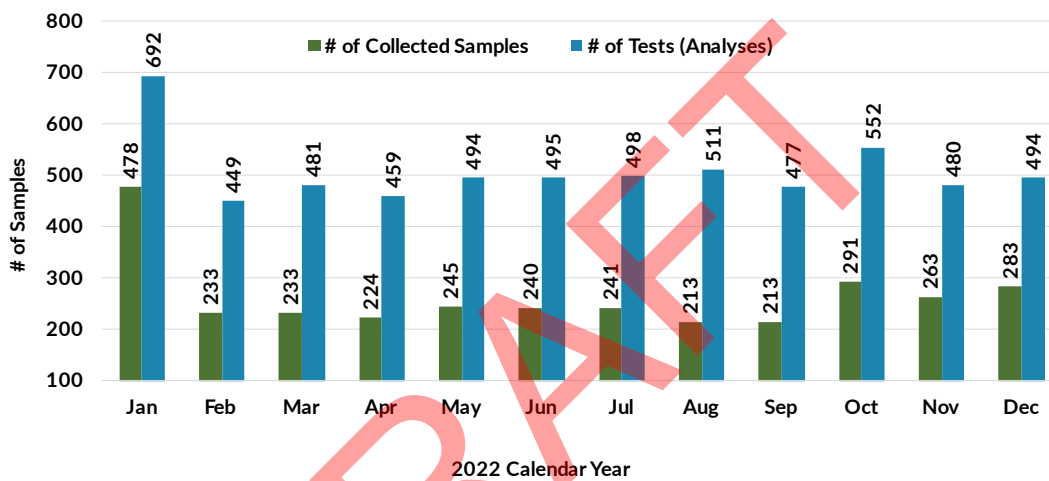
Inspects manufacturing processes as sources of industrial waste and their effects on wastewater treatment processes by monitoring sample handling and preservation, field

testing equipment and procedures, and documentation of the sample chain of custody (COC).

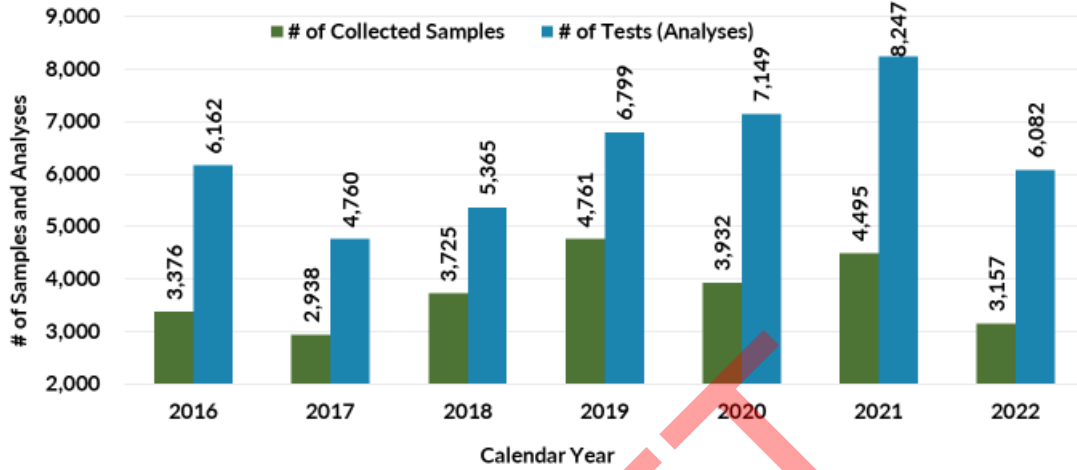
METRICS

LABORATORY

LABORATORY SAMPLE WORKLOAD



LABORATORY WORKLOAD

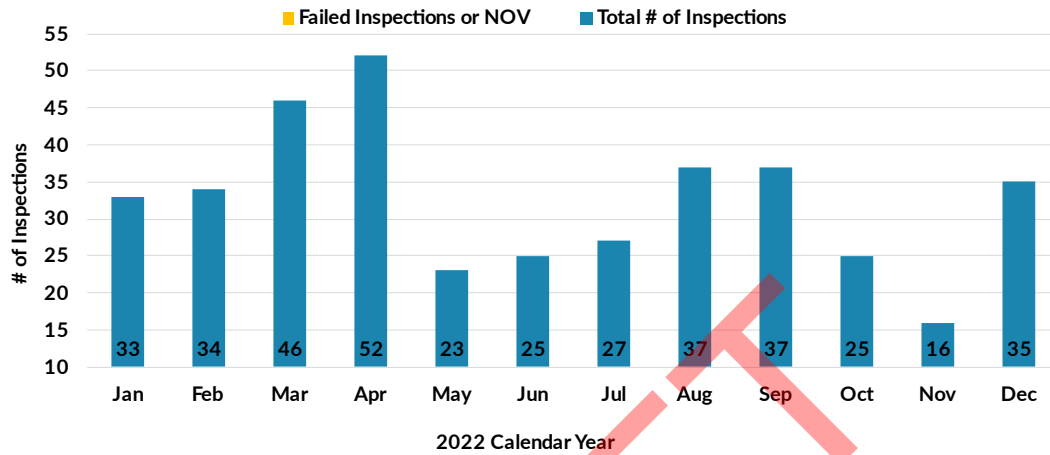


LABORATORY TASKS CY22

Laboratory	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD
# of Collected Samples	478	233	233	224	245	240	241	213	213	291	263	283	3,157
# of Tests (Analyses)	692	449	481	459	494	495	498	511	477	552	480	494	6,082
# of Samples sent to Contract Labs	41	21	13	17	19	31	30	33	26	42	40	44	357
# of Contracted Tests (Analyses)	79	46	19	31	49	63	78	58	58	73	73	75	702
% of Samples performed In-House	91.4%	91.0%	94.4%	92.4%	92.2%	87.1%	87.6%	84.5%	87.8%	85.6%	84.8%	84.5%	88.6%

PRETREATMENT

PRETREATMENT INSPECTIONS



PRETREATMENT WORKLOAD



PRETREATMENT TASKS CY22

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD
Pretreatment Customer Service Calls	5	6	11	8	5	3	9	14	8	8	10	12	99
Commercial Approval Letters	0	1	1	2	0	2	1	4	1	1	2	0	15
Change of Ownership Inspection	1	1	0	1	0	0	0	2	0	1	2	0	8
SIJ Permit Compliance	3	3	4	7	4	5	4	3	3	3	3	3	45
FOG-FSE Inspections Completed	23	24	25	17	8	10	15	6	22	14	8	25	197
Commercial Inspections Completed	4	6	16	27	9	9	6	25	8	5	3	3	121
Environmental & Collections investigations	3	1	1	1	2	1	2	3	4	3	2	4	27
Failed Inspections or NOV	0	0	0	0	0	0	0	0	0	0	0	0	0
Total # of Inspections	33	34	46	52	23	25	27	37	37	25	16	35	390

FISCAL YEAR 2022/23 ACCOMPLISHMENTS

Laboratory

- Participant in stipend funded, Stanford-Emory Collaboration with Verily Life Sciences for increased Wastewater Based Epidemiology. Surveillance includes: Covid-19, Monkeypox (Mpox), Influenza A and B, Respiratory Syncytial Virus (RSV), Human Metapneumovirus (hMPV), Norovirus
- Continued participation in CDC – National Wastewater Surveillance Survey (NWSS) Program for Covid-19 and Monkeypox (Mpox) surveillance.
- Completed acquisition of LIMS, RFP awarded to Promium, LLC.
- Increased laboratory staffing with an additional laboratory technician, staffing now includes 1 Laboratory Supervisor and 2 Laboratory Technicians to handle the unexpected and assist with succession planning.

Pretreatment

- Update the Sewer Use Ordinance (SUO), Enforcement Response Plan (ERP) and Local Limit documents to maintain NPDES State regulatory compliance.
- Improved Key Performance Indicator (KPI) metrics to evaluate the successes of the division.
- Presentations at Career Day events given at two (2) Middle Schools in Indio and La Quinta

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 1: Fully Staffed with a Highly Trained and Motivated Team
- GOAL 6: Improve Planning, Administration, and Governance

Laboratory Goals

- Complete onsite assessment and renewal of laboratory accreditation per new State Board Environmental Laboratory Accreditation Program (ELAP) regulations
- Complete installation and configuration of the new Laboratory Information Management System (LIMS)
- Review 10% of operating procedures, policies, and documents and update as needed.

Pretreatment Goals

- Update Significant Industrial User (SIU) permits to reflect the updates to the Sewer Use Ordinance (SUO), Enforcement Response Plan (ERP) and Local Limit documents to maintain NPDES State regulatory compliance.
- Review 10% of operating procedures, policies, and documents and update as needed.
- Train interdepartmental personnel to prepare for unexpected events, timely completion of tasks and projects, and succession planning.

PERSONNEL SUMMARY

FY24		FY23	FY24	
Physical Count	Classification	Base FTEs	Base FTEs	Variance
1	Environmental Compliance Technician III	1.00	1.00	0.00
1	Laboratory and Environmental Compliance Supervisor	1.00	1.00	0.00
1	Laboratory Technician I	1.00	1.00	0.00
1	Laboratory Technician II	1.00	1.00	0.00
4	Total FTEs	4.00	4.00	0.00

EXPENSE BUDGET SUMMARY

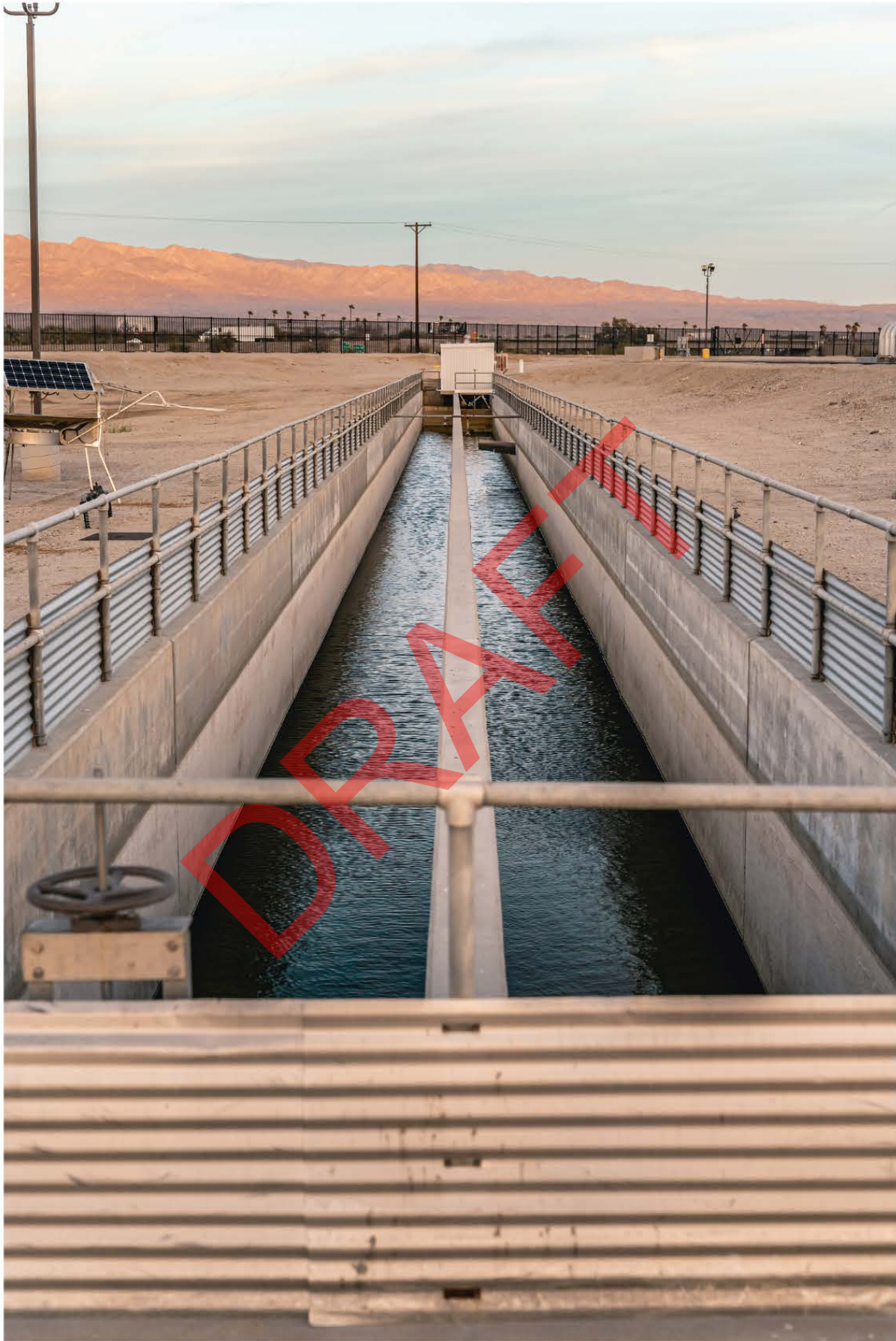
General Ledger Code	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percent Change
11-5030414-2 SALARIES AND WAGES	\$ 208,272	\$ 245,233	\$ 289,422	\$ 249,299	\$ 390,097	\$ 100,675	34.8%
11-5060414-2 BONUS, AWARDS, AND RECERTIFICATION	-	570	750	800	1,000	250	33.3%
11-5080414-2 CALLOUT	560	-	-	-	-	-	-
11-5110414-2 LONGEVITY	1,108	738	1,200	1,177	1,200	-	-
11-5070414-2 OVERTIME	469	186	2,500	645	2,500	-	0.0%
11-5090414-2 STANDBY PAY	1,840	-	-	-	-	-	-
11-5116414-2 FICA AND MEDICARE	20,269	17,013	26,448	19,819	35,532	9,084	34.3%
11-5112414-2 RETIREMENT CONTRIBUTIONS	18,974	15,102	22,552	19,672	31,304	8,752	38.8%
11-5128414-2 VISION INSURANCE	-	494	612	654	840	228	37.3%
11-5122414-2 WORKERS' COMPENSATION	6,089	-	-	-	-	-	-
11-5124414-2 LIFE INSURANCE	552	503	648	688	924	276	42.6%
11-5126414-2 HEALTH INSURANCE	31,196	26,957	45,840	46,674	67,092	21,252	46.4%
11-5129414-2 DENTAL INSURANCE	2,976	2,499	3,576	3,915	5,304	1,728	48.3%
11-5132414-2 LONG TERM DISABILITY	756	698	924	946	1,308	384	41.6%
11-5801414-2 CERTIFICATIONS	283	501	1,350	519	1,510	160	11.9%
11-5500414-2 CONTRACTS	9,096	69,978	87,600	54,276	40,300	(47,300)	-54.0%
11-5350414-2 MEMBERSHIPS	4,828	2,084	3,100	1,404	2,275	(825)	(0.27)
11-5450414-2 SUPPLIES	25,091	36,756	45,806	26,820	29,300	(16,506)	-36.0%
11-5950414-2 OTHER EXPENSES	611	-	10,000	68	10,000	-	-
11-5420414-2 PERMITS AND FEES	5,902	4,848	11,200	7,377	10,000	(1,200)	-10.7%
11-5700414-2 REPAIRS AND MAINTENANCE	11,443	21,402	20,000	4,971	20,000	-	0.0%
11-5750414-2 RESEARCH AND MONITORING	54,698	68,056	97,000	72,622	101,500	4,500	4.6%
11-5720414-2 TOOLS AND EQUIPMENT	4,020	2,722	8,000	165	10,000	2,000	0.25
11-5152414-2 UNIFORM SERVICES	2,650	3,457	5,400	2,491	3,863	(1,537)	-28.5%
11-5800414-2 CONFERENCES AND MEETINGS	2,937	1,531	6,000	4,317	8,000	2,000	33.3%
Total Expenses	\$ 414,620	\$ 521,327	\$ 689,928	\$ 519,319	\$ 773,849	\$ 83,921	12.2%

ENVIRONMENTAL COMPLIANCE BUDGET DETAIL

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030414-2 SALARIES AND WAGES		\$ 289,422	\$ 390,097	\$ 100,675
11-5060414-2 BONUS, AWARDS, AND RECERTIFICATION		750	1,000	250
11-5070414-2 OVERTIME		2,500	2,500	-
11-0000414-2 TOTAL FRINGE BENEFITS		101,800	143,504	41,704
Subtotal		\$ 394,472	\$ 537,101	\$ 142,629
11-5801414-2 CERTIFICATIONS				
	California Water Environment Association (CWEA) Allowance for Advancement (Certification Testing)	\$ 800	\$ 920	\$ 120
	State Water Resources Control Board (SWRCB) Wastewater Operator V	150	150	-
	CWEA Lab Analyst (Supervisor)	100	110	10
	CWEA Lab Analyst (Lab)	100	110	10
	CWEA Lab Analyst (Lab)	100	110	10
	Environmental Compliance Inspector	100	110	10
	Subtotal	\$ 1,350	\$ 1,510	\$ 160
11-5500414-2 CONTRACTS				
	Laboratory Information Management System (LIMS) Annual Support	\$ -	\$ 18,000	\$ 18,000
	Third Party Assessor Authority (TPAA) for On-Site Assessment (OSAs)	5,000	7,000	2,000
	Information Management System (IMS) Annual Support	6,000	5,500	(500)
	Hazardous Waste Disposal	1,000	5,000	4,000
	Calibration/Replacement of Class I Scale Weights	1,300	1,300	-
	Scale Calibration Service (2 Balances)	500	1,300	800
	Calibration/Certification of Fume Hood	1,000	1,200	200
	Calibration of NIST Certified Thermometer	500	1,000	500
	National Pollutant Discharge Elimination System (NPDES) Permit Implementation Consulting Services	37,300	-	(37,300)
	Temporary Laboratory Analyst (4 month assignment)	35,000	-	(35,000)
	Subtotal	\$ 87,600	\$ 40,300	\$ (47,300)

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5350414-2 MEMBERSHIPS				
	Coalition of Accredited Laboratories (CAL)	\$ 2,000	\$ 1,000	\$ (1,000)
	California Water Environment Association (CWEA) Membership Renewal	600	775	175
	Water Environment Federation	400	400	-
	TNI (NELAC) Association	100	100	-
	Subtotal	\$ 3,100	\$ 2,275	\$ (825)
11-5450414-2 SUPPLIES				
	Laboratory Chemicals, Reagents, Detergents, Filters, Glassware, Instrument Batteries, Dissolved Oxygen (DO) Probe Modules, Buffers, Storage Solutions, Medias, Quality Controls and Miscellaneous Supplies	\$ 18,806	\$ 18,800	\$ (6)
	Distilled Water for Laboratory	5,000	4,000	(1,000)
	Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, etc.	2,000	3,000	1,000
	Outreach Materials for Distribution for Public Relations Efforts	1,600	2,000	400
	Office supplies (i.e. Computer, Printer, etc.)	1,500	1,500	-
	Field Ammonia Sensors and DO Sensor Probe Replacements	16,900	-	(16,900)
	Subtotal	\$ 45,806	\$ 29,300	\$ (16,506)
11-5950414-2 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 10,000	\$ -
	Subtotal	\$ 10,000	\$ 10,000	\$ -
11-5420414-2 PERMITS AND FEES				
	Environmental Laboratory Certification Program (ELAP) + Onsite Assessment (OSA)	\$ 10,000	\$ 8,500	\$ (1,500)
	Quality Assurance Proficiency Testing Required by the Health and Safety Code §100870	1,000	1,300	300
	Contingency	200	200	-
	Subtotal	\$ 11,200	\$ 10,000	\$ (1,200)

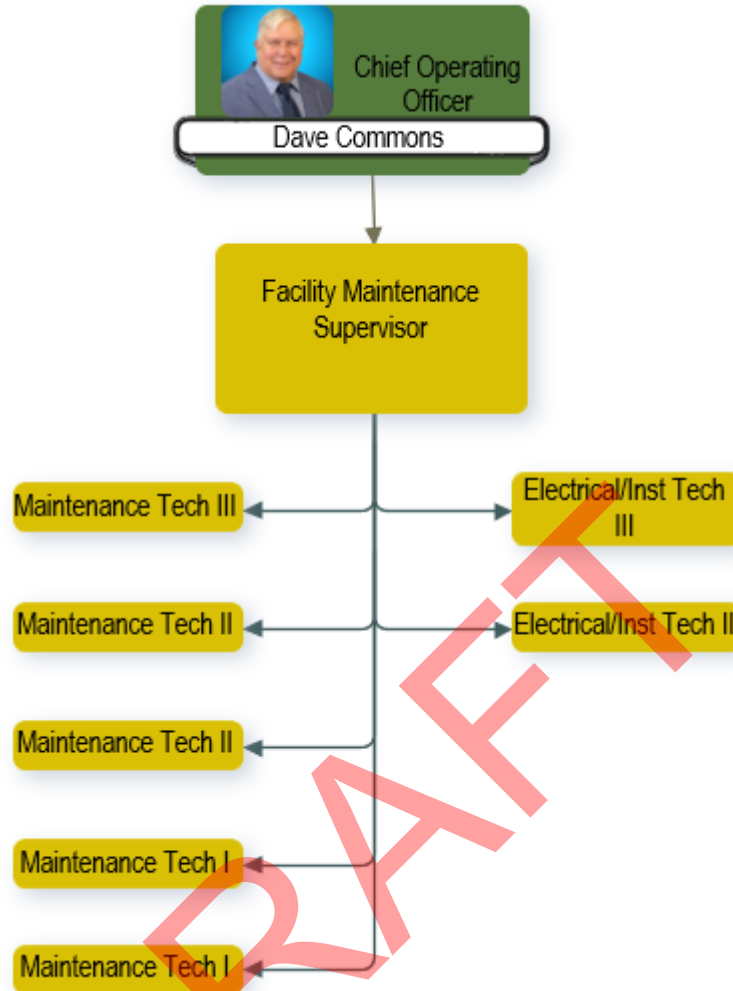
General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5700414-2 REPAIRS AND MAINTENANCE				
	Laboratory Instrument Replacement	\$ 10,000	\$ 10,000	\$ -
	Contingency for Instrument Repairs and Maintenance	5,000	5,000	-
	Meter and Probe Replacement	5,000	5,000	-
	Subtotal	\$ 20,000	\$ 20,000	\$ -
11-5750414-2 RESEARCH AND MONITORING				
	Contingency for Two (2) Toxicity Identification Evaluation Ph. I, Ph. II and III Base Line, Estimated Ten (10) Accelerated Monitoring of Bioassays, and Grit/Screening Samples	\$ 35,000	\$ 35,000	\$ -
	Additional Testing - Laboratory Reserve	10,000	20,000	10,000
	Monthly EFF-001C Plant Effluent Testing	15,000	15,000	-
	Delivery for Lab Samples (Courier Service)	10,000	10,000	-
	Biosolids Testing for Sludge 12 Samples	10,000	8,000	(2,000)
	Bioassay Monitoring (Nautilus Environmental)	5,000	5,000	-
	California Toxics Rule (CTR) Annually	5,000	3,500	(1,500)
	Pretreatment IU Sampling Requirements	5,000	3,000	(2,000)
	Quarterly Testing (RSW-002, EFF-001C, INF)	2,000	2,000	-
	Subtotal	\$ 97,000	\$ 101,500	\$ 4,500
11-5720414-2 TOOLS AND EQUIPMENT				
	Composite Sampler Supplies	\$ 5,000	\$ 6,000	\$ 1,000
	Sampling Bottles	2,000	3,000	1,000
	Sampling Equipment Acquisition and Replacement	1,000	1,000	-
	Subtotal	\$ 8,000	\$ 10,000	\$ 2,000
11-5152414-2 UNIFORM SERVICES				
	Uniforms-Four (4) Employees (Cintas)	\$ 4,000	\$ 2,463	\$ (1,537)
	Boots-Four (4) Employees	1,000	1,000	-
	Gloves, Ear Plugs, Safety Items-Four (4) Employees	400	400	-
	Subtotal	\$ 5,400	\$ 3,863	\$ (1,537)
11-5800414-2 CONFERENCES AND MEETINGS				
	Travel Expenses for Conferences and Training Seminars, Registration Fees, Meals, Lodging and Related Expenses	\$ 6,000	\$ 8,000	\$ 2,000
	Subtotal	\$ 6,000	\$ 8,000	\$ 2,000
	Total Expenses	\$ 689,928	\$ 773,849	\$ 83,921



Wastewater Facility Pond Contact Chamber

MAINTENANCE





DESCRIPTION

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

The Maintenance department will be working closely with Schneider Electric, Walsh Construction, and Southern Electric on the Plant upgrade, Water Recycle Phase 1 project.

METRICS

MAINTENANCE TASKS

		FY22	FY23
Maintained	Fleet Vehicles	40	41
Replaced	Vehicles	2	-
Replaced	Backhoe	1	-
New	EV Carts	4	-
Replaced	Flow Meters	3	4
Replaced/ Repair	Pumps	4	10
Replaced/Repair	Motors	5	10
Completed	Projects	42	37
Maintained	Buildings	20	21
Maintained	Assets	1,356	1,470
Completed	Work orders	520	1,187

FISCAL YEAR 2022/23 ACCOMPLISHMENTS

- The Maintenance team trained on the water utility location of the District’s four (4) Indio Water Authority (IWA) water meters and the Secondary Plant water system.
- The team added two (2) Electrical/ Instrumentation Grade 1 certifications by cross-training the maintenance and electrical staff.
- One (1) team member achieved a Grade 3 Mechanical Technician Certification, and another earned a Grade 2 Electrical/Instrumentation Technician certification.
- Lawn water usage was reduced in compliance with IWA water restrictions. No overseeding took place this season.
- The maintenance team completed the following projects related to Excellent Facilities,
 - Belt Press #1 had four (4) rollers and two (2) gearboxes replaced.
 - The belt press had five (5) rollers and two (2) gearboxes replaced.
 - The team installed a new office with power, air conditioning, and data for the belt press operator.
 - PLC 460, PLC 600, and Blower MCP, LCP PLC controllers were contracted for replacement.
 - The team also completed a project at the Coachella Valley History Museum highlighting the evolution of the water treatment process. The exhibit showcases a timeline from the outhouse to recycled water.

- Staff participated in the Headworks rehabilitation and Recycled Water Project Phase 1 construction projects.
- The replacement Generator #1 was ordered using Source Well Government pricing, which resulted in savings to the District of \$78K.
- The secondary water pumps had significant repairs completed.
- One Major event tested the skills and training of the Maintenance staff. During the cleaning and testing of Switch Board “S,” our plant’s primary power Switch Board. Generator #2 failed to serve most buildings and plant equipment during power outages. The team took action to restore Imperial Irrigation District (IID) power and make repairs to Generator #2.
- Annual flow meter calibrations were conducted along with boiler and flame arrester service.
- The Hot water Heat Exchanger was replaced due to excessive wear.
- The 30-inch influent flow meter was replaced, and the 24-inch bypass meter was ordered.
- The team was tasked with researching and locating equipment for the Ammonia reduction pilot study. We could use pumps, controllers, and wiring from the equipment stored in previous treatment processes. The cost was minimal since we only needed the PVC pipe and strapping materials. Once again, the skill and talent of the Team made a big difference in completing this project which had tremendous results.
- A booster pump system for the Belt Press water system was installed and put into service.
- Pump Station #2 was updated with two (2) new sump pumps.
- The scum pit sump pumps were approved and ordered.
- The new fuel dispensing system and diesel tank were approved and ordered.
- The plant natural gas emergency valve was replaced and tested.

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 1: Fully Staffed with a Highly Trained and Motivated Team
- GOAL 2: Increase Recycling, Reuse, and Sustainability
- GOAL 3: Excellent Facilities

Goals

- Train the Maintenance and Electrical staff on plant processes and locations of utilities, cross-train, and work toward learning and using the Excel program through online courses.

- Continue to use and improve the District's asset management database.
- Develop an Emergency Action Plan for utilities, supplies, and plant processes.

PERSONNEL SUMMARY

FY24		FY23	FY24	
Physical Count	Classification	Base FTEs	Base FTEs	Variance
0	Electrician/Instrumentation Technician I	1.00	0.00	(1.00)
1	Electrician/Instrumentation Technician II	1.00	1.00	0.00
1	Electrician/Instrumentation Technician III	0.00	1.00	1.00
1	Facilities Maintenance Supervisor	1.00	1.00	0.00
2	Maintenance Technician I	3.00	2.00	(1.00)
2	Maintenance Technician II	2.00	2.00	0.00
1	Maintenance Technician III	0.00	1.00	1.00
8	Total FTEs	8.00	8.00	0.00

DRAFT

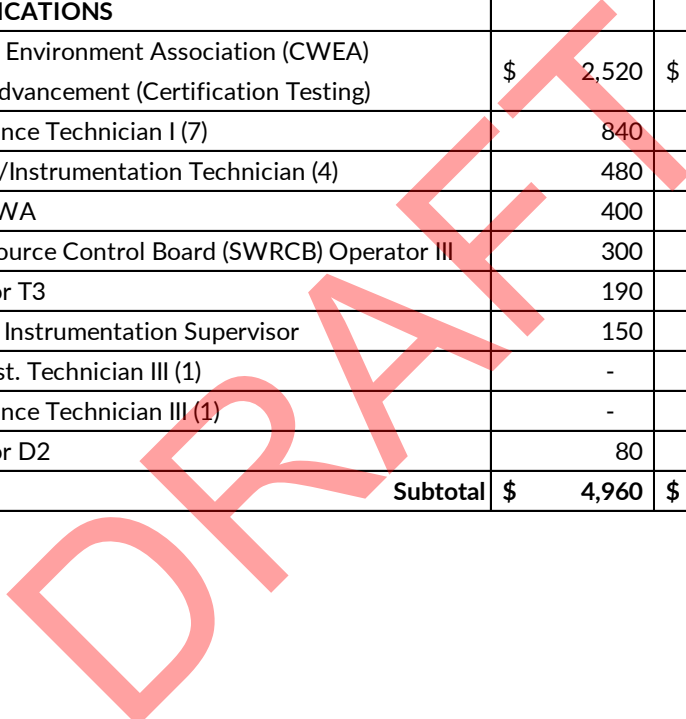
EXPENSE BUDGET SUMMARY

General Ledger Code	FY21 Actual	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percent Change
11-5030412-1 SALARIES AND WAGES	\$ 554,920	\$ 510,192	\$ 615,401	\$ 604,672	\$ 687,379	\$ 71,978	11.7%
11-5060412-1 BONUS, AWARDS, AND RECERTIFICATION	-	1,869	2,000	1,475	2,000	-	0.0%
11-5080412-1 CALLOUT	807	1,031	1,500	4,484	5,000	3,500	233.3%
11-5110412-1 LONGEVITY	9,046	8,492	9,700	9,415	10,200	500	0.05
11-5070412-1 OVERTIME	4,125	1,759	5,000	5,430	5,000	-	-
11-5090412-1 STANDBY PAY	3,316	3,696	2,473	3,719	2,694	221	8.9%
11-5116412-1 FICA AND MEDICARE	49,305	40,697	57,247	48,413	64,105	6,858	12.0%
11-5112412-1 RETIREMENT CONTRIBUTIONS	55,964	41,914	52,577	49,799	61,606	9,029	17.2%
11-5128412-1 VISION INSURANCE	-	1,795	2,100	1,978	2,328	228	10.9%
11-5122412-1 WORKERS COMPENSATION	12,692	-	-	-	-	-	-
11-5124412-1 LIFE INSURANCE	1,240	1,303	1,380	1,419	1,656	276	20.0%
11-5126412-1 HEALTH INSURANCE	107,903	129,478	144,797	141,394	178,488	33,691	23.3%
11-5129412-1 DENTAL INSURANCE	9,330	9,098	11,232	11,160	15,000	3,768	33.5%
11-5132412-1 LONG TERM DISABILITY	1,691	1,753	1,860	1,932	2,244	384	20.6%
11-5801412-1 CERTIFICATIONS	960	2,226	4,960	1,742	5,800	840	16.9%
11-5500412-1 CONTRACTS	105,911	130,120	180,520	109,622	197,510	16,990	9.4%
11-5350412-1 MEMBERSHIPS	1,327	1,915	2,900	1,448	3,190	290	10.0%
11-5450412-1 SUPPLIES	36,937	39,482	63,000	34,695	64,820	1,820	2.9%
11-5950412-1 OTHER EXPENSES	9,665	42	10,000	203	11,000	1,000	0.10
11-5420412-1 PERMITS AND FEES	2,103		2,100		2,310	210	10.0%
11-5700412-1 REPAIRS AND MAINTENANCE	345,680	284,594	392,762	394,424	427,795	35,033	8.9%
11-5720412-1 TOOLS AND EQUIPMENT	10,155	24,749	32,300	71	14,000	(18,300)	-56.7%
11-5152412-1 UNIFORM SERVICES	6,524	8,145	14,620	5,378	16,080	1,460	10%
11-5650412-1 COVID-19 SUPPLIES	-	3,591	15,759	1,536	11,000	(4,759)	-30.2%
11-5800412-1 CONFERENCES AND MEETINGS	6,074	8,691	16,000	7,129	17,600	1,600	10.0%
Total Expenses	\$ 1,335,676	\$ 1,256,630	\$ 1,642,188	\$ 1,441,534	\$ 1,808,805	\$ 166,617	10.1%



MAINTENANCE BUDGET DETAIL

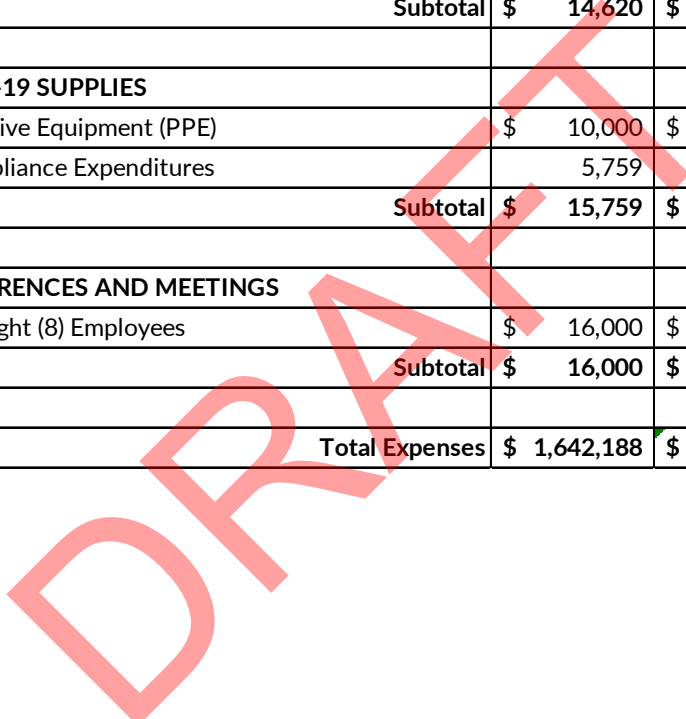
General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030412-1 SALARIES AND WAGES		\$ 615,401	\$ 687,379	\$ 71,978
11-5060412-1 BONUS, AWARDS, AND RECERTIFICATION		2,000	2,000	-
11-5080412-1 CALLOUT		1,500	5,000	3,500
11-5070412-1 OVERTIME		5,000	5,000	-
11-5090412-1 STANDBY PAY		2,473	2,694	221
11-0000412-1 TOTAL FRINGE BENEFITS		280,893	335,627	54,734
Subtotal		\$ 907,267	\$ 1,037,700	\$ 130,433
11-5801412-1 CERTIFICATIONS				
	California Water Environment Association (CWEA) Allowance For Advancement (Certification Testing)	\$ 2,520	\$ 2,770	\$ 250
	CWEA Maintenance Technician I (7)	840	920	80
	CWEA Electrical/Instrumentation Technician (4)	480	530	50
	AWWA/Ca AWWA	400	440	40
	State Water Resource Control Board (SWRCB) Operator III	300	330	30
	SWRCB Operator T3	190	210	20
	CWEA Electrical Instrumentation Supervisor	150	170	20
	CWEA Elect/ Inst. Technician III (1)	-	170	170
	CWEA Maintenance Technician III (1)	-	170	170
	SWRCB Operator D2	80	90	10
Subtotal		\$ 4,960	\$ 5,800	\$ 840



General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5500412-1 CONTRACTS				
	Janitorial And Landscaping Services (Desert Arc)	\$ 65,000	\$ 71,500	\$ 6,500
	Central Square EAM Asset Management Lucity	30,000	33,000	3,000
	Boiler Maintenance Service Contract	14,000	14,000	-
	Trailer Rental	10,000	11,000	1,000
	Tree Trimming and Spraying	10,000	11,000	1,000
	Annual Fire Suppression Service for Sodium Hypochlorite Facility	8,000	8,800	800
	Geotab Electronic Logs Vehicles	8,000	8,800	800
	Offsite Restroom Rental (Diamond Environmental)	6,600	7,200	600
	Building Alarm Monitoring (Alliance)	5,500	6,500	1,000
	Parts, Washer Service, Light Bulb Disposal and Batteries (Safety Kleen)	5,000	5,500	500
	Annual AQMD Test (Western Pump)	3,500	3,800	300
	Annual Fire Extinguisher Service	3,080	3,380	300
	Pest Control Service for Building and Facilities (Rudy's Pest Control)	3,000	3,300	300
	Gantry Crane Service (Kono Crane)	2,500	2,750	250
	Fire Alarm Monitoring (Pyro Comm)	2,000	2,200	200
	Used Oil Filter Disposal (Safety Kleen)	2,000	2,200	200
	Miscellaneous Contractual Services	1,100	1,210	110
	Fuel Station monitoring	800	880	80
	Recycling (Desert Arc)	440	490	50
	Subtotal	\$ 180,520	\$ 197,510	\$ 16,990
11-5350412-1 MEMBERSHIPS				
	California Water Environment Association (CWEA) Membership Renewal	\$ 1,937	\$ 2,130	\$ 193
	National Fire Protection Association (NFPA)	523	575	52
	Water Environmental Federation (WEF)	440	485	45
	Subtotal	\$ 2,900	\$ 3,190	\$ 290
11-5450412-1 SUPPLIES				
	Mats, Shop Towels, Etc. (Cintas)	\$ 22,500	\$ 22,725	\$ 225
	Landscaping Supplies	12,500	12,625	125
	Drinking Water Service	12,000	12,120	120
	55-Gallon Cleaning Concentrates, Cleaning Supplies, Paper Towels, Toilet Paper, Cups, Soap, and Cleaners	8,500	9,350	850
	First Aid	5,000	5,500	500
	Miscellaneous Supplies	2,500	2,500	-
	Subtotal	\$ 63,000	\$ 64,820	\$ 1,820

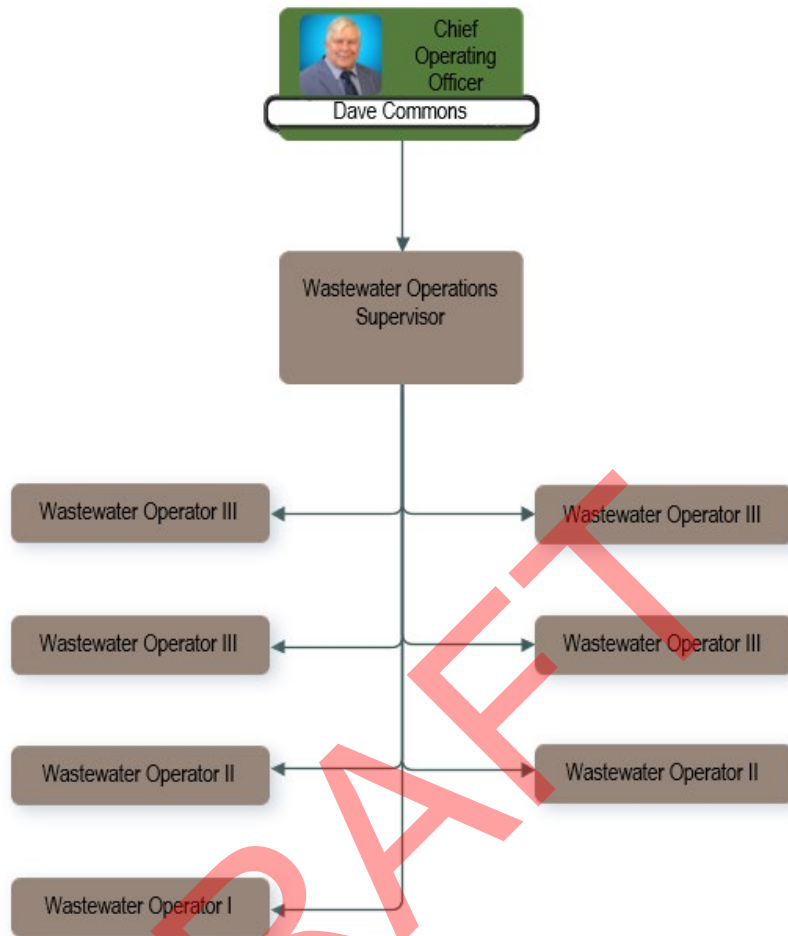
General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5950412-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 10,000	\$ 11,000	\$ 1,000
	Subtotal	\$ 10,000	\$ 11,000	\$ 1,000
				-
11-5420412-1 PERMITS AND FEES				
	Fire Department (Fuel Tank Permit)	\$ 2,100	\$ 2,310	\$ 210
	Subtotal	\$ 2,100	\$ 2,310	\$ 210
11-5700412-1 REPAIRS AND MAINTENANCE				
	Routine Miscellaneous Repairs and Maintenance Contingency	\$ 93,500	\$ 103,000	\$ 9,500
	Boiler Maintenance	30,000	33,000	3,000
	Plant structure painting	30,000	33,000	3,000
	General Facility Maintenance	27,000	30,000	3,000
	Equipment Rentals	25,000	25,250	250
	Rebuild Sludge Pumps	-	25,000	25,000
	Flare Parts	20,000	22,000	2,000
	Asphalt, Concrete, and Rubble Removal	20,000	22,000	2,000
	Belt Press Building Maintenance Parts	15,000	16,500	1,500
	Service Generators 2,3 & 4	15,000	16,500	1,500
	Dredge Panel and Spare Parts	14,000	14,000	-
	Vehicle Repairs and Smog Checks	8,800	9,680	880
	90 Day Bit Inspections	8,000	8,800	800
	Clean District Flooring	7,700	8,470	770
	Turblex Blower Parts	7,700	8,470	770
	Cat Tractor and Dump Truck Repairs	5,500	6,000	500
	Fleet Vehicle Operating Supplies	5,500	6,000	500
	Gas Detectors for Confined Space Entry	5,500	6,000	500
	Aerator Maintenance	5,000	5,500	500
	District Camera Replacement	3,000	5,000	2,000
	Safety Equipment for Confined Space Entry	4,100	4,500	400
	Arc Flash Safety Equipment	3,025	3,325	300
	Irrigation Repairs and Maintenance	3,000	3,300	300
	Road Base for All Dirt Roads Around Treatment Plant	3,000	3,300	300
	Replacement of Facilities Equipment	2,750	3,000	250
	Hose Replacement	2,310	2,550	240
	Replace Hose Reel Swivels	2,090	2,300	210
	Gallery Sump Pump Replacements	1,287	1,350	63
	Rebuild Two (2) Primary Sludge Pumps	25,000	-	(25,000)
	Subtotal	\$ 392,762	\$ 427,795	\$ 35,033

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5720412-1 TOOLS AND EQUIPMENT				
	Miscellaneous Small Tool Acquisition and Replacement	\$ 13,750	\$ 14,000	\$ 250
	Safety Table Saw and Fabrication Tooling	18,550	-	(18,550)
	Subtotal	\$ 32,300	\$ 14,000	\$ (18,300)
11-5152412-1 UNIFORM SERVICES				
	Uniforms Eight (8) Employees (Cintas)	\$ 7,820	\$ 8,600	\$ 780
	VSD Uniform UV Exposure PPE	4,000	4,400	400
	Boots Eight (8) Employees	2,000	2,200	200
	Gloves Eight (8) Employees	800	880	80
	Subtotal	\$ 14,620	\$ 16,080	\$ 1,460
11-5650412-1 COVID-19 SUPPLIES				
	Personal Protective Equipment (PPE)	\$ 10,000	\$ 11,000	\$ 1,000
	COVID-19 Compliance Expenditures	5,759	-	(5,759)
	Subtotal	\$ 15,759	\$ 11,000	\$ (4,759)
11-5800412-1 CONFERENCES AND MEETINGS				
	Allowance for Eight (8) Employees	\$ 16,000	\$ 17,600	\$ 1,600
	Subtotal	\$ 16,000	\$ 17,600	\$ 1,600
	Total Expenses	\$ 1,642,188	\$ 1,808,805	\$ 166,617



OPERATIONS





DESCRIPTION

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

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

- Activated sludge process
- Oxidation ponds

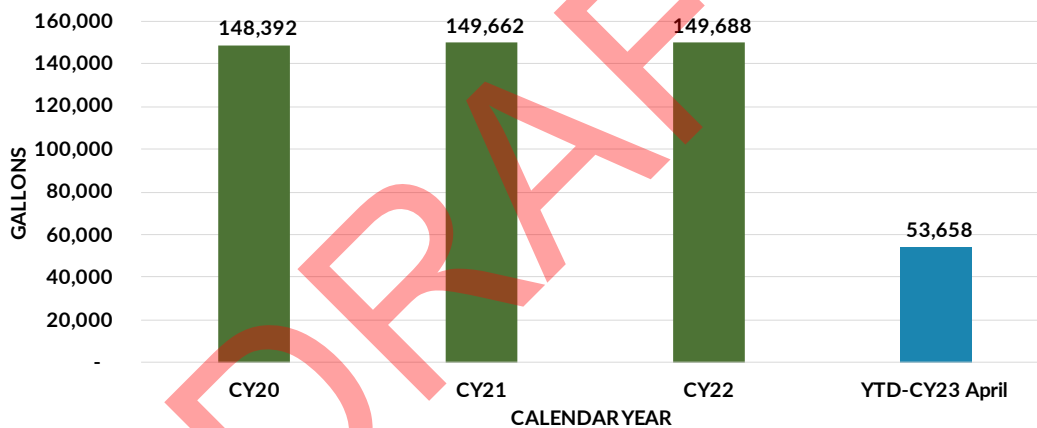
The activated sludge process treats most of the wastewater that enters the Water Reclamation Facility which is currently 5.5 - 6.5 million gallons each day. The activated sludge process currently has a maximum treatment capacity of 10 million gallons per day.

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

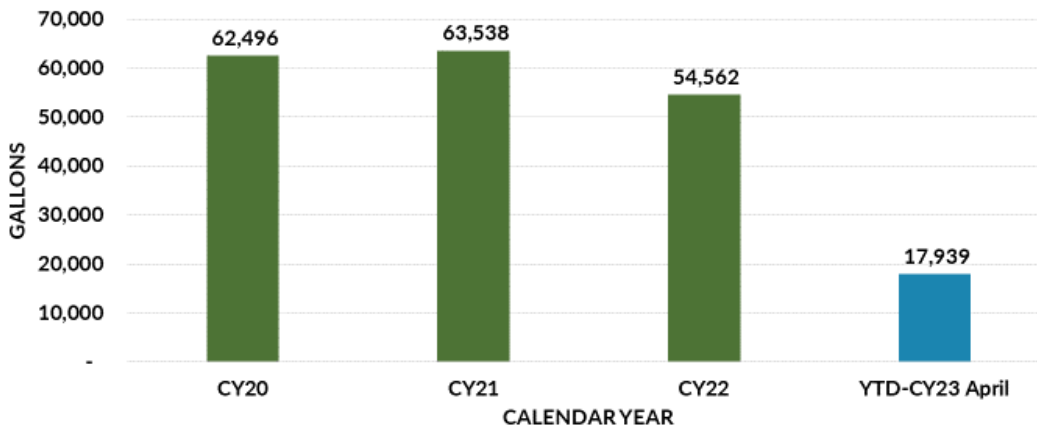
The two treatment processes combined give the Water Reclamation Facility a total treatment capacity of 12.5 million gallons per day. The treated wastewater is discharged into the Whitewater Storm Channel and becomes a source of freshwater replenishment to the Salton Sea.

METRICS

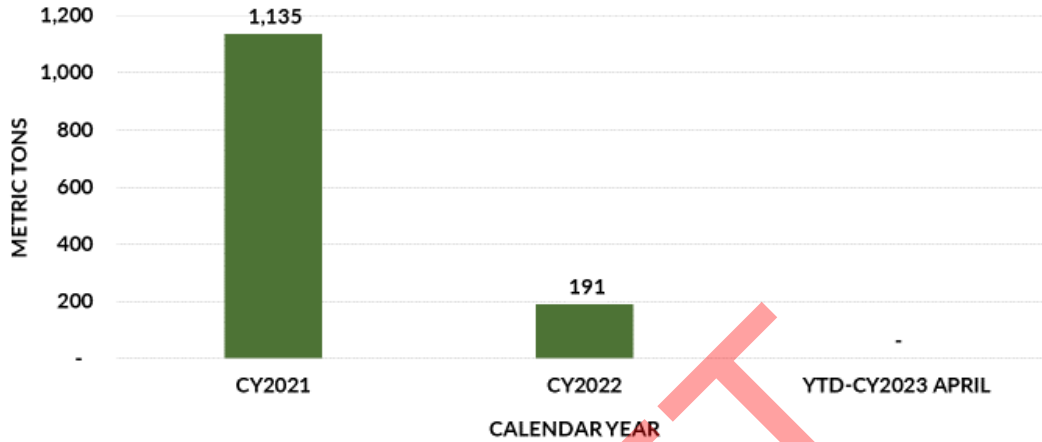
CHEMICAL USE BY CALENDAR YEAR SODIUM HYPOCHLORITE (GALLONS)



CHEMICAL USE BY CALENDAR YEAR SODIUM BISULFITE (GALLONS)



Biosolids Transport Summary (Metric Tons)



FISCAL YEAR 2022/23 ACCOMPLISHMENTS

- Completed an ammonia study to determine if 3.0 P.P.M could be achieved.
- Completed pressure washer diffusers, for four (4) Basins.
- Received Wastewater Operator of the Year Award from CWEA-CORBS.
- Two (2) Wastewater Operators achieved the Grade III Wastewater Operator Certification.
- One (1) achieved the Grade II Wastewater Operator Certification.
- Active participation in the design-build of Phase 1 of the Recycled Water Project.

FISCAL YEAR 2023/24 GOALS

Strategic Plan

- GOAL 1: Fully Staffed with a Highly Trained and Motivated Team
- GOAL 2: Increase Recycling, Reuse, and Sustainability

Goals

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

PERSONNEL SUMMARY

FY24 Physical Count	Classification	FY23 Base FTEs	FY24 Base FTEs	Variance
1	Chief Operating Officer	1.00	1.00	0.00
1	Wastewater Operator I	0.00	1.00	1.00
2	Wastewater Operator II	3.00	2.00	(1.00)
4	Wastewater Operator III	4.00	4.00	0.00
1	Wastewater Operations Supervisor	1.00	1.00	0.00
9	Total FTEs	9.00	9.00	0.00

EXPENSE BUDGET SUMMARY

General Ledger Code	FY21	FY22	FY23	FY23	FY24	Budget	Percent
	Actual	Actual	Budget	Projected	Budget	Change	Change
11-5030411-1 SALARIES AND WAGES	\$ 785,754	\$ 716,413	\$ 858,046	\$ 812,373	\$ 921,732	\$ 63,686	7.4%
11-5060411-1 BONUS, AWARDS, AND RECERTIFICATION	-	2,389	2,250	1,600	2,250	-	0.0%
11-5080411-1 CALLOUT	3,278	3,272	6,500	14,062	14,000	7,500	115.4%
11-5110411-1 LONGEVITY	14,862	13,662	15,800	14,885	17,400	1,600	10.1%
11-5070411-1 OVERTIME	13,491	11,880	18,000	25,511	27,000	9,000	0.50
11-5090411-1 STANDBY PAY	15,077	15,210	18,135	17,993	19,753	1,618	8.9%
11-5116411-1 FICA AND MEDICARE	60,173	60,379	82,686	67,529	89,743	7,057	8.5%
11-5112411-1 RETIREMENT CONTRIBUTIONS	376,559	73,662	89,785	79,949	106,181	16,396	18.3%
11-5128411-1 VISION INSURANCE	-	1,628	1,704	1,519	1,752	48	2.8%
11-5122411-1 WORKERS' COMPENSATION	16,494	-	-	-	-	-	-
11-5124411-1 LIFE INSURANCE	1,482	1,615	1,584	1,597	1,896	312	19.7%
11-5126411-1 HEALTH INSURANCE	84,942	131,551	146,475	135,958	174,504	28,029	19.1%
11-5129411-1 DENTAL INSURANCE	6,787	8,091	8,532	7,780	10,128	1,596	18.7%
11-5132411-1 LONG TERM DISABILITY	2,165	2,473	2,484	2,592	3,048	564	22.7%
11-5801411-1 CERTIFICATIONS	471	3,056	8,780	1,215	7,420	(1,360)	-15.5%
11-5470411-1 CHEMICALS	407,342	400,075	594,240	599,726	700,000	105,760	17.8%
11-5500411-1 CONTRACTS	131,868	121,156	243,522	9,000	663,500	419,978	172.5%
11-5250411-1 GAS OIL AND FUEL	34,094	44,267	66,060	61,351	70,000	3,940	6.0%
11-5350411-1 MEMBERSHIPS	1,152	1,337	2,900	1,029	3,400	500	17.2%
11-5450411-1 SUPPLIES	115,608	81,228	122,500	85,116	152,700	30,200	24.7%
11-5950411-1 OTHER EXPENSES	28,692	6,682	20,000	720	22,000	2,000	0.10
11-5420411-1 PERMITS AND FEES	14,650	11,035	77,025	13,252	85,260	8,235	10.7%
11-5700411-1 REPAIRS AND MAINTENANCE	78,498	55,330	64,000	18,379	73,000	9,000	14.1%
11-5720411-1 TOOLS AND EQUIPMENT	273	895	1,000	1,240	1,000	-	-
11-5152411-1 UNIFORM SERVICES	7,512	9,168	15,200	11,684	16,200	1,000	6.6%
11-5902411-1 ELECTRICITY	591,519	696,479	773,920	807,938	960,000	186,080	24.0%
11-5903411-1 NATURAL GAS	3,886	4,559	7,000	8,122	8,000	1,000	14.3%
11-5904411-1 GRIT AND SCREENING REMOVAL	28,502	26,279	40,000	22,131	44,000	4,000	10.0%
11-5905411-1 WATER	12,846	18,866	20,000	15,833	22,000	2,000	10.0%
11-5800411-1 CONFERENCES AND MEETINGS	7,718	9,957	18,800	9,176	20,690	1,890	10.1%
Total Expenses	\$ 2,845,694	\$ 2,532,591	\$ 3,326,928	\$ 2,849,259	\$ 4,238,557	\$ 911,629	27.4%

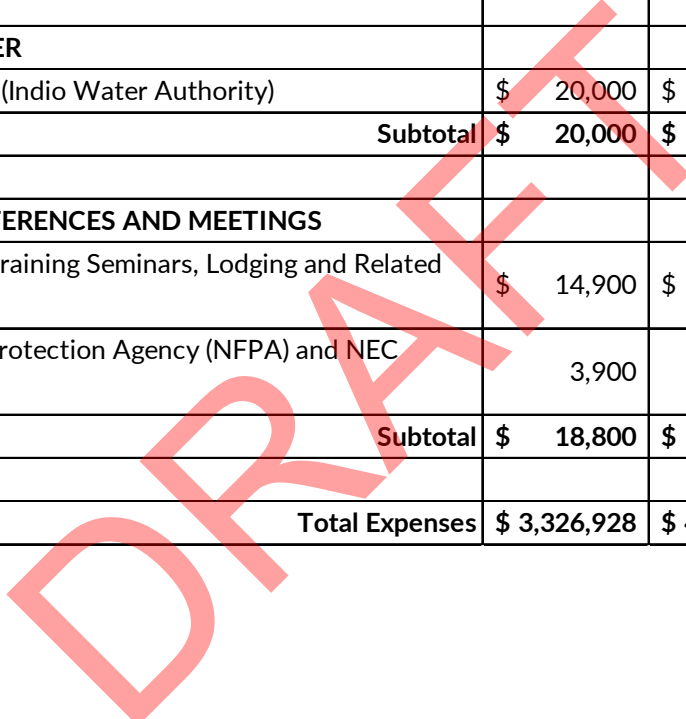
OPERATIONS BUDGET DETAIL

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5030411-1 SALARIES AND WAGES		\$ 858,046	\$ 921,732	\$ 63,686
11-5060411-1 BONUS, AWARDS, AND RECERTIFICATION		2,250	2,250	-
11-5080411-1 CALLOUT		6,500	14,000	7,500
11-5070411-1 OVERTIME		18,000	27,000	9,000
11-5090411-1 STANDBY PAY		18,135	19,753	1,618
11-0000411-1 TOTAL FRINGE BENEFITS		349,050	404,652	55,602
Subtotal		\$ 1,251,981	\$ 1,389,387	\$ 137,406
11-5801411-1 CERTIFICATIONS				
	Allowance for Advancement (Certification Testing)	\$ 2,800	\$ 2,800	\$ -
	State Water Resource Control Board (SWRCB) Certification Application	2,200	2,200	-
	California Water Environment Association (CWEA) Technical Certification (Test)	2,000	2,000	-
	SWRCB Operator III (Renewal)	600	150	(450)
	SWRCB Operator IV (Renewal)	110	110	-
	Laboratory I	60	100	40
	Distribution III	60	60	-
	CWEA Technical Certification (Renewal)	500	-	(500)
	SWRCB Operator II (Renewal)	450	-	(450)
Subtotal		\$ 8,780	\$ 7,420	\$ (1,360)
11-5470411-1 CHEMICALS				
	Sodium Hypochlorite (Univar)	\$ 371,820	\$ 503,900	\$ 132,080
	Sodium Bisulfite (Univar)	126,000	140,000	14,000
	Ferric Chloride (Univar)	90,920	50,000	(40,920)
	Calcium Hypochlorite (Foster Gardner)	5,500	6,100	600
Subtotal		\$ 594,240	\$ 700,000	\$ 105,760

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5500411-1 CONTRACTS				
	Sludge Disposal And Transportation	\$ 73,400	\$ 475,000	\$ 401,600
	Trimax Treatment Plant Upgrades for SCADA System	45,000	50,000	5,000
	Piping and Instrumentation Diagram Drawing Updates	35,500	40,000	4,500
	Temporary Help Service	36,000	36,000	-
	Contractor Contingency	21,122	25,000	3,878
	IT Upgrades	16,500	18,500	2,000
	Switchboard "S" Cleaning and Testing	10,000	12,000	2,000
	MCR Technologies - Annual Calibrations	6,000	7,000	1,000
	Subtotal	\$ 243,522	\$ 663,500	\$ 419,978
11-5250411-1 GAS OIL AND FUEL				
	Gas and Oil for District Vehicles (SC Fuels)	\$ 66,060	\$ 70,000	\$ 3,940
	Subtotal	\$ 66,060	\$ 70,000	\$ 3,940
11-5350411-1 MEMBERSHIPS				
	California Water Environment Association (CWEA) Membership Renewal	\$ 2,100	\$ 2,400	\$ 300
	Water Environment Federation	800	1,000	200
	Subtotal	\$ 2,900	\$ 3,400	\$ 500
11-5450411-1 SUPPLIES				
	Polymer for Belt Press 18 Totes at \$3,700 per Tote (Polydyne)	\$ 74,000	\$ 82,000	\$ 8,000
	Miscellaneous Operating Supplies Including Reagents for Chlorination and Dichlorination Analyzers	20,000	22,000	2,000
	Four (4) Belts for Belt Press at \$3,750 per Belt	16,500	18,200	1,700
	D.O. Probes and Ammonia Probes Caps		17,000	17,000
	Miscellaneous Small Tools, Torches, Pliers, Small Air Pumps, Etc.	7,000	8,000	1,000
	Lock Out/Tag Out Supplies	3,000	3,300	300
	Student Materials for Distribution for Public Relations Efforts	2,000	2,200	200
	Subtotal	\$ 122,500	\$ 152,700	\$ 30,200
11-5950411-1 OTHER EXPENSES				
	Miscellaneous Expense Contingency Fund	\$ 20,000	\$ 22,000	\$ 2,000
	Subtotal	\$ 20,000	\$ 22,000	\$ 2,000

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5420411-1 PERMITS AND FEES				
	Annual NPDES Permit Fee (SWRCB)	\$ 52,000	\$ 57,500	\$ 5,500
	South Coast Air Quality Management District (SCAQMD) Facility Permits	17,000	18,700	1,700
	Dept of Environmental Health	3,900	4,300	400
	Fire Service Permit (City of Indio)	2,200	2,500	300
	Alarm System Permit (City of Indio)	550	650	100
	Occupational Lead Poisoning Prevention/Toxic Substance	550	650	100
	Miscellaneous	550	650	100
	Hot Spot Program (SCAQMD)	275	310	35
	Subtotal	\$ 77,025	\$ 85,260	\$ 8,235
11-5700411-1 REPAIRS AND MAINTENANCE				
	Contingency	\$ 35,000	\$ 40,000	\$ 5,000
	Iron Sponge Media and Nets	21,000	24,000	3,000
	Analyzer Parts	8,000	9,000	1,000
	Subtotal	\$ 64,000	\$ 73,000	\$ 9,000
11-5720411-1 TOOLS AND EQUIPMENT				
	Miscellaneous Small Tool Acquisition and Replacement	\$ 1,000	\$ 1,000	\$ -
	Subtotal	\$ 1,000	\$ 1,000	\$ -
11-5152411-1 UNIFORM SERVICES				
	Uniforms Nine (9) Employees	\$ 7,000	\$ 7,000	\$ -
	Hats	4,000	4,500	500
	Boots Nine (9) Employees	3,200	3,500	300
	Gloves, Ear Plugs, Safety Items Nine (9) Employees	1,000	1,200	200
	Subtotal	\$ 15,200	\$ 16,200	\$ 1,000
11-5902411-1 ELECTRICITY				
	Imperial Irrigation District (IID)	\$ 634,453	\$ 806,586	\$ 172,133
	Tesla PPA	139,467	153,414	13,947
	Subtotal	\$ 773,920	\$ 960,000	\$ 186,080

General Ledger Code		FY23 Budget	FY24 Budget	Variance
11-5903411-1 NATURAL GAS				
	Natural Gas Usage for the Administration, Laboratory, Operations Buildings and Digester Boiler (SoCalGas)	\$ 7,000	\$ 8,000	\$ 1,000
	Subtotal	\$ 7,000	\$ 8,000	\$ 1,000
11-5904411-1 GRIT AND SCREENING REMOVAL				
	Screenings and Grit Hauling to Lambs Canyon, California (Burrtec)	\$ 40,000	\$ 44,000	\$ 4,000
	Subtotal	\$ 40,000	\$ 44,000	\$ 4,000
11-5905411-1 WATER				
	Potable Water (Indio Water Authority)	\$ 20,000	\$ 22,000	\$ 2,000
	Subtotal	\$ 20,000	\$ 22,000	\$ 2,000
11-5800411-1 CONFERENCES AND MEETINGS				
	Conferences, Training Seminars, Lodging and Related Expenses	\$ 14,900	\$ 16,390	\$ 1,490
	National Fire Protection Agency (NFPA) and NEC Training	3,900	4,300	400
	Subtotal	\$ 18,800	\$ 20,690	\$ 1,890
	Total Expenses	\$ 3,326,928	\$ 4,238,557	\$ 911,629



CAPITAL BUDGET

DRAFT



CAPITAL IMPROVEMENT PROGRAM

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

PRIORITIZATION OF CAPITAL IMPROVEMENT PROJECTS

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

CRITERIA

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

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

CIP BUDGET OVERVIEW

The capital budget incorporates key projects to further advance the District’s Capital Improvement Program (CIP). There are 19 capital projects requested in the fiscal year 2023/24 for a total of \$55,180,000. The capital budget for the fiscal year 2023/24 includes the Recycled Water Project Phase 1 Design-Build, Sewer Siphon Replacement, the Biosolid Conversion project, and the Sewer Main Rehabilitation and Replacement Program. These projects are intended to maintain, repair, and expand infrastructure.

The CIP budget also includes expenditures for capital assets. Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Per the District’s Fixed Assets Accounting Policy capitalizable assets are defined as fixed assets with an expected useful life of greater than one (1) year and the asset individually has a value or cost of \$5,000 or greater at the date of acquisition.

The Fiscal Year 2023/24 Capital Budget

Recurring Project	Project Number	Project	Fund 12	Carryover Fund 12	Fund 13	FEMA	B of A Loan	Total
✓	21-0001	Vehicle and Equipment Replacement Fund	\$ 825,000	\$ 809,000	\$ -	\$ -	\$ -	\$ 1,634,000
✓	21-0002	Lateral Grant Program	50,000	-	-	-	-	50,000
✓	21-0003	Sewer Repairs and/or Rehabilitation	120,000	-	-	-	-	120,000
✓	21-0004	Contingency for Emergency Repairs	100,000	-	-	-	-	100,000
	21-0005	Sewer Main Rehabilitation or Replacement Design	365,000	-	-	-	-	365,000
	21-0007	Recycled Water Project Phase 1 (Amend #1 & #2)	-	-	4,200,000	-	35,700,000	39,900,000
	21-0008	Emergency Sewer Siphon Replacement Design/CM	1,392,750	-	-	7,892,250	-	9,285,000
	21-0009	Emergency Sewer Siphon Replacement Construction	215,400	-	-	1,220,600	-	1,436,000
	21-0013	Laboratory Information Management System (LIMS)	70,000	-	-	-	-	70,000
	23-0002	Concrete Repairs to ASP Plant	100,000	-	-	-	-	100,000
	23-0003	Electrical Control Panel Replacements Blower Building	120,000	-	-	-	-	120,000
	23-0005	Trimax PLC Upgrades SCADA	70,000	-	-	-	-	70,000
	23-0006	Water Reclamation Facility Master Plan	400,000	-	-	-	-	400,000
	24-0001	Repairs to two (2) Primary Clarifiers	130,000	-	-	-	-	130,000
	24-0002	Plant Instrumentation Upgrade	100,000	-	-	-	-	100,000
	24-0003	Nitrification Reduction ASP upgrade	100,000	-	-	-	-	100,000
	24-0004	Bathroom Upgrade	100,000	-	-	-	-	100,000
	24-0005	Upgrade District Security Cameras	100,000	-	-	-	-	100,000
	24-0006	Biosolids Conversion Project	-	-	1,000,000	-	-	1,000,000
Total			\$ 4,358,150	\$ 809,000	\$ 5,200,000	\$ 9,112,850	\$ 35,700,000	\$ 55,180,000

RECURRING/NONRECURRING CAPITAL PROJECTS

The District's CIP budget includes both recurring and non-recurring capital projects. Recurring projects are capital expenditures made in respect of a property for the maintenance of the property and the replacement of items due to ordinary wear and tear, but not limited to, expenditures made for maintenance or replacement of materials, mechanical systems, electrical systems, and other structural systems, and equipment. These projects do not have a significant impact on the operating budget. The funds are reserved and programmed in the Restricted CIP Fund.

Nonrecurring capital projects are costs that occur on a one-time basis and are unlikely to occur again. Nonrecurring projects include the construction of new buildings or infrastructure and will often result in an ongoing operating financial impact. There are 15 non-recurring projects programmed in the fiscal year 2023/24 CIP budget. For example, the Recycled Water Project Phase 1 has a total cost of \$81.3M and will be paid through debt issuance through Banc of America Corp and the Capital Improvement Reserve Fund. The loan will have an operating impact over the next twenty years as the loan is paid off. The Emergency Sewer Siphon Replacement project of which \$9.1M will be paid through the Federal Emergency Management Agency (FEMA) grant that will require a 25% match using the Capital Replacement Reserve Fund (Fund 12). All other non-recurring projects will be funded using the Capital Replacement Reserve Fund (Fund 12) and the Capital Improvement Reserve Fund (Fund 13). Each year a total of 40% of the annual operating budget is allocated to the Capital Replacement Reserve Fund (Fund 12).

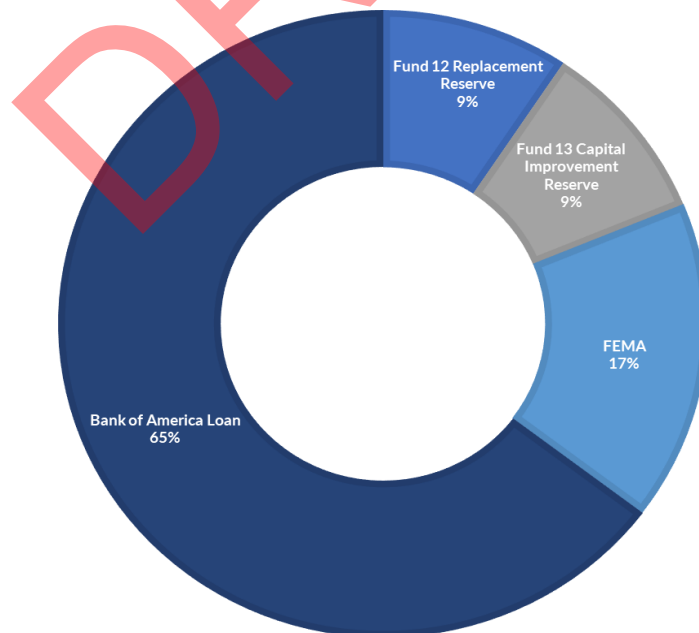
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FUNDING SUMMARY

Funding for the planned capital improvement projects is provided through four (4) funding sources. Most of the funding (approximately 65% or \$35.7M) will come from issued debt issued through Bank of America for the Recycled Water Project Phase 1 Design-Build. The District will also use Federal Emergency Management Agency (FEMA) funding of 17% or \$9.1M for the Emergency Sewer Siphon Replacement Design and Construction. All other projects will be funded using the District’s Capital Replacement Reserve Fund (Fund 12) and the Capital Improvement Reserve Fund (Fund 13).

Funding Source	FY24 Budget
Fund 12 Replacement Reserve	\$ 5,167,150
Fund 13 Capital Improvement Reserve	5,200,000
FEMA	9,112,850
Bank of America Loan	35,700,000
Total Funds Requested	\$ 55,180,000

CAPITAL FUNDING SUMMARY BY SOURCE



TWENTY-YEAR CAPITAL IMPROVEMENT PROGRAM

The following tables list all capital projects included in the fiscal year 2024-2043 CIP by the system.

Project Description	2023/24	2024/25	2025/26	2026/27	2027/28
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ 39,900,000	\$ 18,435,332	\$ -	\$ -	\$ -
Biosolids Conversion Project	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	4,952,347	20,403,670	-	-
Recycled Water Project Phase 3 Design	-	-	-	11,293,090	-
Recycled Water Project Phase 3 Construction	-	-	-	-	32,805,847
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Laboratory Information Management System (LIMS)	70,000	-	-	-	-
Bathroom Upgrade to Include Shower	100,000	-	-	-	-
Laboratory Building - Final Design	-	1,000,000	-	-	-
Laboratory Building - Construction	-	4,000,000	4,000,000	-	-
Training & Office Building - Design (Carry Over)	-	1,000,000	-	-	-
Training & Office Building - Construction	-	5,000,000	5,000,000	-	-
Water Reclamation Facility Master Plan	400,000	400,000	-	-	-
Repairs to Primary Clarifiers (2)	130,000	-	-	-	-
Electrical Control Panel Replacements Blower Building	120,000	-	-	-	-
Vehicle & Major Equipment Replacement Fund	1,634,000	800,000	800,000	800,000	800,000
Amonia / Nitrification Process Upgrade	100,000	-	-	-	-
Plant Instrumentation Upgrade	100,000	-	-	-	-
Concrete Repairs to ASP Plant	100,000	-	-	-	-
Trimax PLC Upgrades SCADA	70,000	-	-	-	-
Upgrade District Security Cameras	100,000	-	-	-	-
Additional Parking & Landscaping	-	500,000	-	-	-
Future Operation Projects	-	600,000	600,000	600,000	600,000
SUBTOTAL - PLANT	\$ 43,824,000	\$ 38,687,679	\$ 32,803,670	\$ 12,693,090	\$ 34,205,847
SEWAGE COLLECTION					
Lateral Grant Program	\$ 50,000	\$ 52,020	\$ 53,060	\$ 54,121	\$ 55,203
Sewer Main Rehabilitation or Replacement Design	365,000	1,762,810	1,822,040	1,584,182	1,328,282
Sewer Main Rehabilitation or Replacement Const.	-	5,698,051	7,051,446	7,288,374	6,291,929
Manhole Rehabilitation	-	-	-	-	-
Sewer Repairs and/or Rehabilitation	120,000	122,004	125,664	129,434	133,317
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Future Collection Projects	-	100,000	100,000	100,000	100,000
Emergency Sewer Siphon Replacement Design	1,436,000	-	-	-	-
Emergency Sewer Siphon Replacement Const.	9,285,000	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 11,256,000	\$ 7,734,885	\$ 9,152,210	\$ 9,156,111	\$ 7,908,731
CONTINGENCY	\$ 100,000	\$ 104,040	\$ 106,121	\$ 108,243	\$ 110,408
TOTAL	\$ 55,180,000	\$ 46,526,604	\$ 42,062,001	\$ 21,957,444	\$ 42,224,986

TWENTY-YEAR CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Project Description	2028/29	2029/30	2030/31	2031/32	2032/33
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Biosolids Conversion Project	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	33,940,023	10,995,823	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Laboratory Information Management System (LIMS)	-	-	-	-	-
Bathroom Upgrade to Include Shower	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Water Reclamation Facility Master Plan	-	-	-	-	-
Repairs to Primary Clarifiers (2)	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	800,000	800,000	800,000	800,000	800,000
Amonia / Nitrification Process Upgrade	-	-	-	-	-
Plant Instrumentation Upgrade	-	-	-	-	-
Concrete Repairs to ASP Plant	-	-	-	-	-
Trimax PLC Upgrades SCADA	-	-	-	-	-
Upgrade District Security Cameras	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
Future Operation Projects	600,000	600,000	2,000,000	2,000,000	2,000,000
SUBTOTAL - PLANT	\$ 35,340,023	\$ 12,395,823	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
SEWAGE COLLECTION					
Lateral Grant Program	\$ 56,307	\$ 57,433	\$ 58,582	\$ 59,754	\$ 60,949
Sewer Main Rehabilitation or Replacement Design	1,053,397	758,540	784,027	457,553	494,157
Sewer Main Rehabilitation or Replacement Const.	5,220,294	4,069,542	2,835,566	1,514,074	1,635,200
Manhole Rehabilitation	-	-	-	150,000	154,500
Sewer Repairs and/or Rehabilitation	137,317	141,437	145,680	150,050	154,552
Avenue 48 Sewer Main Upgrade Design	-	-	-	248,455	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	2,387,715
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Future Collection Projects	100,000	100,000	100,000	100,000	100,000
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 6,567,315	\$ 5,126,952	\$ 3,923,855	\$ 2,679,886	\$ 4,987,073
CONTINGENCY	\$ 112,616	\$ 114,868	\$ 117,165	\$ 119,508	\$ 121,898
TOTAL	\$ 42,019,954	\$ 17,637,643	\$ 6,841,020	\$ 5,599,394	\$ 7,908,971

TWENTY-YEAR CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Project Description	2033/34	2034/35	2035/36	2036/37	2037/38
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Biosolids Conversion Project	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-
Laboratory Information Management System (LIMS)	-	-	-	-	-
Bathroom Upgrade to Include Shower	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Water Reclamation Facility Master Plan	-	-	-	-	-
Repairs to Primary Clarifiers (2)	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	800,000	800,000	800,000	800,000	800,000
Amonia / Nitrification Process Upgrade	-	-	-	-	-
Plant Instrumentation Upgrade	-	-	-	-	-
Concrete Repairs to ASP Plant	-	-	-	-	-
Trimax PLC Upgrades SCADA	-	-	-	-	-
Upgrade District Security Cameras	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
Future Operation Projects	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
SUBTOTAL - PLANT	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
SEWAGE COLLECTION					
Lateral Grant Program	\$ 62,168	\$ 63,411	\$ 64,679	\$ 65,973	\$ 67,292
Sewer Main Rehabilitation or Replacement Design	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	-	-	-	-
Manhole Rehabilitation	159,135	163,909	168,826	173,891	179,108
Sewer Repairs and/or Rehabilitation	159,189	163,965	168,884	173,951	179,170
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	302,856	-	-	-	-
Interim Collection System CIP Construction	-	2,912,776	-	-	-
Build-out Collection System CIP projects	-	-	7,020,147	-	-
Future Collection Projects	100,000	100,000	100,000	500,000	500,000
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 783,348	\$ 3,404,061	\$ 7,522,536	\$ 913,815	\$ 925,570
CONTINGENCY	\$ 124,336	\$ 126,823	\$ 129,359	\$ 131,946	\$ 134,585
TOTAL	\$ 3,707,684	\$ 6,330,884	\$ 10,451,895	\$ 3,845,761	\$ 3,860,155

TWENTY-YEAR CAPITAL IMPROVEMENT PROGRAM (CONTINUED)

Project Description	2038/39	2039/40	2040/41	2041/42	2041/43
PLANT FACILITY					
Recycled Water Project Phase 1 Design Build	\$ -	\$ -	\$ -	\$ -	\$ -
Biosolids Conversion Project	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	61,385,391	61,385,391	61,385,391
Laboratory Information Management System (LIMS)	-	-	-	-	-
Bathroom Upgrade to Include Shower	-	-	-	-	-
Laboratory Building - Final Design	-	-	-	-	-
Laboratory Building - Construction	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	-	-	-	-
Training & Office Building - Construction	-	-	-	-	-
Water Reclamation Facility Master Plan	-	-	-	-	-
Repairs to Primary Clarifiers (2)	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	800,000	800,000	800,000	800,000	800,000
Amonia / Nitrification Process Upgrade	-	-	-	-	-
Plant Instrumentation Upgrade	-	-	-	-	-
Concrete Repairs to ASP Plant	-	-	-	-	-
Trimax PLC Upgrades SCADA	-	-	-	-	-
Upgrade District Security Cameras	-	-	-	-	-
Additional Parking & Landscaping	-	-	-	-	-
Future Operation Projects	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
SUBTOTAL - PLANT	\$ 2,800,000	\$ 2,800,000	\$ 64,185,391	\$ 64,185,391	\$ 64,185,391
SEWAGE COLLECTION					
Lateral Grant Program	\$ 68,638	\$ 70,011	\$ 71,411	\$ 72,000	\$ 75,000
Sewer Main Rehabilitation or Replacement Design	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	-	-	-	-
Manhole Rehabilitation	184,481	190,015	195,715	200,000	220,000
Sewer Repairs and/or Rehabilitation	184,545	190,081	195,783	200,000	220,000
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-
Future Collection Projects	500,000	500,000	500,000	500,000	500,000
Emergency Sewer Siphon Replacement Design	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 937,664	\$ 950,107	\$ 962,909	\$ 972,000	\$ 1,015,000
CONTINGENCY	\$ 137,277	\$ 140,023	\$ 142,823	\$ 142,823	\$ 142,824
TOTAL	\$ 3,874,941	\$ 3,890,130	\$ 65,291,123	\$ 65,300,214	\$ 65,343,215



45500 Van Buren Street
Indio, CA 92201
(760) 238-5400
www.valley-sanitary.org



Fiscal Year 2023/24

Operating and Capital Budget Overview

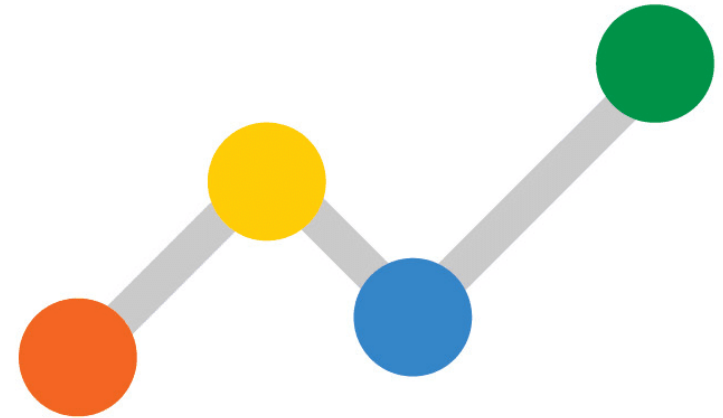
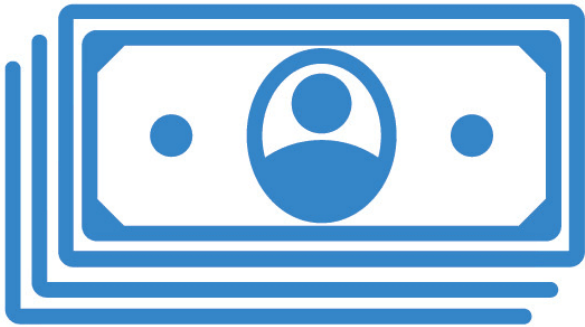


Agenda

- Financial Plan
- Operating Budget
- Capital Budget
- Questions



Giving Water Another Chance



FINANCIAL PLAN

RATE REVENUE REQUIREMENTS SUMMARY ¹	Actuals		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						
<i>Rate Revenue:</i>						
Sewer Service Charge	\$ 11,872,945	\$ 14,575,652	\$ 14,721,409	\$ 14,868,623	\$ 15,017,309	\$ 15,167,482
Revenue from Rate Increases ²	-	-	1,840,176	3,949,478	6,364,758	6,860,323
Subtotal: Rate Revenue After Rate Increases	11,872,945	14,575,652	16,561,585	18,818,101	21,382,067	22,027,806
<i>Non-Rate Revenue:</i>						
Plan Check & Inspection Fees (incl. Permits)	48,545	48,000	48,480	48,965	49,454	49,949
Other Services	18,213	20,854	21,063	21,273	21,486	21,701
Interest Income ³	29,507	522,621	572,518	439,533	341,416	195,416
Non-Operating Revenue	1,025,747	558,585	564,171	569,812	575,511	581,266
Subtotal: Non-Rate Revenue	1,122,012	1,150,060	1,206,231	1,079,584	987,867	848,332
Total Sources of Funds	\$ 12,994,958	\$ 15,725,713	\$ 17,767,816	\$ 19,897,685	\$ 22,369,934	\$ 22,876,138
Uses of Funds						
<i>Operating Expenses:</i>						
Engineering	\$ 633,696	\$ 665,626	\$ 838,156	\$ 880,064	\$ 924,067	\$ 970,270
Collections	1,183,857	784,371	996,492	1,046,317	1,098,632	1,153,564
Operations	2,845,694	2,576,085	3,336,972	3,503,821	3,679,012	3,862,962
Maintenance	1,335,676	1,217,593	1,679,923	1,763,919	1,852,115	1,944,721
Lab	414,620	483,847	626,047	657,349	690,217	724,728
Administration/Board	2,178,993	2,880,292	3,564,412	3,741,208	3,852,589	4,121,632
Additional Staffing	-	-	-	-	-	-
Unfunded Accrued Liability	482,379	700,420	736,606	773,436	812,108	852,714
Subtotal: Operating Expenses	\$ 9,074,916	\$ 9,308,234	\$ 11,778,608	\$ 12,366,114	\$ 12,908,740	\$ 13,630,590
<i>Other Expenditures:</i>						
Existing Debt Service	\$ 1,445,048	\$ 1,440,798	\$ 1,440,048	\$ 1,439,111	\$ 1,440,861	\$ 1,440,611
Future Debt Service	-	-	2,970,421	3,828,748	3,804,006	4,863,597
Rate-Funded Capital Expenses	-	-	-	-	6,964,927	37,043,482
Subtotal: Other Expenditures	\$ 1,445,048	\$ 1,440,798	\$ 4,410,469	\$ 5,267,858	\$ 12,209,794	\$ 43,347,689
Total Uses of Water Funds	\$ 10,519,964	\$ 10,749,033	\$ 16,189,077	\$ 17,633,972	\$ 25,118,534	\$ 56,978,280
Annual Surplus/(Deficit)	\$ 2,474,994	\$ 4,976,680	\$ 1,578,739	\$ 2,263,712	\$ (2,748,600)	\$ (34,102,142)
Net Revenue Req't. (Total Uses less Non-Rate Revenue)	\$ 9,397,952	\$ 9,598,972	\$ 14,982,846	\$ 16,554,388	\$ 24,130,668	\$ 56,129,948
Total Rate Revenue After Rate Increases	\$ 11,872,945	\$ 14,575,652	\$ 16,561,585	\$ 18,818,101	\$ 21,382,067	\$ 22,027,806
Projected Annual Rate Revenue Increase	0.00%	0.00%	12.50%	12.50%	12.50%	2.00%
<i>Cumulative Increase from Annual Revenue Increases</i>	0.00%	0.00%	12.50%	26.56%	42.38%	45.23%
<i>Debt Coverage After Rate Increase</i>	2.71	4.45	1.36	1.43	1.80	1.47



Revised Financial Plan

BUDGET IN BRIEF

PROJECTED REVENUES

- Increased 41.2% due to projected revenue from the rate increase and interest income

OPERATING EXPENDITURES

- Increase attributed to an increase in wages, utilities, comprehensive insurance, and services
- Adjustments required for inflation

DEBT SERVICE

- Debt services increased by \$857K or 19.4% due to full years payment of Banc of America Loan

RATE FUNDED CAPITAL EXPENDITURES

- Projected Capital Improvement Program (CIP) costs increased by \$28M
- The District will need \$26M in rate-funded capital

FISCAL YEAR 2023/24

OPERATING BUDGET



BUDGET PROCESS AND STRATEGY



CONTINUE
BUILDING
MOMENTUM



RESOURCE
PRIORITIZATION



STRATEGIC GOAL
ALIGNMENT



SOUND FINANCIAL
MANAGEMENT



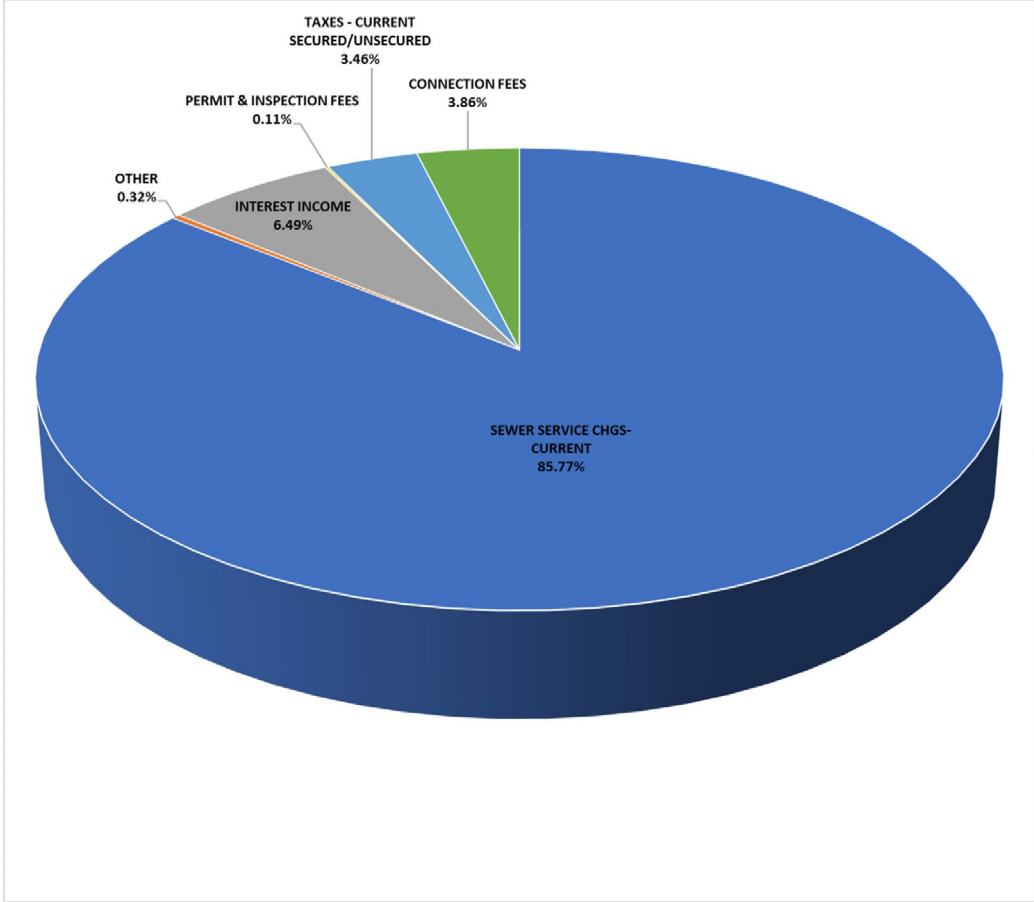
LONGEVITY AND
GROWTH

Revenue	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percentage Change
SEWER SERVICE CHGS-CURRENT	\$ 15,224,732	\$ 15,686,490	\$ 16,872,785	\$ 17,066,857	\$ 1,380,367	8.8%
CONNECTION FEES	4,242,643	996,915	759,059	767,790	(229,125)	-23.0%
INTEREST INCOME	49,628	32,151	615,090	622,164	590,013	1835.1%
CURRENT SECURED	1,031,138	855,412	811,665	615,751	(239,661)	-28.0%
INTEREST INCOME	38,503	36,068	422,557	419,905	383,837	1064.2%
INTEREST INCOME	16,150	4,611	246,089	248,919	244,308	5298.4%
CURRENT UNSECURED	34,714	55,294	49,553	37,592	(17,702)	-32.0%
NON-OPERATING REVENUES - FND 11	63,565	5,156	38,064	28,876	23,720	460.0%
SALE OF SURPLUS PROPERTY	18,247	31,818	28,043	21,274	(10,544)	-33.1%
PERMIT & INSPECTION FEES	44,130	35,874	27,440	20,817	(15,057)	-42.0%
SUPPLE PROP. TAXES - CURRENT	4,865		19,085	14,478	14,478	
PLAN CHECK FEES	12,350	14,704	11,600	8,800	(5,904)	-40.2%
SUPPLE PROP. TAXES - PRIOR	11,256		11,406	8,653	8,653	0.0%
TAXES - PRIOR SECURED	8,468		10,767	8,168	8,168	0.0%
HOMEOWNERS TAX RELIEF	6,668	6,090	4,682	3,552	(2,538)	-41.7%
REBATE INCOME	2,100	3,836	3,003	2,278	(1,558)	-40.6%
OTHER SERVICES	3,810	3,397	2,067	1,568	(1,829)	-53.8%
SADDLES/DISCONNECT FEES	-		320	243	243	0.0%
UNREALIZED GAINS (LOSSES)	(43,863)		(9,902)	-	-	0.0%
Total Revenue	\$ 20,769,105	\$ 17,767,816	\$ 19,923,371	\$ 19,897,685	\$ 2,129,869	12.0%

Expense	FY22 Actual	FY23 Budget	FY23 Projected	FY24 Budget	Budget Change	Percentage Change
Debt Service	\$ 1,018,873	\$ 4,412,971	\$ 4,412,971	\$ 5,270,359	\$ 857,388	19.4%
Wages	3,158,780	3,756,809	3,621,362	4,192,639	435,830	-
Services	1,181,047	1,851,990	947,403	2,242,542	390,552	21.1%
Supplies and Materials	1,200,601	1,675,242	1,362,399	1,828,990	153,748	9.2%
Fringe Benefits	1,130,355	1,433,130	1,294,736	1,682,004	248,874	17.4%
Utilities	758,223	854,420	868,203	1,051,000	196,580	23.0%
Unfunded Accrued Liability		736,606	736,606	752,121	15,515	2.1%
Comprehensive Insurance	407,825	452,816	433,680	525,926	73,110	16.1%
Projects	313,389	369,000	735,243	464,000	95,000	25.7%
Other	196,297	439,007	210,036	394,443	(44,564)	-10.2%
Permits and Fees	57,370	141,025	73,333	148,870	7,845	5.6%
Fuels and Lubricants	44,267	66,060	61,351	70,000	3,940	6.0%
Total	\$ 9,467,026	\$ 16,189,076	\$ 14,757,323	\$ 18,622,894	\$ 2,433,818	15.0%

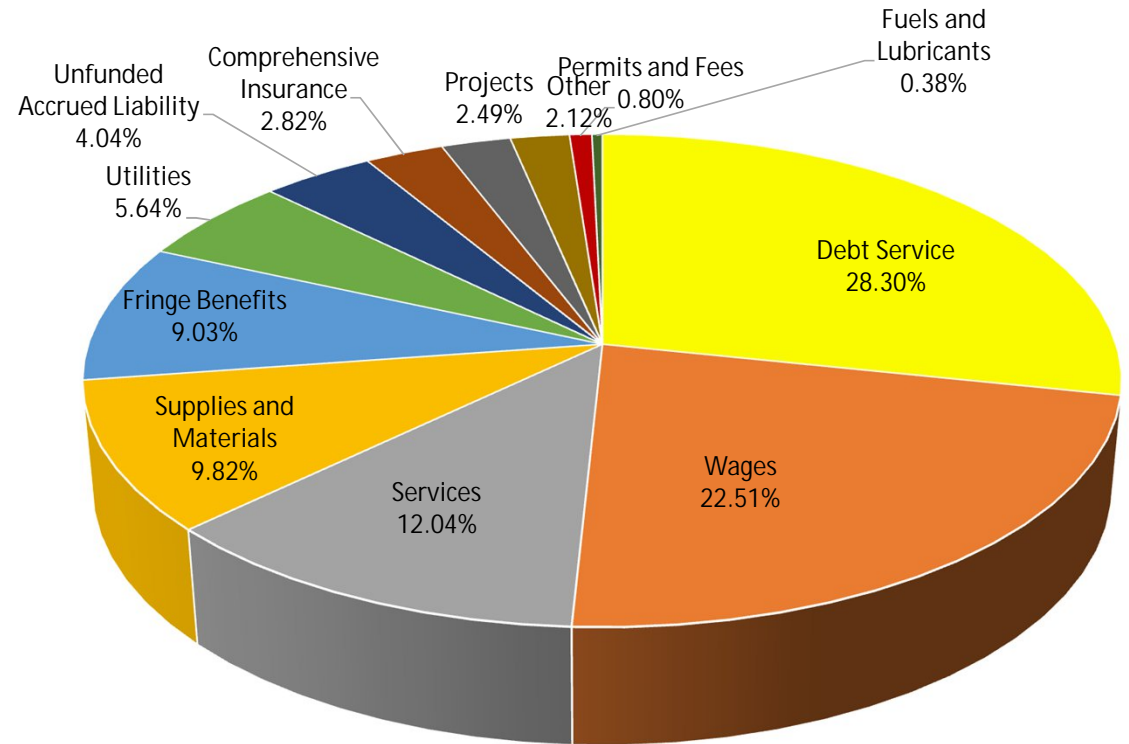


BUDGET OVERVIEW



REVENUE BY SOURCE

EXPENSE BY SOURCE



BUDGET OVERVIEW

- * **PROPOSED BUDGET**
 - FY24 Budget \$18,622,894
 - Net Increase \$2,433,818
 - Percentage Change 15%

- * **OPERATING EXPENDITURES**
 - Wages
 - Services
 - Debt Service
 - CalPERS UAL



BUDGET COMPARISON



Expense	FY23 Budget	FY24 Budget	Budget Change	Percentage Change
Wages	3,756,809	4,192,639	\$ 435,830	11.6%
Services	1,851,990	2,242,542	\$ 390,552	21.1%
Supplies and Materials	1,675,242	1,828,990	\$ 153,748	9.2%
Fringe Benefits	1,433,130	1,682,004	\$ 248,874	17.4%
Utilities	854,420	1,051,000	\$ 196,580	23.0%
Comprehensive Insurance	452,816	525,926	\$ 73,110	16.1%
Projects	369,000	464,000	\$ 95,000	25.7%
Other	439,007	394,443	\$ (44,564)	-10.2%
Permits and Fees	141,025	148,870	\$ 7,845	5.6%
Fuels and Lubricants	66,060	70,000	\$ 3,940	6.0%
Subtotal	11,039,499	12,600,414	\$ 1,560,915	14.1%
Debt Service	\$ 4,412,971	\$ 5,270,359	\$ 857,388	19.4%
CalPERS UAL	736,606	752,121	\$ 15,515	-
Total	\$ 16,189,076	\$ 18,622,894	\$ 2,433,818	15.0%



FISCAL YEAR
2023/24

CAPITAL
BUDGET





CAPITAL IMPROVEMENT PROGRAM

- The Capital Improvement Program (CIP) is a separate twenty-year planning document that details planned capital expenditures.
- The capital projects include
 - Rehabilitation and replacement of infrastructure and equipment
 - Large construction projects
 - Recycled Water Project Phase 1 Design-Build
 - Biosolid Conversion Project



PRIORITIZATION OF CAPITAL IMPROVEMENT PROJECTS

CRITERIA

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

CIP PRIORITY RANKING SHEET

Criteria	Strongly Disagree					Strongly Agree					Score	Weight	Weighted Score
	1	2	3	4	5	1	2	3	4	5			
1. Risk to Health, Safety and Environment and Regulatory or Mandated Requirements											17	25%	4.25
Project avoids or minimizes the risk to health, safety and environment associated with the infrastructure based on condition assessment of the asset, or the lack of an asset, that may include the age, size, material, capacity, and history of failure of the infrastructure.	x										1	1%	0.25
Urgency of the project to reduce the potential hazards to the public, property and environment		x									2	3%	0.5
Project is required by legal mandate or consent decree (less than 3 years, project specific or programmatic, e.g. Department of Health and Environmental Protection Agency's mandates).		x									2	3%	0.5
Project is required by other regulatory requirements (project specific or programmatic, e.g. General Permit Compliance).			x								3	4%	0.75
Project is required to comply with court orders and settlements or avoids plausible legal claims (project specific or programmatic).			x								3	4%	0.75
Project complies with Strategic Plan, General Plan, Community Plan, or Master plan.			x								3	4%	0.75
For Public Safety, this factor will also evaluate the potential in reducing the risks to the staff's health and safety minimizing the failure or maintenance of the existing deficient infrastructure.			x								3	4%	0.75
2. Asset Condition, Annual Recurring Costs and Asset Longevity:											19	20%	3.8
Existing conditions and capacity to meet the basic level of service is deficient.			x								3	3%	0.6
Avoids potential failure due to substandard conditions				x							4	4%	0.8
The project improves the overall reliability of the capital asset and infrastructure system.			x								3	3%	0.6
There are major implications of delaying the project such as significant future costs, or negative community impacts.		x									2	2%	0.4
The extent to which the project reduces District operations and maintenance expenditures.			x								3	3%	0.6
The project increases the longevity of the capital asset or extends the useful life of the asset in the long term				x							4	4%	0.8
3. Community Investment and Economic Prosperity:											18	20%	3.6
The project contributes toward economic development and revitalization efforts			x								3	3%	0.6
The project reduces or avoids impacts to the community when infrastructure fails.				x							4	4%	0.8
The project will benefit under-served communities including those with low income households, low community engagement			x								3	3%	0.6
The project implements the Economic Prosperity Element of the General Plan and/or other community plans.			x								3	3%	0.6
The project benefits communities that have the highest population served per acre.					x						5	6%	1

TWENTY YEAR CAPITAL IMPROVEMENT PROGRAM

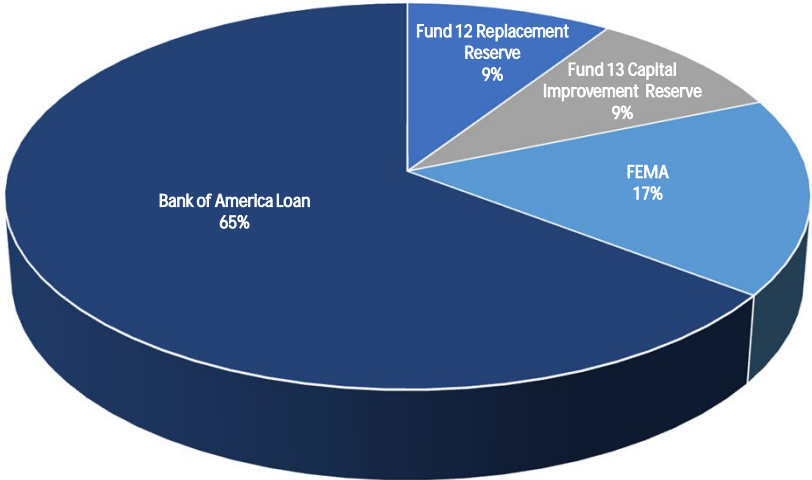
Project Description	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2041/43
PLANT FACILITY																				
Recycled Water Project Phase 1 Design Build	\$ 39,900,000	\$ 18,435,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Biosolids Conversion Project	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recycled Water Project Phase 2 Design Build	-	4,952,347	20,403,670	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recycled Water Project Phase 3 Design	-	-	-	11,293,090	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recycled Water Project Phase 3 Construction	-	-	-	-	32,805,847	33,940,023	10,995,823	-	-	-	-	-	-	-	-	-	-	-	-	-
Future Plant Expansion 2040 & beyond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61,385,391	61,385,391	61,385,391
Laboratory Information Management System (LIMS)	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bathroom Upgrade to Include Shower	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laboratory Building - Final Design	-	1,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Laboratory Building - Construction	-	4,000,000	4,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training & Office Building - Design (Carry Over)	-	1,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Training & Office Building - Construction	-	5,000,000	5,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water Reclamation Facility Master Plan	400,000	400,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repairs to Primary Clarifiers (2)	130,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Control Panel Replacements Blower Building	120,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle & Major Equipment Replacement Fund	1,634,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Armonia / Nitrification Process Upgrade	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plant Instrumentation Upgrade	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Concrete Repairs to ASP Plant	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trimax PLC Upgrades SCADA	70,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Upgrade District Security Cameras	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Parking & Landscaping	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Future Operation Projects	-	600,000	600,000	600,000	600,000	600,000	600,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
SUBTOTAL - PLANT	\$ 43,824,000	\$ 38,687,679	\$ 32,803,670	\$ 12,693,090	\$ 34,205,847	\$ 35,340,023	\$ 12,395,823	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000	\$ 64,185,391	\$ 64,185,391	\$ 64,185,391
SEWAGE COLLECTION																				
Lateral Grant Program	\$ 50,000	\$ 52,020	\$ 53,060	\$ 54,121	\$ 55,203	\$ 56,307	\$ 57,433	\$ 58,582	\$ 59,754	\$ 60,949	\$ 62,168	\$ 63,411	\$ 64,679	\$ 65,973	\$ 67,292	\$ 68,638	\$ 70,011	\$ 71,411	\$ 72,000	\$ 75,000
Sewer Main Rehabilitation or Replacement Design	365,000	1,762,810	1,822,040	1,584,182	1,328,282	1,053,397	758,540	784,027	457,553	494,157	-	-	-	-	-	-	-	-	-	-
Sewer Main Rehabilitation or Replacement Const.	-	5,698,051	7,051,446	7,288,374	6,291,929	5,220,294	4,069,542	2,835,566	1,514,074	1,635,200	-	-	-	-	-	-	-	-	-	-
Manhole Rehabilitation	-	-	-	-	-	-	-	-	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,015	195,715	200,000	220,000
Sewer Repairs and/or Rehabilitation	120,000	122,004	125,664	129,434	133,317	137,317	141,437	145,680	150,050	154,552	159,189	163,965	168,884	173,951	179,170	184,545	190,081	195,783	200,000	220,000
Avenue 48 Sewer Main Upgrade Design	-	-	-	-	-	-	-	-	-	248,455	-	-	-	-	-	-	-	-	-	-
Avenue 48 Sewer Main Upgrade Construction	-	-	-	-	-	-	-	-	-	2,387,715	-	-	-	-	-	-	-	-	-	-
Interim Collection System CIP Design	-	-	-	-	-	-	-	-	-	-	302,856	-	-	-	-	-	-	-	-	-
Interim Collection System CIP Construction	-	-	-	-	-	-	-	-	-	-	-	2,912,776	-	-	-	-	-	-	-	-
Build-out Collection System CIP projects	-	-	-	-	-	-	-	-	-	-	-	-	7,020,147	-	-	-	-	-	-	-
Future Collection Projects	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Emergency Sewer Siphon Replacement Design	1,436,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Emergency Sewer Siphon Replacement Const.	9,285,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SUBTOTAL - COLLECTIONS	\$ 11,256,000	\$ 7,734,885	\$ 9,152,210	\$ 9,156,111	\$ 7,908,731	\$ 6,567,315	\$ 5,126,952	\$ 3,923,855	\$ 2,679,886	\$ 4,987,073	\$ 783,348	\$ 3,404,061	\$ 7,522,536	\$ 913,815	\$ 925,570	\$ 937,664	\$ 950,107	\$ 962,909	\$ 972,000	\$ 1,015,000
CONTINGENCY	\$ 100,000	\$ 104,040	\$ 106,121	\$ 108,243	\$ 110,408	\$ 112,616	\$ 114,868	\$ 117,165	\$ 119,508	\$ 121,898	\$ 124,336	\$ 126,823	\$ 129,359	\$ 131,946	\$ 134,585	\$ 137,277	\$ 140,023	\$ 142,823	\$ 142,823	\$ 142,824
TOTAL	\$ 55,180,000	\$ 46,526,604	\$ 42,062,001	\$ 21,957,444	\$ 42,224,986	\$ 42,019,954	\$ 17,637,643	\$ 6,841,020	\$ 5,599,394	\$ 7,908,971	\$ 3,707,684	\$ 6,330,884	\$ 10,451,895	\$ 3,845,761	\$ 3,860,155	\$ 3,874,941	\$ 3,890,130	\$ 65,291,123	\$ 65,300,214	\$ 65,343,215

REVISED FISCAL YEAR 2023/24 CIP BUDGET OVERVIEW

System	Recurring Project	Project Number	Project	Carryover					Total
				Fund 12	Fund 12	Fund 13	FEMA	B of A Loan	
Plant Facility	✓	21-0001	Vehicle and Equipment Replacement Fund	\$ 825,000	\$ 809,000	\$ -	\$ -	\$ -	\$ 1,634,000
Sewage Collection	✓	21-0002	Lateral Grant Program	50,000	-	-	-	-	50,000
Sewage Collection	✓	21-0003	Sewer Repairs and/or Rehabilitation	120,000	-	-	-	-	120,000
Sewage Collection	✓	21-0004	Contingency for Emergency Repairs	100,000	-	-	-	-	100,000
Sewage Collection		21-0005	Sewer Main Rehabilitation or Replacement Design	365,000	-	-	-	-	365,000
Plant Facility		21-0007	Recycled Water Project Phase 1 (Amend #1 & #2)	-	-	4,200,000	-	35,700,000	39,900,000
Sewage Collection		21-0008	Emergency Sewer Siphon Replacement Design/CM	1,392,750	-	-	7,892,250		9,285,000
Sewage Collection		21-0009	Emergency Sewer Siphon Replacement Construction	215,400	-		1,220,600		1,436,000
Plant Facility		21-0013	Laboratory Information Management System (LIMS)	70,000	-	-	-	-	70,000
Plant Facility		23-0002	Concrete Repairs to ASP Plant	100,000	-	-	-	-	100,000
Plant Facility		23-0003	Electrical Control Panel Replacements Blower Building	120,000	-	-	-	-	120,000
Plant Facility		23-0005	Trimax PLC Upgrades SCADA	70,000	-	-	-	-	70,000
Plant Facility		23-0006	Water Reclamation Facility Master Plan	400,000	-	-	-	-	400,000
Plant Facility		24-0001	Repairs to two (2) Primary Clarifiers	130,000	-	-	-	-	130,000
Plant Facility		24-0002	Plant Instrumentation Upgrade	100,000	-	-	-	-	100,000
Plant Facility		24-0003	Nitrification Reduction ASP upgrade	100,000	-	-	-	-	100,000
Plant Facility		24-0004	Bathroom Upgrade	100,000	-	-	-	-	100,000
Plant Facility		24-0005	Upgrade District Security Cameras	100,000	-	-	-	-	100,000
Plant Facility		24-0006	Biosolids Conversion Project	-	-	1,000,000	-	-	1,000,000
			Total	\$ 4,358,150	\$ 809,000	\$ 5,200,000	\$ 9,112,850	\$35,700,000	\$ 55,180,000

CAPITAL FUNDING BY SOURCE

Funding Source	FY24 Budget
Fund 12 Replacement Reserve	\$ 5,167,150
Fund 13 Capital Improvement Reserve	5,200,000
FEMA	9,112,850
Bank of America Loan	35,700,000
Total Funds Requested	\$ 55,180,000





QUESTIONS?





Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Dave Commons, Chief Operating Officer
SUBJECT: Authorize the Interim General Manager to Purchase a New Computer Server to Replace an Outdated Server from Southwest Networks for an Amount Not to Exceed \$26,600.00

Suggested Action

Approve

Strategic Plan Compliance

GOAL 3: Excellent Facilities

Fiscal Impact

The fiscal impact of this item is \$26,600.00.

Environmental Review

This is not a project as defined by CEQA. No further action is required.

Background

The current computer server is outdated, unreliable, and has reached the end of its service life. This equipment is critical to the on-going operations and monitoring of the entire treatment plant SCADA system and must be replaced as soon as possible.

Recommendation

Staff recommends that the Board of Directors authorize the Interim General Manager to purchase a new computer server to replace an outdated server from Southwest Networks for a not to exceed price of \$26,600.00.

Attachments

[ValleySanitary_Servers_SCADA_apr2023.pdf](#)



Quote

Salesperson: Matt Disher
Date: 4/24/23
Terms: Net 20
Valid For: 10 days

Issued To:

Matthew Pittelli
 Valley Sanitary District
 45500 Van Buren Street
 Indio, CA 92253
 P: (760) 347-2356
 F: (760) 347-9979

Qty	Description	Price	Extended Price
2	Lenovo SE350 Server with 5 yr Warranty M.2 SATA/NVMe 4-bay Data Drive Enablement Kit 1 x Intel Xeon 8-Core Processor 2.2Ghz 64GB of Memory 2 x Power Supply Remote Management Module 128GB SATA SSD Boot Drive for ESXi 2 x 1.92TB NVMe SSD Hard Drive 2 x 1GB Network Interface Ports XClarity Pro - 5 Year	\$6,945.00	\$13,890.00
2	Windows Server 2022 Standard	\$1,069.00	\$2,138.00
20	Windows Server 2022 User CAL	\$46.00	\$920.00
2	Microsoft SQL Server 2022 Standard	\$987.00	\$1,974.00
20	Microsoft SQL Server 2022 User CAL	\$229.00	\$4,580.00

Subtotal	\$23,502.00
Tax rate	8.75%
Sales tax	\$2,056.43
Bench Setup	\$1,000.00
Onsite Labor	TBD
Monitor Recycle Fee	NA
Total	\$26,558.43

Dear Matthew,

Here is the quote you requested.

Please call me with any questions.

Sincerely,

.....
Matt Disher



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Ron Buchwald, Interim General Manager
SUBJECT: Authorize the Board President to Sign a Letter of Support for AB 759 (Grayson) Which Would Allow Sanitary Districts to Establish Their Own Protocols to Authorize Funds and Check Registers

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact with this item.

Environmental Review

This is not a project as defined by CEQA. No further action is needed.

Background

Eric O'Donnell from Townsend Public Affairs provided the attached letter in support of AB 579. The current check register approval process which was enacted in 1939, requires members of the Board to review and approve all checks. The Board approval process usually occurs after the checks have been prepared and issued. AB 579 will allow changes to the Sanitary Act that have been provided to other public agencies, namely that the Board is not required to review and approve all checks. Supporting AB 579 does not require the Valley Sanitary District to make any changes to the current approval process but it allows them if they so chose now or in the future.

Recommendation

It is recommended that the Board of Directors authorize the Board President to sign the letter of support for AB 579 (Grayson).

Attachments

[VSD AB 759 \(Grayson\) Support.docx](#)

April 25, 2023

The Honorable Timothy Grayson
California State Assembly
1021 O Street, Suite 5510
Sacramento, CA 95814

RE: Assembly Bill 759 – Valley Sanitary District SUPPORT

Dear Assembly Member Grayson:

On behalf of Valley Sanitary District (VSD) I write in support of your Assembly Bill 759, which would allow the Board of a Sanitation District to establish their own protocols to authorize funds and check registers that better reflect modern and efficient business practices. Valley Sanitary District serves and benefits Indio and the surrounding communities by collecting, treating, and recycling wastewater to ensure a healthy environment and sustainable water supply. VSD was founded in 1925 and is governed by the California Sanitary Act of 1923.

The existing approval requirement was enacted in 1939 and in practice provides minimal oversight safeguarding as the Board approval is usually performed in retrospect for checks that have already been issued. The modern business climate requires Sanitary Districts to issue payments in a timely manner. Waiting to issue payments until after the Board meets and approves the register impedes the agency's ability to maintain the reasonable flow of public business. AB 759 would update the statute to reflect reasonable business procedures for modern utilities and create parity with other special districts providing similar services.

This proposed changes to the Sanitary Districts Act have previously been afforded to a variety of similar special districts and local agencies by the Legislature. The following statutes allow for similar Board discretion in their accounting procedures for a variety of special districts and local agencies: Municipal Water Districts - 1963 (Water Code Section 71362); Cities - 1986 (Government Code 37208); Community Service Districts - 2005 (Government Code 61051); County Water Districts - 1949 (Water Code 31302), and County Sanitation Districts - 1939 (Health and Safety Code 4763).

We appreciate your leadership on this good governance measure and look forward to working with you in the future. If you have any questions about our support or if we can be helpful in any way, please do not hesitate to contact us.

Sincerely,

Debra Canero
Board President
Valley Sanitary District

CC: Senator Steve Padilla
Assembly Member Eduardo Garcia



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Ron Buchwald, Interim General Manager
SUBJECT: Authorize Specific Directors to Attend the CSDA 2023 Special Districts Legislative Days in Sacramento and Reimburse Related Expenses

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

The estimated cost for attending this event is approximately \$1,700 per director, which includes travel and related expenses and three/four days of service.

Environmental Review

This item does not qualify as a project for the purposes of CEQA.

Background

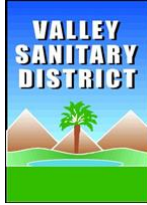
Each year the California Special Districts Association holds the Special Districts Legislative Days in Sacramento, CA. It is the only opportunity for all types of special districts, large and small, north and south, rural and urban to come together with one united voice to discuss issues like revenue, governance, labor, and public works matter to all districts.

Recommendation

Staff recommends that the Board of Directors discuss and authorize President Debra Canero, Secretary/Treasurer Scott Sear, and Director Jacky Barnum to attend the CSDA 2023 Special Districts Legislative Days on May 16-17, 2023, and the reimbursement of related expenses.

Attachments

[Travel Policy.pdf](#)



TRAVEL APPROVAL & REIMBURSEMENT POLICY

Adopted: 07/23/19

I. PURPOSE

To establish guidelines for reimbursing travel expenses associated with the performance of District business. Reimbursement for expenses is predicated on the understanding that each attendee is returning with knowledge that will be of benefit to the District and/or to individual job performance.

II. POLICY

It is the policy of the Valley Sanitary District (District) to authorize its employees and Directors to attend seminars, conferences, workshops, and other professional meetings to encourage professional development and the improved performance of their duties. Employees and Directors may also be required to travel to conduct official District business.

All employees and Directors who attend meetings, conferences or other functions are expected to be present at all of the scheduled working sessions unless otherwise authorized. Directors and employees shall not attend professional events if it is apparent that there is no significant benefit to District.

Directors and employees are expected to exercise good judgement and a proper regard for economy when incurring expenses. Employees and Directors are responsible for making their own travel arrangements.

Directors or employees may be accompanied by a companion who is not a Director or District employee if their presence does not detract from the attendee's performance of District duties. The District will not reimburse any expenses attributable to any companion.

A Director or employee shall not attend an event for which there is an expense to District if it occurs after the Director or employee has announced their pending resignation or if it occurs after an election in which it has been determined that the Director will not retain their seat on the Board.

In situations where extraordinary travel expenses are expected to be incurred, or where this Policy does not adequately cover the situation or would cause an undue hardship, exception may be made with prior approval of the General Manager for such extraordinary travel expenses for District employees or by the Board President for the General Manager and Directors.

III. AUTHORIZATION FOR TRAVEL AND EXPENSES

Directors are authorized to travel anywhere in the local area (defined as Coachella Valley) for the purpose of conducting District business as assigned by the Board President. Directors are authorized to travel to local functions sponsored by local associations in which District maintains a membership without prior approval. Other travel on District business by Directors shall be undertaken only with the prior approval of the Board of Directors.

The General Manager is authorized to travel anywhere in the local area (defined as Coachella Valley) for the purpose of conducting District business. The General Manager is authorized to participate in conferences, seminars, and events sponsored by professional associations in which District maintains a membership without prior approval. Participation by the General Manager in conferences and seminars conducted by professional associations in which District does not maintain a membership must be approved in advance by the Board of Directors.

A District employee may travel on District business anywhere within Coachella Valley if authorized by their supervisor. With approval of the supervisor, employees are authorized to travel to local functions sponsored by local associations in which the District maintains a membership. Other travel on District business by employees shall be undertaken only with the prior approval of the General Manager or their designee. Employees must complete a Training & Travel Request Form for travel outside of Coachella Valley.

A. Event Registration

The cost of registration, including special events described in the agenda that contribute to educational or professional development, is eligible for reimbursement. Whenever possible, registration expenses are to be pre-paid by District in the form of District check or credit card.

B. Compensation

Directors shall be compensated at the relevant rate for each day of attendance at an approved conference, seminar or workshop, up to the allowable limit.

Employees shall be paid for time actually attending professional conferences, seminars, workshops or meetings. Attendance work time includes the time it takes to travel to and from the event. Attendance at voluntary social events or events that are not of a benefit to District (mixers, golf tournaments, tours, etc.) will not be compensated as time worked.

C. Meals for Non-Overnight Travel

For non-overnight business travel, reimbursement will be made for meals, including beverages and tips. If a meal is provided as part of non-overnight business travel, reimbursement will not be provided for an attendee choosing to skip that meal.

Reimbursements for meals not provided as part of a non-overnight business travel will be made up to the limits listed below. Receipts are required and no amounts in excess of the limits below will be reimbursed.

Breakfast	\$16.00
Lunch	\$17.00
Dinner	\$28.00

If a meal is provided as part of non-overnight business travel but the cost of the meal is not included in the event price, the amount reimbursed will be the actual cost of the meal and not subject to the limits above. The meal reimbursement amounts shall be adjusted to conform with the applicable IRS rates, as amended from time to time. Snacks or refreshments outside of regular meal times are not eligible for reimbursement.

Alcoholic beverages may be served at business meetings. The consumption of alcohol is guided by applicable District policies. District will not reimbursement employees or Directors for the purchase of alcoholic beverages.

D. Per Diem

Meals and incidental expenses incurred for overnight business travel away from home are governed by the applicable per diem rate, which will be based on the Internal Revenue Service using the Specific Locality Method for Meals and Incidental Expenses (laundry, fees and tips for baggage handlers, etc.) only. Incidental expenses do not include fees imposed by a commercial travel carrier, taxi fares, or parking.

Per diem rates for meals and incidental expenses are calculated by determining the total number of eligible days, which is the total number of overnight stays plus one additional day to allow for travel. The eligible days are multiplied by the identified per diem rate. The per diem rate is identified on the specific locality table located at <http://www.gsa.gov/portal/content/104877>.

Receipts are not required for meals and incidental expenses when using the per diem method. Per diem expenses are **not** allowed to be charged to District issued credit cards.

E. Lodging

Whenever possible, lodging should be arranged at the facility where the event is being held at the event rate. If lodging at the event facility is not available, or if a different facility is needed, reimbursement will be limited to the event facility rate, or the available government rate, whichever is greater, for a double-person occupancy basic room. Exceptions to this limit must be approved, in advance, by the Board.

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Lodging shall not be authorized unless one of the following criteria is met:

- The destination is at least 100 miles, one way, from District's office.
- There is a very early (before 9:00 a.m.) or late (after 5:00 p.m.) official meeting (excludes social events) that could justify the attendee staying overnight at the destination.
- The total event time per day, including commute or travel time, would result in a workday of more than 10 hours per day. For the purpose of determining total event time per day, the hours of work for the day of the event attendance will be the same as the hours of the official event, excluding social events.
- The event lasts for more than one day and the commute expense, including overtime pay, is more expensive than the cost of the lodging, parking and per diem.

Payment for lodging shall be limited to the minimum number of nights required for attendance at the event. An additional night at the conclusion of the event may be authorized if one of the following criteria is met:

- ✓ The total event time per day, including commute or travel time, would result in a workday of more than 10 hours per day and the commute or travel time required to return home would result in an arrival time at home after 9:00 p.m. For the purpose of determining total event time, the hours of work for the day of the event attendance will be the same as the hours of the official event, excluding social events.
- ✓ There are no flights available within a reasonable time after the conclusion of the official event.
- ✓ The event lasts for more than one day and the overtime pay for the commute or travel time is more expensive than the cost of the extra night of lodging, parking and per diem.

Whenever reasonably possible, the justification for the request for an additional night of lodging must be submitted to, and approved by, the General Manager (or their designee) in the case of employees or the Board President, in the case of the General Manager and Directors, in advance of the event. An additional night of lodging due to the cancellation of the return flight by the carrier or other unforeseen emergency does not require advance approval.

Charges imposed by the hotel for the use of internet service may be paid by District if the General Manager has authorized the employee to access their District email account or files during their travel or, in the case of a Director, the

Board President has authorized the expense. If the employee or Director has not been approved for this expense, they must pay for any internet access charges.

Charges imposed by the hotel for local and long-distance phone calls will be reimbursed when such calls are made in conducting official District business or essential personal calls such as a “safe arrival call.”

F. Commercial Travel

Air travel reimbursement shall be limited to economy or coach fares. Travel shall be by the most direct, cost-effective route. If an indirect route is used, any additional costs shall be at the Director’s or employee’s personal expense. Additional charges for “Friends Fly Free” or other companion fares must be paid by the attendee. Travel arrangements should be made with sufficient lead time to take advantage of the lowest possible rates.

When taking into consideration all travel-related expenses, if it is more cost effective to fly to or from the destination on an earlier or later date, this may be allowed. If an attendee chooses to arrive earlier or stay later for personal convenience, the additional lodging and other related expenses will not be reimbursed by District.

The use of taxis or car services is permissible when shuttles are not available or it is a cost-effective alternative to renting a car.

G. Rental Car

Rental car expenses will be reimbursed if the expense is less than other surface methods of transportation (shuttles, cabs, etc.). Rental car expenses may be reimbursed when an indirect air travel arrangement in combination with a rental car is more cost effective than a direct air travel arrangement. District will not pay for or reimburse pre-paid fuel charges, upgrades or other additional costs not necessary to the rental of the vehicle. District will pay for the cost of, and the attendee should accept, the standard liability insurance coverage on the rental vehicle.

In the event that a rental car is necessary, the cost shall ordinarily be limited to the commercial car rental contract rates established by the State of California Department of General Services (DGS) Statewide Travel Program, which may be found at: <http://www.dgs.ca.gov/travel/Programs/RentingaVehicle.aspx>.

Absent unusual circumstances, the vehicle size shall be no larger than mid-size (intermediate). For purposes of this policy, “unusual circumstances” may include, but are not limited to, multiple employees or Directors sharing the same vehicle, unavailability of a mid-size (intermediate) vehicle, need for a larger vehicle to accommodate an individual with a disability, the availability of a larger vehicle or upgrade that does not increase the cost of the vehicle rental

and other circumstances that warrant renting a larger size vehicle. If a larger size vehicle is needed, its rental must be approved in advance by the General Manager for District employees or, for Directors, by the Board President. Attendees are required to share the use of a rented car. Attendees are required to use a District credit card when renting automobiles if they have been issued a District credit card.

H. Use of Personal Vehicle

Reimbursement for the use of private cars shall be at the rate established by the Internal Revenue Service (IRS). Mileage reimbursement shall not exceed the lowest available fare for air travel. Parking charges necessary for the business purpose of the trip will be reimbursed.

The distance traveled from an employee's primary residence to their primary work site will not be reimbursed, as this is considered a personal expense. An employee driving a personal vehicle from their primary residence to an event site shall be reimbursed only for mileage that **exceeds** the round-trip distance from their primary residence to their primary work site. If an employee utilizes rideshare, the employee shall be reimbursed only for mileage that exceeds the round-trip distance he/she would have travelled the day of the event attended.

An employee driving to and from the airport when traveling on business will be reimbursed only for mileage that **exceeds** the round-trip distance from their primary residence to their primary work site. If an employee is driving a personal vehicle from their primary residence to an event site on their normal day off, the employee shall be reimbursed for the total distance driven.

Employees who utilize personal vehicles for business purposes are required to have a valid driver's license and at least the minimum insurance coverage required by law. Primary insurance for use of a personal vehicle for business purposes shall be through the employee's personal automobile insurance policy and will be responsible for any damage to the vehicle, as well as for liability. The owner/driver of the vehicle is responsible for all parking fines and moving violation tickets.

Travel in District vehicles may be approved when circumstances warrant it. When traveling in a District vehicle, receipts shall be secured for the purchase of gas, oil and other supplies necessary. These amounts shall be shown on the expense reimbursement form with a notation that a District vehicle was used, indicating the unit number of the vehicle. If emergency repairs are necessary, they shall be paid for by the person to whom the car is assigned. All receipts for such payment must be furnished in order to obtain reimbursement.

I. Reimbursements

Directors and employees are required to complete a Travel & Training Expense Reimbursement Form when incurring expenses. Requests for reimbursement

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should be made as soon as possible following the seminar or conference or by the end of the month in which the expenses were incurred. Claims must be clear, listing the following (certain data may be listed on the attached receipt).

- The amount of the expense
- The time and place of travel or expense
- The business purpose of the expense
- In the case of business-related expenses incurred on behalf of others, the name and business relationship of the individuals.

Receipts, paid bills, etc. must be attached to each expense claim form regardless of amount for the following expenses:

- Registration
- Travel (including air fare, taxi, shuttle, etc.)
- Lodging (hotel bills, etc.);
- Mileage
- Parking
- Meals related to non-overnight travel

Prior to processing requests for reimbursement, the Board of Directors shall approve all Travel & Training Expense Reimbursement Forms for Directors as well as all reimbursement requests for the General Manager when the expenses exceed \$250. The General Manager, or their designee, shall approve all Travel & Training Expense Reimbursement Forms for employees.

Personal or unauthorized expenses are not allowed to be charged on District credit cards. When more than one employee or Director attends the same function, one person may pay the bill for the group, provided a receipt and list of names are included. Any personal or unauthorized expenses charged on the District credit card shall be paid by the employee or Director incurring the charge.

In circumstances where the use of personal credit cards and/or cash is deemed impractical, and where the total expense is expected to exceed fifty dollars (\$50.00), District may provide an advance of funds. Such advance will not exceed one hundred percent (100%) of the anticipated out-of-pocket expense, less those items that are required to be pre-paid. All such payment requests must allow sufficient time for normal processing and approval prior to payment.

If a District credit card was used to pay for the travel and related expenses, requests for reimbursement will not be processed until District is able to reconcile the District credit card statement with the reimbursement form.

No additional reimbursements will be made for personal expenses such as newspapers, laundry and dry cleaning, magazines, haircuts, shoeshines,

excess personal telephone calls and other personal expenses. These are included in the per diem incidental expenses allowance

This policy is intended to comply with all Internal Revenue Service requirements for an accountable plan so that reimbursements are not treated as part of wages for tax purposes.

It is against the law to falsify expense reports. Penalties for misuse of public resources or violating this policy may include, but are not limited to the following.

- The loss of reimbursement privileges.
- Restitution to District.
- Civil penalties for misuse of public resources pursuant to Government Code Section 8314.
- Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code.
- For employees, disciplinary action, up to and including termination.

IV. DEFINITIONS

As used in this policy, the following words and phrases shall have the following definitions.

Incidental Expenses: minor expenses that are incurred while travelling. These often include the purchase of personal items (toiletries, reading material, snacks, etc.), laundry and dry cleaning, haircuts, shoeshines, excess personal telephone calls and other personal expenses.

Per diem: a daily allowance or payment made for expenses incurred each day of travel.

Travel: attendance at meetings, conferences, events or other functions on District business at other than the District's offices or facilities.



Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Ron Buchwald, Interim General Manager
SUBJECT: Receive Monthly General Managers Report - April 2023

Suggested Action

Review

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact from this report.

Environmental Review

This is not a project as defined by the California Environmental Quality Act (CEQA).

Background

The following data represents the activities and metrics for the month of April 2023.

Administrative Services

- Held two (2) Regular Board Meetings
- Held four (4) Special Board Meetings
- Held one (1) Operations Committee Meeting
- Filed 2022 Use Tax Return
- Submitted Elected Officials Questionnaire to County of Riverside Registrar of Voters
- Cancelled Proposition 218 notices regarding new proposed rates

Environmental Compliance Services

- Environmental Compliance Inspector Interviews held to recruit and back-fill vacancy.
- Laboratory Staff in training for Carbonaceous Biochemical Oxygen Demand (cBOD) method, once training is concluded, regulatory samples will be brought in-house (ETA: Late May)

- Received Assessment Report from ELAP Audit performed March 14th, with 6 deficiencies identified. Corrective Action Report due Mid-May.
- Laboratory staff completed a one-day observation with CVWD laboratory staff on the preparation, quality control, and analysis of samples for a potential Cyanide method.

Operations & Maintenance

- Operators pressure washed Diffusers in Aeration Basin #3.
- Operators assisted the contractor with putting our Influent pumps back in service.
- Operators jetted cleanouts for Secondary Clarifiers.
- Operators cleaned Mixed Liquor Channel.
- Influent Pump Station rehab project, worked with Bear Electric to in putting everything back in Auto and confirming operation. Disconnect cables and instruments.
- Cleaned and inspected MCC-A MCC-D MCC-DI. This task is on a yearly Preventative maintenance request.
- Had three employees from Operations and Maintenance attended the CWEA conference in San Diego.
- Maintenance staff completed the rehab of the last clarifier #3.
- Assisted Dudek with stand by support for Influent rehab completion and perform testing of all pumps and slide gates.
- Replaced coupler hub and 25 hp motor on Aerator #7 and amp tested.
- Blower #3 Motor Overhaul had bearings replaced, Thermo couples inspected windings, also replaced bearing grease seals.
- Was involved in locating pipes/conduit X6 for Walsh and giving final ok to remove to continue digging. --Completed check off list for Indio Fire Department inspector to pass Annual inspection which we passed.
- Replaced all the lights under the mezzanine with LED lights.
- Replaced the motor starter for the foul air blower.
- Ordered parts for the primary gearbox.
- Pressure washed helix scum skimmer.

Development Services

- Construction has begun on a tentative improvement for Encore Coffee on the southeast corner of Miles Avenue and Oasis Street.
- Construction has begun on the new Indio Palms RV Storage on Commerce Street South of Vin Deo Circle.
- Gallery Homes is starting the development of 82 homes in the Indian Palms Country Club on the corner of Odlum Drive and Barrymore Street.
- Construction has begun on the Texas Roadhouse Steak House East of Jackson Street and South of Avenue 43 in the Indio Town Center Shopping Center.
- Construction has begun on the new EOS Gym on the corner of Highway 111 and Jefferson Street
- Construction has begun on the Arroyo Crossing I and II project, a 400-unit low-income apartment complex located on the west side of Jefferson Street, south of Hwy 111.
- Construction has begun on the Wood Springs Suites Extended Stay Hotel West of Jackson Street and South of Avenue 42.
- Construction has begun on the Indio Public Safety Campus Expansion on the corner of Jackson Street and Dr. Carreon Blvd.

Collection Services

- No-Spill report for the month of April 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.
- State Water Resources Control Board adopted a reissued statewide General Order Waste Discharge Requirements (WDR), to become effective June 5, 2023. This requires updating elements of the Sewer System Management Plan (SSMP), currently the priority action to comply is to update Element 6, formerly titled Overflow Emergency Response Plan, to the now updated and titled Spill Emergency Response Plan, by June 4, 2023.
- CCTV inspection van is currently inoperable due to generator not working and need of replacement. The lowest quote received was from Rays RV Sales & Service in Banning. The generator has been ordered and waiting for delivery at vendors location to schedule for installation.
- Field Vector crew is currently working in the area of Golf Center and Avenue 44.

Capital Improvement Program

- The Reclaimed Water Project - Phase 1 was awarded to Schneider Electric / Stantec in June 2020. Construction costs will be determined during the design phase and will be awarded to Schneider Electric / Stantec upon approval of the Board. This project will replace an aging and capacity restricting grit chamber and provide redundancy by adding a second digester and expanding the bar screens. This project will also include replacement of the Main Switch Control Panel and the addition of a sludge thickener unit. Schneider has completed the 60% design submittal and has prepared the guaranteed maximum price based on the latest design plans. *Update: 100% design plans have been approved by staff. ECM #3 (the Rotary Screw Thickeners) is at the 60% design level. The Guaranteed Maximum Price (GMP) has been approved by the Board. Leighton was awarded the contract for specialty testing and inspection services. Walsh is currently trenching near the bar screen structure for the installation of the new grit chamber and finishing the excavation and compaction for the new digester.*
- Westward Ho Drive Sewer Siphon Replacement project. This is a FEMA funded project to replace the damaged sewer siphon from the February 2019 storm. Staff and the consultant had a preliminary meeting with CVWD regarding requirements for crossing the channel. Staff reviewed the 50% design plans and the updated project cost schedule. Staff reviewed 90% design plans and specifications and submitted comments for correction. Staff are finishing their review of the submitted 100% set of plans and specifications. Staff has met with both the City of Indio and La Quinta, and both have no revisions or concerns. Staff has sent plans to CVWD and IWA for review and VSD received comments back from both agencies for incorporation. Carollo will be performing additional potholing to verify IWA and other utilities. Potholing has revealed that an IWA water line is closer to the project alignment than indicated on record drawings and must be rerouted around the proposed siphon manhole. *Update: Permitted Plans have been signed by CVWD. Staff is currently filing an encroachment permit license application as required by CVWD for the permanent pipeline crossing of the channel. Once the contractor is selected, they will file for a construction permit and the encroachment permit will be processed. This project is currently being held up by FEMA. VSD needs FEMA approval before proceeding with bidding and construction which was expected by February 2023. The CEQA documentation for this project has been completed.*
- Collections System Rehabilitation and Replacement project. The first rehabilitation project on

Indio Blvd. is complete. This was a good first project and lessons were learned on how to better the process for the next project. The CCTV inspection project is complete. Harris is currently developing plans for the downtown Indio rehabilitation and repair project. This is being done to rehabilitate and replace deficient sewer mains in the streets and allies of the downtown area. The 50% plans for the Downtown Indio Rehabilitation project have been reviewed and comments have been returned to Harris for revision. The 100% design plans have been reviewed by IWA and the City of Indio and both agencies returned comments for revision. *Update: The Board has awarded the Downtown Indio Rehabilitation Project to GRBCON. The contractor is currently rehabilitating sewer mains in the Downtown area. Harris is currently working on the rehabilitation plans for the Calhoun lift station.*

- Influent Pump Station Rehabilitation Project. The Request for Proposal (RFP) was released on August 28 and was closed on September 28, 2020. The Board awarded the project to the DCI / Dudek team, and a pre-construction meeting was held on December 4th, 2020. The DCI / Dudek has developed a preliminary bypass plan for the initial inspection and shutdown of the influent pump station structure. The preliminary bypass and inspection were completed from February 22nd to February 26th. VSD has chosen the valves and gates that will be used for this project based on Dudek / DCI and Stantec's recommendations. Dudek and VSD are coordinating the ordering and purchasing of long, lead items. Dudek has submitted the Basis of Design Report which Stantec and VSD staff have reviewed. The Board has approved the guaranteed maximum price. The Notice of Award has been issued and Change Order No.2 signed. *Update: The contractor has completed the repair and coating of the interior of the pump station and is currently installing the new valves and piping inside and outside the pump station. The project is nearing completion, and the bypass has been removed. All that remains is the installation of the new Pump #3 and the remaining punch list items.*
- The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints, and has exceeded its useful life. The new steel waterline will have traditional joints that will provide a longer life. This project has been on the books for several years and has been a lower priority due to lack of leaks in recent years and the difficult nature of replacement. The project design was awarded to Dudek who has completed the project design and specifications. The construction portion of the project was put out to bid on February 7th, 2022. The project bid opening took place on March 16th, 2022, and VSD received six sealed bids for this project with Van Dyke Corporation being the lowest responsible bidder. The first phase of this project has been completed. *Update: The Board has approved the proposal from Dudek for the second phase of the project which consists of replacing the piping for the frost sprayers. The Board awarded the project to the Van Dyke Corporation. The contractor is currently preparing all the submittals and materials for this project. They are expected to start construction in May.*
- VSD has chosen SGH Architects as the architectural firm for the preliminary design of a new single-story training/office building and new laboratory building. Staff have selected a new location for the training/office building that will allow the single-story building with minimal demolition. The architect has completed the schematic design and cost estimate for both the training/office building and laboratory building. An onsite survey was conducted on July 7th. SGH Architects is continuing with the final design of both the Office & Training and Laboratory Buildings. *Update: SGH has submitted 50% design plans which include both buildings for staff review and comment in December 2021. This project has been delayed for a year or two to allow other priority projects to proceed and maintain our debt coverage.*

Recommendation

Staff recommends that the Board receive the Manager's Report for activities during the month of April 2023.

Attachments

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

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

[Attachment C Collection Services Report 2023.pdf](#)

[Attachment D Development Services Report April 2023.pdf](#)

[Attachment E Capital Improvement Program Report May 2023.pdf](#)

[Attachment F Environmental Compliance Summary for May.pdf](#)

[Attachment G Wastewater Surveillance Summary for May.pdf](#)

Administrative Services - Task Summary 2022

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total To Date
Active Litigation Filed	-	-	-	-									-
Board Meeting	3	2	3	4									12
Budget/Finance Committee Meeting	1	-	-	-									1
Operations Committee Meeting	-	1	-	1									2
Community Engagement Committee Meeting	1	-	1	-									2
Employee Anniversaries	1	4	1	1									7
Employee Promotions	-	-	-	-									-
Facebook Postings	1	3	-	-									4
Insurance Claims Initiated	-	-	-	-									-
Lost Time Work Incidents	-	-	-	-									-
Media Coverage Items	-	-	-	1									1
New Hires	-	-	2	-									2
Press Release	-	-	-	1									1
Public Records Request	2	1	-	1									4
Resignations	-	-	1	-									1
Retirements	-	-	-	-									-

Report Name: Monthly

March 2023	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	TSS
1								
2								
3								
4								
5								
6	282	273		16	6			
7								
8								
9								
10								
11								
12								
13	278	523		17	9.5			
14								
15								
16								
17								
18								
19								
20	236	336		18	10			
21								
22								
23								
24								
25								
26								
27	295	317		17	8			
28								
29								
30								
31			6.23			0.000		
Average	273	362	6.23	17	8.4	0.000		
Minimum	236	273	6.23	16	6	0.000		
Maximum	295	523	6.23	18	10	0.000		
Exceedences	0	0	0	0	0	0	0	0
Permit LIMITS				25	30		40.0	49.0

Total Plant Discharge (Outfall) Grab								
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)
19.7								
6.2	< 1.4	4.8	< 0.5	1.7	8.2	7.2	1.4	20
27.8								
6.3								
40.2								
15.4*	1.4	4.8	0.5	1.7	8.2	7.2	1.4	20
6.2	< 1.4	4.8	< 0.5	1.7	8.2	7.2	1.4	20
40.2	< 1.4	4.8	< 0.5	1.7	8.2	7.2	1.4	20
0	0	0	0	0	0	0	0	0
126(mo) / 400 (max)	25	9.0	5.9	4.3				

Collection Services Task Summary Report for 2023

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total To Date
Customer Service Calls	6	1	3	1		-							11
F.O.G. Inspection - Completed													-
F.O.G. Inspection - Fail													-
F.O.G. Inspection - Pass													-
Hot spot cleaning (total)*	26	-	-	34	-	-	-				-	-	60
Lift station inspection	19	16	23	18									76
Manhole inspection	179	159	136	178									652
Sewer line CCTV (feet)	8,060	7,295	N/A	N/A									15,355
Sewer line cleaning (feet)	52,372	53,787	58,466	67,147									231,772
SSO Response - Cat 1	0	0	0	0									0
SSO Response - Cat 2	0	0	0	0									0
SSO Response - Cat 3	0	0	0	0									0
USA Markings	160	46	45	28									279
*Note: Hot spot cleaning is performed quarterly													



VALLEY SANITARY DISTRICT DEVELOPMENT SERVICES REPORT

5/9/2023

Plan Check in Progress
Inspection in Progress
New Project

PROJECT NAME	STREET ADDRESS / CROSS STREET	CURRENT PROJECT STATUS	NEXT ACTION ITEM
Add'l Dwelling Unit - Cebros Residence	83181 Blue Mountain Court	Plans submitted for additional dwelling unit. Plans approved and notified applicant 3/3/21. Permit 3967 7/26/2021	Inspect work improvements as scheduled.
Arroyo Crossing Phase 1 architectural plans	47555 Jefferson Steet/Highway 111	Architectural plans submitted for new apartment complex. Plans approved and notified applicant 12/22/21. Permit 3998 issued 1/6/22.	Inspect work improvements as scheduled.
Arroyo Crossing Phase 1 civil plans	47555 Jefferson Steet/Highway 111	Civil plans submitted for new apartment complex. Plan review completed. Plans approved and returned to applicant 12/22/21. Permit 3998	Inspect work improvements as scheduled.
Arroyo Crossing Phase 2 architectural plans	47777 Jefferson Steet/Highway 111	Architectural plans submitted for new apartment complex. Plans approved and notified applicant 1/21/22 Permit 4005 on 2/7/22.	Inspect work improvements as scheduled.
Arroyo Crossing Phase 2 civil plans	47777 Jefferson Steet/Highway 111	Civil plans submitted for new apartment complex. Plans approved and notified applicant 1/21/22. Permit 1005	Inspect work improvements as scheduled.
Autozone Jackson Street	41850 Jackson Street/aAvenue 42	Plans submitted for plan check. Sewer main relocation. Plans approved 1/21/21. Waiting for engineer to finalize easements docs. Permit 3954 issued 5/13/21.	10% warenty bond in place Reinspect and notice of acceptance Due 1/1/2023
Ave 42 Self Storage	82815 Ave 42/Showcase Blvd	Plans submitted, fee paid. Plans approved and notified applicant 3/2/23.	Waiting for owner to process permit paperwork.
Bliss & Oasis Apts Sewer Improv. Plan	NW Corner of Bliss Ave and Oasis St	Plans submitted for Civil Plans, fee paid with check. Completed 1st plan check and returned to the applicant 12/15/22.	Perform 2nd plan check upon plan resubmittal.
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.
Castro 80501 lot 50	Motorcoach CC 80501 Ave 48 Lot 50	Plans submitted, Permit 4056	Inspect work improvements as scheduled.
Chandi Plaza Building "B" Shell	81-971 Indio Blvd/Avenue 44	Plans submitted for plan check. Completed 1st check and returned to the applicant 10/13/20. Issued permit 3963 on 6/29/21.	Inspect work improvements as scheduled.
Coco Palms Tr 38072-2	South East Corner of Avenue 49 and Jackson St	Plans submitted and plan check fee paid for phase 2 of housing tract. Pending signatures for phase 1 before proceeding	Plans in Queue
CocoFreeze G.I. Tenant Improvement	43905 Clinton St Ste #5	Plans submitted for G.I T.I. and plan check fee paid	Plans in Queue
COD Child Development Center	45742 Oasis Street	Plans submitted for child development center. Plans approved and notified applicant 1/25/22. Permit 4025 4/21/22	Inspect work improvements as scheduled.
College of the Desert	45524 Oasis Street	Plans submitted for campus expansion. Plan review completed, plan approved and notified applicant 1/25/22. Permit 4026 4/22/22	Inspect work improvements as scheduled.
Community Valley Bank	81701 Hwy 111	Plans Submitted and fee paid for TI Improvement. Emailed Matt Seto for plan pick-up 4/11/23. Permit 4099	Inspect work improvements as scheduled.
Corso Residence	49491 Braley Court	Plans submitted for single family residence. Plans approved and notified applicant 9/2/20. Permit 3931 issued 1/5/21	Inspect work improvements as scheduled.
EOS Fitness Hwy 111	Highway/Jefferson Street	Plans submitted for construction of new gym facility. Plans approved and notified applicant 4/27/20. Permit 4049	Waiting for Development Agreement and Bonds before owner can process permit paperwork.
EOS Fitness Public Sewer Extension	SWC of Spectrum Street & Avenue 42	Mainline complete. Waiting on Maintence Bond to release Peformance Bond	Release Performance Bond when Maintence Bond is recieved
Gabino's Creperie	82862 Miles Ave	Plans submitted, fee paid with credit card. Completed 1st plan check and returned to the applicant 9/14/22.	Perform 2nd plan check upon plan resubmittal.
Gallery at Indian Springs	Jefferson St/Westward Ho Drive	Tract is Complete. Warranty Bond received 8/25/2021.	Notice of acceptance after 12 month warranty bond release.
Grease Interceptor T.I. at 82707 Miles (Encore Coffee)	82707 Miles Avenue/ Corner of Miles and Oasis	Plans submitted for Plans and scope of work, fee paid with check. Completed 3rd plan check and notified applicant 3/16/23. Permit # 4095	Inspect work improvements as scheduled.
Hampton Inn Sewer Main Extension	North Wast Corner of Spectrum St and Atlantic Ave	Plans submitted for the extension of a public sewer main for Hampton Inn at Atlantic Ave. Plan check fees paid 7/11/18. Completed 2nd plan check and returned plans to the engineer 8/9/18. Plans approved and returned to enginner 8/27/18. Sewer Finaled 5/12/20.	Waiting for owner to submit Warranty Bond
Handels Ice Cream Shop	42225 Jackson Street/Avenue 42	Plans submitted for new suite TI. 2nd plan check completed and returned to the applicant 8/31/22. Permit 4064	Inspect work improvements as scheduled.

PROJECT NAME	STREET ADDRESS / CROSS STREET	CURRENT PROJECT STATUS	NEXT ACTION ITEM
I-10 Monroe Conceptual Site Plans	SE Corner of Monroe and Ave 42	The Palms at Indio Sewer Plans submitted (Fee paid 8/19/22)	Waiting for owner to process permit paperwork.
I-10 Monroe Conceptual Site Plans Pt. 2	SE Corner of Monroe and Ave 42	Plans Submitted and fee paid for Sewer Development.	Perform 2nd plan check upon plan resubmittal.
Indian Palms 32	Cochran Drive & Garland Road	Civil plans submitted for public sewer for 32 unit condo complex. 2nd plan check complete. 9/1/21. Plans approved 9/17/21.	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. Plans approved, notified applicant project ready to permit 9/30/21. Permit # 4004 1/25/22	Inspect work improvements as scheduled.
Indio Marketplace Architectural	82227 Highway 111/Rubidoux	Plans submitted for mall TI. Completed 2nd check and notified applicant 8/2/22.	Waiting for owner to process permit paperwork.
Indio Marketplace Civil	82227 Highway 111/Rubidoux	Plans submitted for mall TI, Completed second plan check and returned to the applicant 11/12/21.	Waiting for owner to process permit paperwork.
Indio Palms RV	45-755 Commerce Street	Civil plans submitted for Public Sewer & Plan Fee Paid. Plans approved and notified applicant 3/20/23. Permit 4097	Waiting for information to draft Deveopment Agreement
Indio Plaza Sewer Relocation	82126 Hwy 111/Monroe St.	Plans submitted for sewer line and manhole relocation. Plans approved and notified applicant 7/28/22.	Waiting for owner to process permit paperwork.
Indio Public Safety Center	46867 Bristol Street/Dr Carreon	Plans submitted for public safety center. Plans approved and returned to applicant 4/12/22. Permit 4052	Inspect work improvements as scheduled.
Indio Self Storage	81161 Indio Blvd	Plans submitted and fee paid for sewer improvement plans. Completed 1st plan check and returned to the applicant 4/14/23.	Perform 2nd plan check upon plan resubmittal.
Indio Taphouse TI	82851 & 82867 Miles Ave	Plans submitted for Taproom in Oldtown Indio, fee paid with check. Plans approved and notified applicant 1/26/23. Permit 4083	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. Issued permit 3953 on 5/12/21.	Inspect work improvements as scheduled.
JB Finish Building	42702 Caspian Street	Plans submitted for new warehouse with office building. Plans approved and notified applicant project ready to permit 5/2/22. Permit 4030 5/3/22	Inspect work improvements as scheduled.
Jersey Mike's	42211 Jackson St Ste. 102 / Corner of Ave 42	Plans Submitted and fee paid for Sandwich Restaurant. Plans approved and notified applicant 2/17/23. Permyty 4088	Inspect work improvements as scheduled.
John Nobles Apts civil plans	John Nobles Avenue/Rubidoux Street	Plans submitted for on-site private sewer. Completed 1st plan check and returned to applicant 7/12/22.	Perform 2nd plan check upon plan resubmittal.
Kings Castle Taco Architectural	82991 Bliss Avenue	Plans submitted for building TI for taco shop. Completed 2nd plan check. Civil plans submitted for review 7/21/22.	Waiting for owner to process permit paperwork.
Kings Castle Taco Civil Plans	82991 Bliss Avenue	Plans submitted for building TI for taco shop 7/21/22. Plans approved and notified the applicant 9/7/22.	Waiting for owner to process permit paperwork.
Las Plumas/Coco Palm Tract 38072	South East Corner of Avenue 49 and Jackson St	Plans submitted for 173 lot housing tract. Completed first plan check 4/27/21.	Plans are ready to sign after the City of Coachells Signs the Ave 49 sheets
Magical Estates Tenant Spaces	82490 Highway 111/Arabia Street	Plans submitted for tenant suite TI's. Completed 1st plan check and returned to applicant 4/28/22.	Perform 2nd plan check upon plan resubmittal.
Mattress Firm Indio Towne Center	42150 Jackson St	Plans submitted for Retail TI and plan check fee paid	Plans in Queue
Nelson Chavez Accessory Dwelling Unit	43163 Deglet Noor	Plan submitted for new accessory dwelling unit, Plan approved and notified applicant 8/30/22	Waiting for owner to process permit paperwork.
New ADU for Abdullah Alwishah	46955 Arabia St	Plans submitted for accessory dwelling unit, fee paid with check. Permit 4062	Inspect work improvements as scheduled.
New Century Garage Doors	81740 Highway 111/Granada Dr.	Plans submitted for new sewer lateral connection. Completed 1st plan check and notified applicant 3/2/22.	Perform 2nd plan check upon plan resubmittal.
Octavio Rosales SFD	43645 Saguaro Street/Avenue 44	Plans submitted for new SFD. Completed 2nd plan check and returned to the City 8/26/19. Permit 4014 issued 3/18/22.	Inspect work improvements as scheduled.
Outdoor Resorts CC - Casita Addition	80394 Avenue 48, Lot 182	Plans submitted for casita addition and storage building. Plans approved and notified applicant 9/30/21	Waiting for owner to process permit paperwork.
Palmera Apartments	NE Corner of Monroe and Requa	Plans submitted for Sewer Developmet, fee paid. Completed 1st plan check and returned to the applicant 1/19/23	Perform 2nd plan check upon plan. In Queue

PROJECT NAME	STREET ADDRESS / CROSS STREET	CURRENT PROJECT STATUS	NEXT ACTION ITEM
Paradiso Tract 31815	East of Monroe North of Ave 41	New model homes under construction. Warranty Bond received 8/25/2021.	Notice of acceptance after 12 month warranty bond release.
Paradiso Tract 31815 & 31815-3	East of Monroe North of Ave 41	Plans submitted for new housing tract phases. Completed first plan check 2/25/21. Plans Approved 3/25/21.	Inspect work improvements as scheduled.
Parcel Map 36215	Dr. Carreon west of Van Buren	Civil plans submitted for 1st plan check. Plans approved and returned to the Engineer 1/18/18. Issued permit 3718 on 1/23/18.	Inspect work improvements as scheduled.
Pawley Pool Aquatic Facility	46350 Jackson Street/Date Ave.	Plans submitted for new Aquatic Center on existing public pool site. Project Expired in 2020. Resubmitted 10/25/21. Completed 3rd plan check and returned to the applicant 1/10/23.	Perform 3rd plan check upon plan resubmittal.
Private residence for Cristina Ayon	49115 Ridgeback Ct	Plans submitted, fee paid. Plans approved and notified applicant project ready to permit 12/22/22. Permit 4071 1/12/23	Inspect work improvements as scheduled.
Raising Canes Restaurant	Monroe Street/Showcase Parkway	Plans submitted for new restaurant building. Plans approved and notified the applicant 12/6/22.	Waiting for owner to process permit paperwork.
Ramon Chavez Accessory Dwelling Unit	43737 Oasis St / Ave 44	Plans submitted for plan check. Plans approved and notified applicant 10/13/20. Issued permit 3908 on 10/13/20.	Inspect work improvements as scheduled.
Ranch RV & self Storage	83734 Dr Carreon	Plans submitted, fee paid with check. Completed 2nd plan check and notified applicant 12/14/22. Permit 4090	Inspect work improvements as scheduled.
Residence for Mr and Mrs Job Lopez	49-134 Ridgeback Ct	Plans Submitted and fee paid for private residence. Plans approved and notified applicant 3/16/23. Permit 4093	Inspect work improvements as scheduled.
Rosa Rebolgar Accessory Dwelling Unit	81179 Helen Ave/Swingle Ave	Plan submitted for new accessory dwelling unit	Perform 2nd plan check upon plan resubmittal.
Showcase Indio Pad 4 Shell	42225 Jackson Street/Avenue 42	Plans submitted for new retail shell building. Plans approved and notified applicant 7/26/22. Permit 4055	Inspect work improvements as scheduled.
Solis Barber Shop	84119 Indio Blvd	Plans submitted for barber shop. Plans approved and notified applicant 2/18/22. Permit 4009 3/2/22	Inspect work improvements as scheduled.
Steven Saylor's Residence	49171 Braley Court	Architectural plans submitted for new SFR	Perform 2nd plan check upon plan resubmittal.
Sunburst RV Storage	43250 Sunburst Street/Oleander Avenue	Plans submitted for new RV storage facility. Completed 1st check and notified applicant 3/21/22. Permit 4020 4/7/22	Inspect work improvements as scheduled.
Tarra Lago 32341-12	North of Avenue 44 & East of Harrison	First Plan Complete 12/16/20. Plans Approved 2/19/21. Maintenance Bond in place 8/16/22.	10% warranty bond in place Reinspect and notice of acceptance Due 8/16/2023
Tarra Lago Four Seasons Tract 32287	North of Avenue 44 & East of Harrison	Civil plans submitted for plan check. Plans Approved 4/26/21.	Inspect work improvements as scheduled.
Tarra Lago Four Seasons Tract 32288-1	North of Via Terra Lago and East of Golf Center Pkwy	Civil plans submitted for Public Sewer. 1st plan check complete and returned redlines 11/24/21 2nd plan check complete 1/18/22.	Inspect work improvements as scheduled.
Tarra Lago Four Seasons Tract 32288-2	North of Via Terra Lago and East of Golf Center Pkwy	Civil plans submitted for Public Sewer. 1st plan check complete and returned redlines 3/29/22	Perform 2nd plan check upon plan resubmittal.
Tarra Lago Four Seasons Tract 32288-F	North of Via Terra Lago and East of Golf Center Pkwy	Civil plans submitted for Public Sewer. Plans Approved 7/1/22	Waiting for information to draft Deveopment Agreement
Tarra Lago Four Seasons Tract 32341-10	North of Avenue 44 & East of Harrison	Civil plans submitted for plan check. Plans approved and returned to the Engineer 4/3/18. Issued permit 3827 on 7/19/19. Payment and Performance Bonds Released 12/27/2019. Maintenance Bond in place 12/17/19.	Inspect work improvements as scheduled.
Tarra Lago Four Seasons Tract 32341-11	North of Avenue 44 & East of Harrison	Civil plans submitted for plan check. Completed 1st plan check and returned to the Engineer 12/12/18. Plans Approved 1/23/19. Performance Bond Released Maintenance Bond in place 1/22/2021	Inspect work improvements as scheduled.
Tarra Lago Four Seasons Tract 32341-8	North of Avenue 44 & East of Harrison	Civil plans submitted for plan check. Plans approved and returned to the Engineer 12/4/17. Payment and Performance Bonds Released 12/27/2019. Maintenance Bond in place 12/17/19.	Inspect work improvements as scheduled.
Tarra Lago Four Seasons Tract 32341-F	North of Avenue 44 & East of Harrison	Civil plans submitted for plan check. Completed 1st plan check and notified applicant 5/1/20. Plans Approved 8/15/20. Maintenance Bond in place 8/16/22	Inspect work improvements as scheduled.
Tarra Lago Four Seasons Tract 32462-2	North of Avenue 44 & East of Harrison	Plans approved from previous developer. Development agreement has been recorded. Bonds have been submitted. Construction work is in progress.	Inspect work improvements as scheduled.
Texas Roadhouse Restaurant	42790 Jackson Street	Plans submitted for Steakhouse, fee paid with check. Plans approved and notified the applicant 2/9/23. Permit 4092 3/7/23	Inspect work improvements as scheduled.

PROJECT NAME	STREET ADDRESS / CROSS STREET	CURRENT PROJECT STATUS	NEXT ACTION ITEM
The Daily Grind Coffee - TI	45810 Fargo Street/Hwy 111	Plans submitted for tenant TI. Plans approved and returned to the City 1/24/18. Issued permit 3737 on 3/9/18.	Inspect work improvements as scheduled.
Tim & Lois Eklund Site 105	Motorcoach CC 80501 Ave 48 Lot 105	Plans submitted, Permit 4068	Inspect work improvements as scheduled.
Timothy Venable Project	84221 Corregidor Avenue/Bataan Street	Plans submitted for connection of SFD to sewer lateral. Plan approved and notified applicant 5/3/22. Permit 4042 6/21/22	Inspect work improvements as scheduled.
Tower Market #965	Intersection Monroe Street/Dr Carreon	Plans submitted for Convient Store/Gas Station, fee paid with check. Completed 2nd plan check and notified applicant 3/29/23.	Perform 3rd plan check upon plan resubmittal.
Tower Market #965 Architectural	Intersection Monroe Street/Dr Carreon	Plans Submitted and fee paid for architectural plans for a gas station. Completed 1st plan check and returned to applicant 3/29/23.	Perform 2nd plan check upon plan resubmittal.
Woodsprings Suites Ext Stay Hotel	42-425 Jackson St.	Civil plans submitted for Public Sewer & Plan Fee Paid. Plans approved 2/14/23 and notified applicant	Waiting for owner to process permit paperwork.

	April	Fiscal Year
New Projects	1	24
Projects Permitted	1	23
Projects Finaled		21

Monthly Capital Improvement Project Update - May 2023

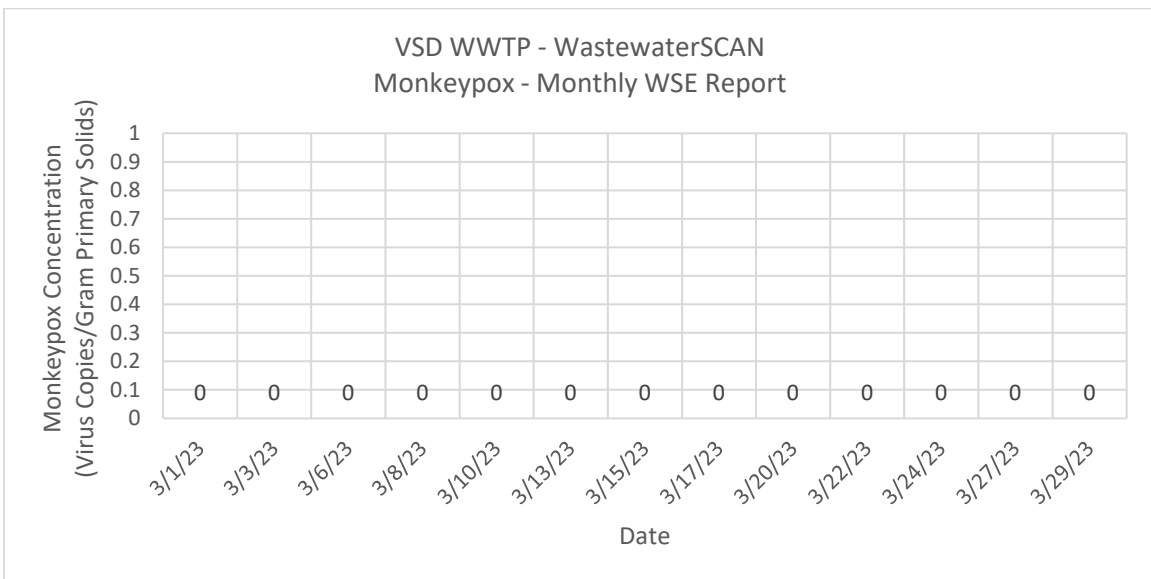
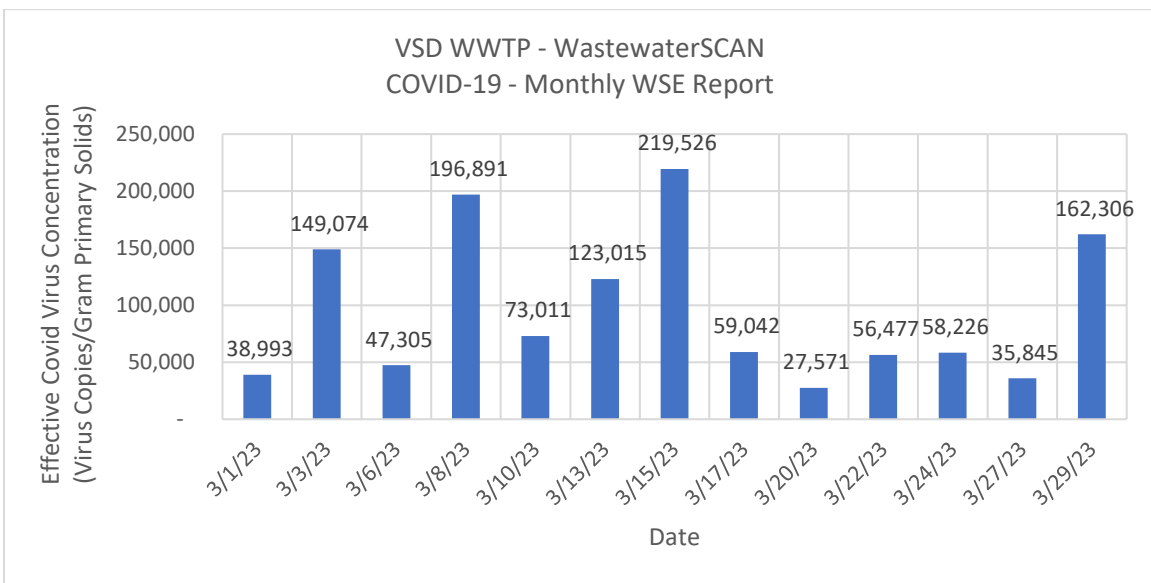
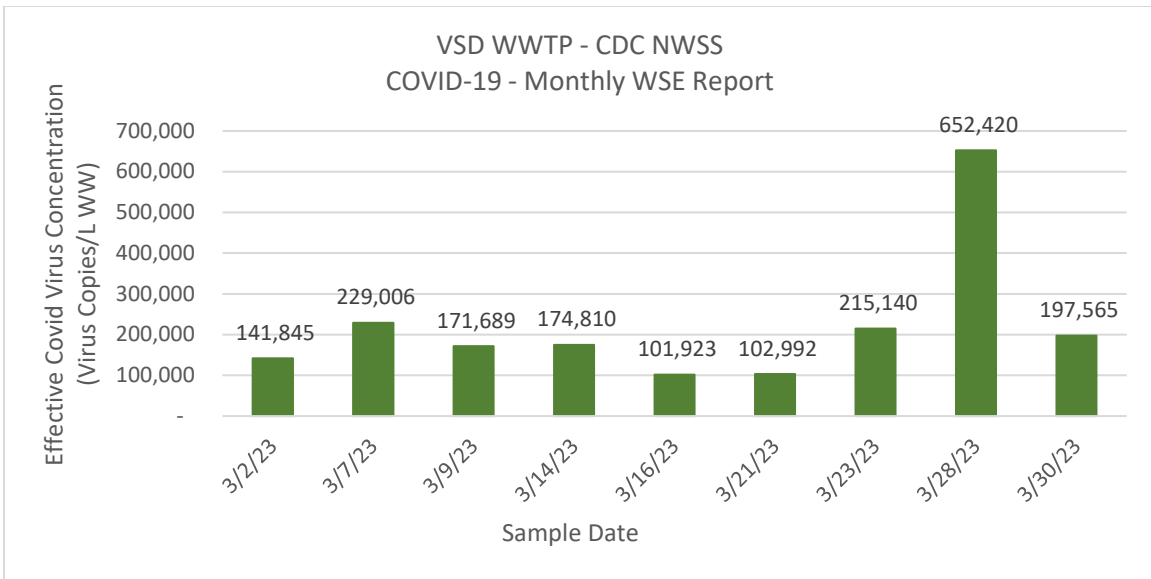
Project Title	Project Description	Current Status	Fiscal Year Budget	Total Spent to Date
Westward Ho Sewer Siphon Replacement Design and Construction	Due to the February 2019 rain event, the existing VSD sewer siphon that crosses the CVWD storm channel at Westward Ho Drive became exposed and was damaged. In order to prevent this from happening again in the future, Carollo Engineers is currently working with VSD on the final design of a new sewer that is to be constructed well below the new channel scour depth. The design being proposed would utilize horizontal directional drilling to create a new sewer siphon alignment under the channel and adjacent to the original siphon. Permit processing with at least CVWD and possibly other regulatory agencies may extend the design/permit period. Some or possibly all the project costs will be reimbursed by FEMA / CalOES.	Permitted Plans have been signed by CVWD. Staff is currently filing an encroachment permit license application as required by CVWD for the permanent pipeline crossing of the channel. Once the contractor is selected, they will file for a construction permit and the encroachment permit will be processed. This project is currently being held up by FEMA. VSD needs FEMA approval before proceeding with bidding and construction which is expected by February 2023. The CEQA documentation for this project has been completed.	\$5,102,000.00	\$29,924.50
Collections System Rehabilitation Projects	Harris & Associates is assisting the District in creating a 10-year rehabilitation and replacement program for the collections system. The purpose of this project is to repair, rehabilitate, replace and/or realign aging or defective pipelines and/or segments projected to reach capacity within the foreseeable future. Harris and the District have assigned a rating and priority to all of the pipes in the collection system and are splitting them up into projects for each fiscal year. The first project for this fiscal year will consist of the rehabilitation of approximately 2,300 feet of sewer located in Indio Boulevard and underneath the railroad near Cabazon Avenue using cured in place lining. The second project will consist of hiring a contractor to perform CCTV inspections of all pipes within the District that cannot be surveyed by collections staff due to high flows or pipe diameter. The third project is the downtown Indio rehabilitation and repair project. This project is being done to rehabilitate and replace deficient sewer mains in the streets and allies of the downtown area.	The Board has awarded the Downtown Indio Rehabilitation Project to GRBCON. The contractor is currently rehabilitating sewer mains in the Downtown area. Harris is currently working on the rehabilitation plans for the Calhoun lift station.	\$4,895,007.00	\$284,125.40
Reclaimed Water Project Phase 1	The contract for this project was awarded to Schneider Electric / Stantec. The project design cost is \$2,200,000 and project schedule is approximately 460 days. Construction costs will be determined during the design phase and will be awarded to Schneider Electric / Stantec upon approval of the Board. The Reclaimed Water Project – Phase 1 will replace an aging and capacity restricting grit chamber and provide redundancy by adding a second digester and expanding the bar screens. This project will also include adding a biofilter, and a sludge thickener unit.	100% design plans have been approved by staff. ECM #3 (the Rotary Screw Thickeners) is at the 60% design level. The Guaranteed Maximum Price (GMP) has been approved by the Board. Leighton was awarded the contract for specialty testing and inspection services. Walsh is currently trenching near the bar screen structure for the installation of the new grit chamber and finishing the excavation and compaction for the new digester.	\$17,763,656.00	\$ 12,735,002.09
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 contractor has completed the repair and coating of the interior of the pump station and is currently installing the new valves and piping inside and outside the pump station. The project is nearing completion and the bypass has been removed. All that remains is the installation of the new Pump #3 and the remaining punch list items.	\$3,300,000.00	\$2,648,104.03

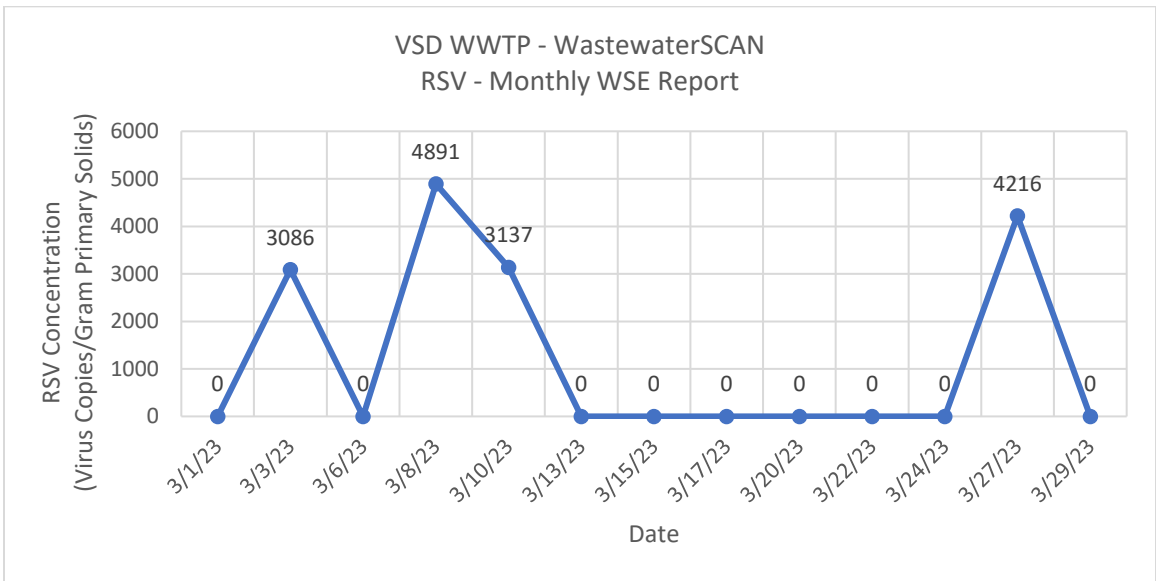
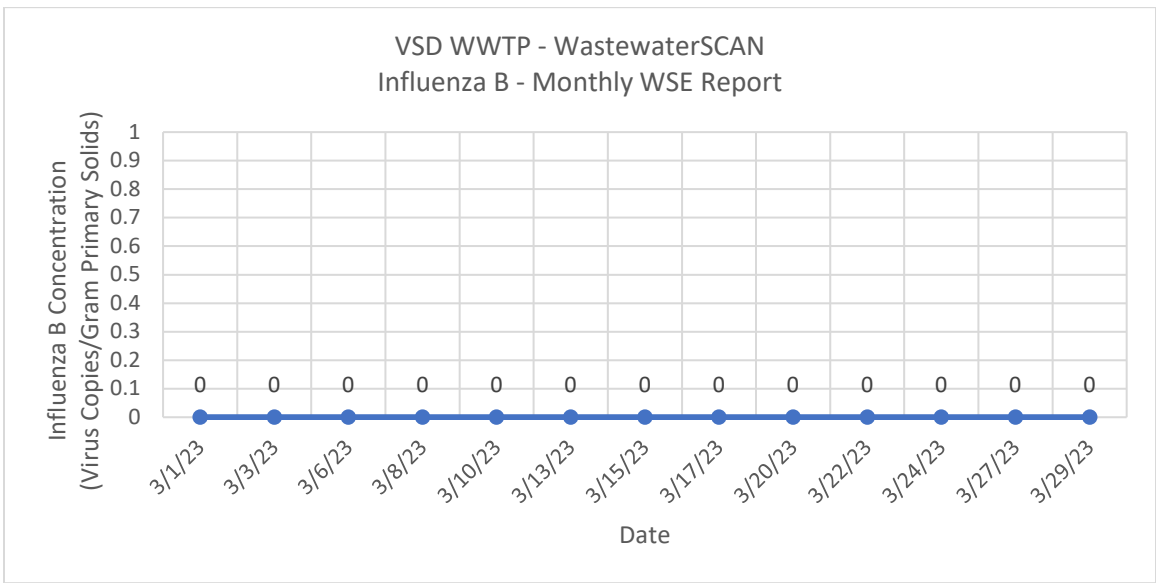
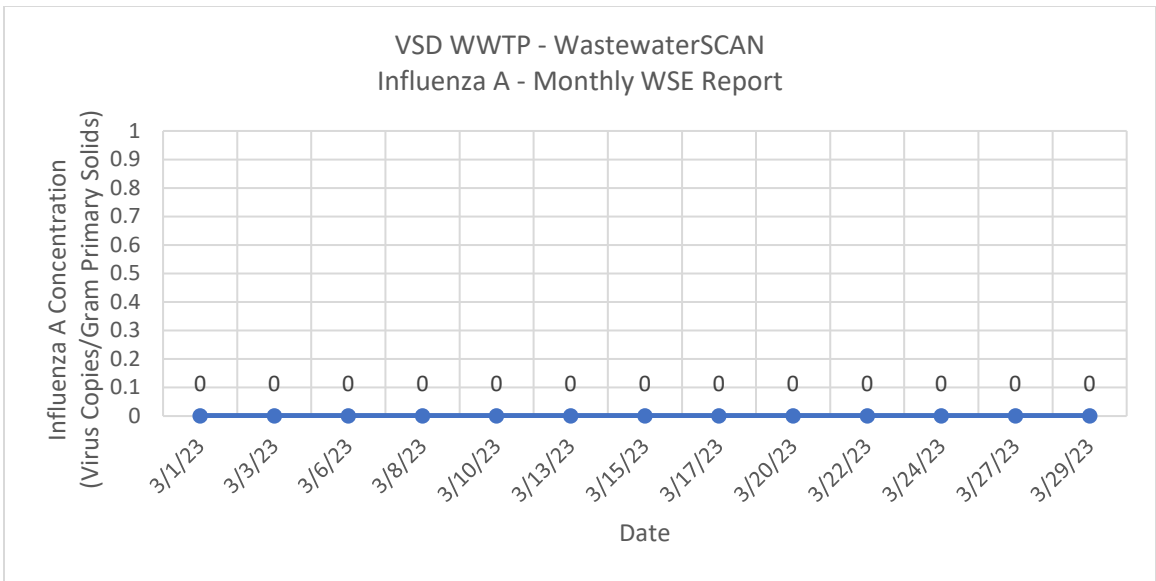
Monthly Capital Improvement Project Update - May 2023

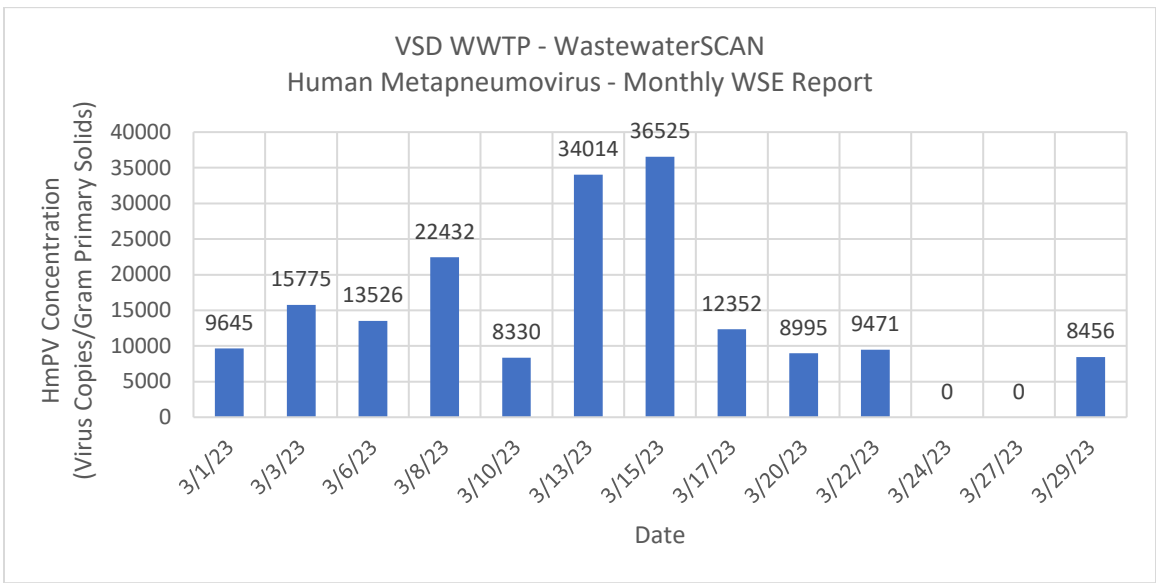
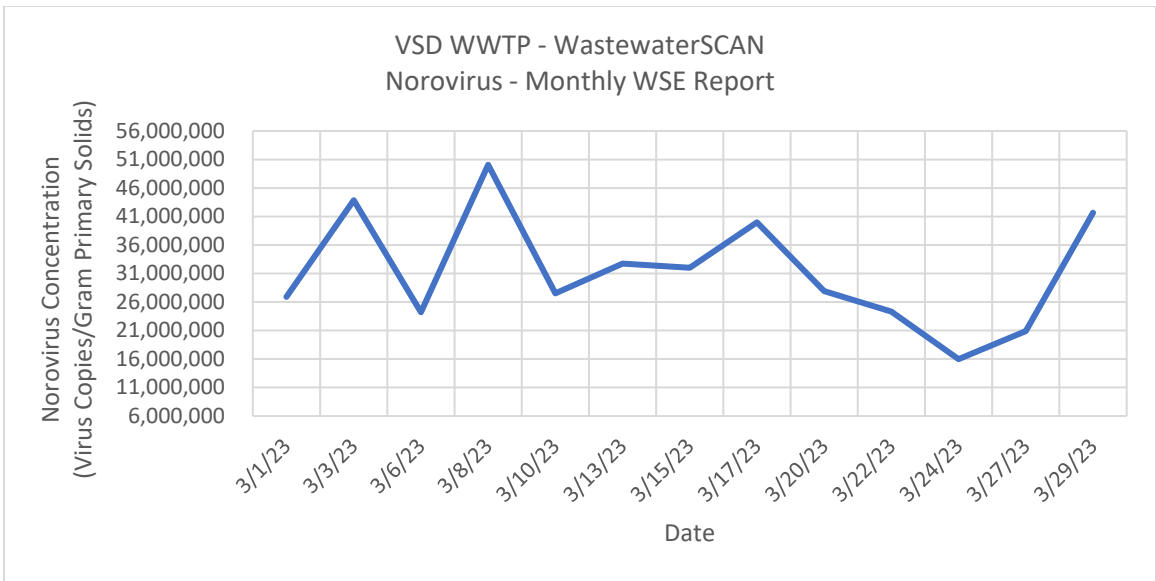
Project Title	Project Description	Current Status	Fiscal Year Budget	Total Spent to Date
Steel WaterLine Replacement	The above ground, steel waterline adjacent to the aeration basins is old and prone to leaks, especially at the grooved joints, and has exceeded its useful life. The new steel waterline will have traditional joints that will provide a longer life. This project has been on the books for several years and has been a lower priority due to lack of leaks in recent years and the difficult nature of replacement. The project was awarded to Dudek who has begun the development of the project design and specifications.	The Board has approved the proposal from Dudek for the second phase of the project which consists of replacing the piping for the frost sprayers. The Board awarded the project to the Van Dyke Corporation. The contractor is currently preparing all the submittals and materials for this project. They are expected to start construction in May.	\$350,000.00	\$39,224.52
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.	SGH has submitted 50% design plans which include both buildings for staff review and comment in December 2021. This project has been delayed for a year or two to allow other priority projects to proceed and maintain our debt coverage.	\$0.00	\$0.00
Additional Parking and Landscaping	The District is need of additional parking for employees and customers. Staff proposes to remove the lawn at the front of the property and replace it with parking and drought tolerant landscaping.	A preliminary design of the Project has been completed. In que for the next steps.	\$0.00	\$0.00

Environmental Compliance Summary Report for 2023

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD
Pretreatment													
Customer Service Calls	11	10	2										23
Commercial Approval Letters	4	3	1										8
Change of Ownership Inspection	3												3
SIU Permit Compliance	3	3	3										9
FOG-FSE Inspections Completed	22	14	12										48
Commercial Inspections Completed	4	5	1										10
Environmental & Collections investigations	3	4											7
Failed Inspections or NOV													0
Total # of Inspections	32	26	16	0	0	0	0	0	0	0	0	0	74
Laboratory													
# of Collected Samples	266	266	327										859
# of Tests (Analyses)	548	537	618										1,703
# of Samples sent to Contract Labs	40	41	36										117
# of Contracted Tests (Analyses)	73	142	62										277
% of Samples performed In-House	85.0%	84.6%	89.0%										86.2%









Valley Sanitary District

DATE: May 9, 2023
TO: Board of Directors
FROM: Holly Gould, Clerk of the Board
SUBJECT: Draft Minutes of the Budget & Finance Committee Meeting - May 2, 2023

Suggested Action

Discuss

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact from this report.

Environmental Review

This does not qualify as a project for the purposes of CEQA.

Background

Attached are the draft minutes of the Budget & Finance Committee meeting held on May 2, 2023.

Recommendation

Staff recommends that the Board receive an update from the Budget & Finance Committee members.

Attachments

[2 May 2023 Meeting Minutes.edited.doc](#)

**VALLEY SANITARY DISTRICT
BUDGET & FINANCE COMMITTEE MEETING MINUTES
May 2, 2023**

A regular meeting of the Valley Sanitary District (VSD) Budget & Finance Committee was held at 45-500 Van Buren Street in Indio, California, on Tuesday, May 2, 2023.

1. CALL TO ORDER

Chairperson Debra Canero called the meeting to order at 1:00 p.m.

2. ROLL CALL

Directors Present:
Chairperson Debra Canero

Directors Absent:
Committee Member Scott Sear

Staff Present:
Ron Buchwald, Interim General Manager; Jeanette Juarez, Chief Administrative Officer;
Dave Commons, Chief Operations Officer; and Holly Gould, Clerk of the Board

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

The public comment on any item not appearing on the agenda. Please notify the Secretary before the meeting if you wish to speak on a non-hearing item.

None.

5. DISCUSSION / ACTION ITEMS

5.1 Approve Minutes for January 3, 2023, Budget & Finance Committee

5.2 Discussion and Review of the Valley Sanitary District Financial Plan and Revised Proposed Fiscal Year 2023/24 Capital Improvement Budget

Due to the cancellation of the Proposition 218 notice and proposed rate increase scheduled for July 1, 2023, to June 30, 2028, staff updated the financial plan and proposed fiscal year 2023/24 capital improvement budget. Jeanette Juarez, Chief Administrative Officer, presented the unaudited reserve balances for Fund 11, Fund 12, and Fund 13. She explained that Fund 11 is the operating expenditures and six-month reserve, Fund 12 is the reserve for capital replacement and rehabilitation, and Fund 13 can only be used for expansion or new capital projects. Jeanette stated that the District's policy states that 40% of Fund 11 is deposited into

Fund 12. She stated that this policy would not be sustainable and recommended the Board review the policy. Jeanette presented the revised proposed capital project for FY24 that removed the Sewer Rehabilitation or Replacement Design and Construction, Training Office Building Design, Laboratory Building Design, and the Biosolids Conversion Project. Chairperson Canero stated that she would like to see some funding go to the Biosolids Conversion Project, even if it is minimal. She also suggested renaming Sewer Emergency Repairs to Sewer Rehabilitation so some of the smaller tasks of the Sewer Rehabilitation or Replacement Project can utilize those funds if needed. The FY24 capital budget was revised from \$61,477,311 to \$54,216,450.

Chairperson Canero asked for an update on the outreach project with Coachella Valley History Museum. Ron Buchwald, Interim General Manager, will contact Gloria Franz for an update.

6. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 2:07 p.m. The next regular committee meeting will be on July 5, 2023.

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