



Tuesday, October 25, 2022 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/86261925428>

Meeting ID: 862 6192 5428

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. PUBLIC COMMENT
5. 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.

5.1 [Approve Board Meeting Minutes of October 11, 2022](#)

Recommendation: Approve

5.2 [Approve Warrants for October 25, 2022](#)

Recommendation: Approve

5.3 [Receive and File Credit Card Report for September 30, 2022](#)

Recommendation: Receive and File

5.4 [Monthly Revenue & Expense Report for the Period Ending September 30, 2022](#)

Recommendation: Approve

5.5 [Declare 2009 Ford Crew Cab 4x4 Surplus Equipment and Authorize the General Manager to Dispose as Appropriate](#)

Recommendation: Approve

5.6 [Accept a Grant of Easement Located at 45761 Flower Street, Indio CA, and Authorize the General Manager to Sign a Certificate of Acceptance](#)

Recommendation: Approve

5.7 [Cancel the Regular Board Meeting on Tuesday, December 27, 2022, Due to Its Proximity to the District Observed Holiday](#)

Recommendation: Approve

6. NON-HEARING ITEMS

6.1 [Receive Update from Innovate Federal Strategies LLC on Federal Legislative Issues](#)

Recommendation: Informational

6.2 [Authorize the General Manager to Execute a Contract with VM Air Mechanical Air Conditioning and Heating for the Purchase and Installation of a 10-ton HVAC Unit for the Blower Room Building in an Amount Not to Exceed \\$27,825](#)

Recommendation: Approve

6.3 [Authorize the General Manager to Issue a Purchase Order for a Combination Sewer Cleaning Truck from Haaker Equipment in an Amount not to Exceed \\$619,163.77](#)

Recommendation: Approve

6.4 [Authorize the General Manager to Execute a Contract with NBS to Perform a Sewer Rate Study Update and Capacity Fee Study in an Amount Not to Exceed \\$79,640](#)

Recommendation: Approve

6.5 [Award Contract to GRBCON in an Amount Not to Exceed \\$2,317,866 for the Indio Downtown District Sewer Improvement Project](#)

Recommendation: Approve

7. GENERAL MANAGER'S REPORT

8. COMMITTEE REPORTS

8.1 [Community Engagement Committee Report for October 19, 2022](#)

Recommendation: Discuss

9. DIRECTOR'S ITEMS

10. INFORMATIONAL ITEMS

10.1 [Information Regarding New Procurement Software OpenGov](#)

Recommendation: Information

11. 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.

12. CONVENE IN CLOSED SESSION

12.1 Conference with Legal Counsel - Discussion to Consider Initiation of Litigation

Pursuant to Government Code Section 54956.9 (d)(2)

Under existing facts and circumstances, legal counsel believes that there is significant exposure to litigation

12.2 Public Employment Recruitment

Pursuant to Government Code Section 54957

Title: General Manager

13. CONVENE IN OPEN SESSION

14. ADJOURNMENT

POSTED October 20, 2022

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.



**ITEM 5.1
ACTION**

Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Holly Gould, Clerk of the Board
SUBJECT: Approve Board Meeting Minutes of October 11, 2022

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

None

Background

The meeting minutes for the Board of Directors Meeting held October 11, 2022.

Attachments

[11 Oct 2022 Meeting Minutes.pdf](#)

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
October 11, 2022**

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, October 11, 2022, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

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

2. ROLL CALL

Directors Present:

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

Staff Present:

Beverli Marshall, Holly Gould, Jeanette Juarez, Ron Buchwald, Anna Bell, Ivan Monroy, Tino Tijerina, Daniel Mills, Bob Hargreaves, Best Best & Krieger

3. PLEDGE OF ALLEGIANCE

4. OCTOBER EMPLOYEE ANNIVERSARIES

- Holly Gould, Clerk of the Board – 13 years
- Grant Fournier, Collection System Technician II – 3 years

The Board thanked Holly and Grant for their hard work and dedication to the District.

5. PUBLIC COMMENT

Please notify the Secretary in advance of the meeting if you wish to speak on a non-hearing item or any item not appearing on the agenda.

None.

6. CONSENT CALENDAR

6.1 Approve Minutes for September 27, 2022, Regular Meeting

6.2 Approve Warrants for October 11, 2022

ACTION TAKEN:

MOTION: Secretary/Treasurer Coleman motioned to approve the consent calendar as presented. Director Duran seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None

MINUTE ORDER NO. 2022-3236

7. NON-HEARING ITEMS

7.1 Authorize the General Manager to Issue a Purchase Order to Flo-Systems Inc. for the Purchase of Two Replacement Primary Scum Sump Pumps in an Amount Not to Exceed \$67,200

Both primary scum sump pumps were installed in 2013 and have reached their useful service life. Both pumps have had repairs done since installation for different reasons. Staff recommends replacing both pumps with exact duplicates to avoid the time and cost of reconfiguring the system below the surface. This will be a single/sole source purchase from Flo-Systems, Inc.

ACTION TAKEN:

MOTION: Director Teague motioned to authorize the General Manager to issue a purchase order to Flo-Systems Inc. for the purchase of two replacement Primary Scum Sump Pumps in an amount not to exceed \$67,200. Vice President Canero seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3237

7.2 Authorize the General Manager to Issue a Purchase Order to Xylem for the Purchase of Two Submersible Drain Pumps in an Amount Not to Exceed \$30,055

The drainage pumps were installed in 2013 and have reached their useful service life. The pumps transfer drainage water collected from the belt filter press and all other sump areas for equipment installed during the ASP expansion. Since the pumps are equipped with moisture and leak detection, staff recommends replacing them with the same make and model to avoid rewiring the safety features. Replacement of these drainage pumps is included in the FY 2022-23 Capital Improvement Budget. Due to the wiring of the safety features, this will be a sole source purchase from Xylem.

ACTION TAKEN:

MOTION: Vice President Canero motioned to authorize the General Manager to issue a purchase order to Xylem for the purchase of two Submersible Drain Pumps in an amount not to exceed \$30,055. Director Duran seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None
MINUTE ORDER NO. 2022-3238

- 7.3 Authorize the General Manager to Execute an Amendment to the Professional Services Contract with Advanced Resources for Temporary Laboratory Staffing for \$16,368

The Laboratory Department is requesting that the contract services for the temporary laboratory staffing be extended due to staffing shortages and the ongoing progression of projects and to provide ample time to evaluate the request for an additional full-time employee (FTE).

ACTION TAKEN:

MOTION: Secretary/Treasurer Coleman motioned to authorize the General Manager to execute an amendment to the Professional Services Contract with Advanced Resources for Temporary Laboratory Staffing for \$16,368. Director Teague seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2022-3239

- 7.4 Authorize the General Manager to Execute a Five-Year Contract with Promium, LLC, for the Purchase and Implementation of a Laboratory Information Management System (LIMS) in an Amount Not to Exceed \$105,156

The goal of purchasing a Laboratory Information Management System (LIMS) software is to improve the efficiency of collecting, tracking, and reporting samples in-house and those subcontracted to another laboratory to better comply with national accreditation standards (TNI). On April 8, 2022, five (5) proposals were received in response to the Request for Proposal (RFP) for LIMS software. Proposals were distributed to the approved selection committee members. Each member reviewed the proposals individually, following the evaluation method and criteria outlined in the RFP. The selection committee shortlisted two (2) firms to provide software demonstrations held remotely. Afterward, the final selection committee meeting was held, where the members met to discuss their evaluations of the vendors. According to the evaluation scores, the committee determined that Promium, LLC represents the best option for LIMS software.

ACTION TAKEN:

MOTION: Secretary/Treasurer Coleman motioned to authorize the General Manager to execute a five-year contract with Promium, LLC, for purchasing and implementing a Laboratory Information Management System (LIMS) in an amount not to exceed \$105,156. Vice President Canero seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2022-3240

7.5 Amend the Authorized Positions to Include an Additional Full-Time Laboratory Technician and Authorize Funding for the Position

With the upcoming implementation of the Laboratory Information Management System (LIMS), ELAP-TNI certification renewal compliance requirements, additional sampling, and redundancy for the Environmental Compliance Technician, it has become clear that the Laboratory and Compliance Department needs another staff member. The added support will allow schedule flexibility for additional programs and events like wastewater surveillance, outreach programs, and attending conferences, reducing the need for assistance from the Operations Department. The additional member will also create more flexibility for trained staff that can function in the capability of the laboratory or the pretreatment program. The Fiscal Year 2022-23 fiscal impact is approximately \$ 81,378. The District will help offset the cost by \$31,200 by utilizing the stipend provided by the Verily WastewaterSCAN program. Anna Bell, Laboratory & Compliance Supervisor, gave a presentation to the Committee detailing the departmental and District need for additional support.

ACTION TAKEN:

MOTION: Secretary/Treasurer Coleman motioned to amend the authorized positions to Include an additional full-time Laboratory Technician and authorize funding for the position. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3241

7.6 Authorize the General Manager to Execute a Purchase Order for the Purchase of a 500-Kilowatt Caterpillar Generator and Transfer Switch in an Amount Not to Exceed \$191,546

Generator #1 was a natural gas-fired unit that had been in service since 1965 and was used to power the District House and the New Influent Pump Station. The generator was removed from service in 2015 during the demolition of the original Main Office/ Lab and Trickling Filter Influent Pump Station project. Plans were made to replace the aging unit with a diesel generator and install it near the Influent Pump Station. The estimated delivery time is 18-22 months. The replacement generator is included on the vehicle and equipment replacement list for Fiscal Year 2022-23.

ACTION TAKEN:

MOTION: Director Duran motioned to authorize the General Manager to execute a purchase order for a 500-Kilowatt Caterpillar Generator and Transfer Switch in an amount not to exceed \$191,546. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3242

7.7 Discuss Proposal Received from NBS to Perform a Sewer Rate Study Update and Expanded Connection and Capacity Fee Study and Provide Direction

Jeanette Juarez, Chief Administrative Officer, gave a presentation to the Board. She stated that on April 19, 2022, staff presented the fiscal year 2022/23 proposed budget with changes that impacted the financial plan. The changes were significant in that they impacted the fiscal year 2021/22 rate study and fee schedule. The changes were primarily Capital Improvement Project (CIP) driven. The budgetary shortfall is due to inflationary costs, debt service requirements, and regulatory requirements impacting the capital improvement prioritization Valley Sanitary District schedule. Projects are being delayed or postponed, which will only increase the cost of completing these already urgent projects in the long term. Updating the rate study will allow ample time for the Board to review an updated financial plan and meet Proposition 218 notice requirements should the Board of Directors deem it necessary to adjust the rate schedule. After discussion, the Board instructed staff to bring the NBS proposal as an action item to the next meeting on October 25, 2022.

8. GENERAL MANAGER'S ITEMS

8.1 Monthly General Manager's Report – August 2022

None.

9. COMMITTEE REPORTS

9.1 Operations Committee Meeting – October 4, 2022

Ron Buchwald, District Engineer, gave an overview of the Operations Committee meeting held on October 4, 2022. The Committee received an update on the Influent Pump Station, Collection System Rehabilitation and Replacement Downtown project, and Recycled Water Project – Phase 1. The Committee also discussed the need for an additional Laboratory Technician and the upcoming Vector purchase.

10. DIRECTOR'S ITEMS

Ron Buchwald gave an update on the Health and Wellness RPF. He informed the Board that the proposals are due October 14 and then would go through the scoring process. The proposal with the highest score will be brought before the Board in November. Secretary/Treasurer Coleman informed the Board that he had received a spam email posing as board member, so to be cautious of that. President Sear received a text from a public member complimenting VSD and the outstanding service provided by District staff.

11. INFORMATIONAL ITEMS

Beverli Marshall reminded the Board of the upcoming events, the COD State of the College Luncheon on October 26, 2022, and the Dia de Los Muertos at CV History Museum on November 5, 2022.

12. PUBLIC COMMENT

Please notify the Clerk of the Board in advance of the meeting if you wish to speak on an item to be discussed in Closed Session.

None.

President Sear called for a short recess at 3:12 p.m. The Board of Directors reconvened at 3:17 p.m. Roll call was taken, and all Directors were present.

13. CONVENE IN CLOSED SESSION

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

- 13.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957(b)(1)
Title: General Manager

The Board adjourned to Closed Session at 3:17 p.m.

14. CONVENE IN OPEN SESSION

Report out on Closed Session items

The Board reconvened in open session at 3:30 p.m. President Sear stated nothing to report.

15. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 3:31 p.m. The next regular Board meeting will be on October 25, 2022.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Approve Warrants for October 25, 2022

Suggested Action

Approve

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

The total charges incurred for the warrants from October 5, 2022, through October 17, 2022, are \$315,546.82.

Background

The attached warrants list shows all disbursements from October 5, 2022, through October 17, 2022.

Attachments

[list of bills 10-25-2022.pdf](#)

DISBURSEMENTS
Approved at the Board Meeting of
October 25, 2022

40927	Advanced Resources, LLC	Temp lab employee - 9/19/2022-10/2/2022	\$3,348.00
40928	Best, Best & Krieger	Legal services - August 2022	\$7,250.10
40929	Caltest Analytical Laboratory	Weekly samples NPDES - 10/05/2022	\$383.40
40930	Cintas Corp	Uniforms, mats, towels & etc	\$481.56
40931	Diamond Environmental Services, LP	Portable restroom rental - 10/03/2022-10/30/2022	\$268.33
40932	Enthalpy Analytical, LLC	3rd quarter 1st accelerated monitoring EFF-001C	\$950.00
40933	EOA, Inc.	VSD Pretreatment program assistance - August 2022	\$72.75
40934	Fisher Scientific	Silica gel	\$153.88
40935	Geotab USA, Inc	Vehicle telemetrics subscription - September 2022	\$504.25
40936	Grainger	Keyed padlock	\$73.99
40936	Grainger	Lubricant	\$45.01
40937	Haaker Equipment Company	Shoe and swivel	\$564.51
40938	Healthy Futures, Inc.	Wellness services - September 2022	\$1,500.00
40939	High Tech Irrigation Inc.	PVC pipe, ss pipe, slip caps	\$517.50
40940	Innovative Federal Strategies LLC	Federal advocacy services - September 2022	\$6,500.00
40941	JM Test Systems, Inc	Rubber gloves test and cleaning	\$53.73
40942	Parkhouse Tire Services, Inc.	Replacement of 8 tires on Kenworth	\$4,268.54
40943	Pyro-Comm Systems	Service labor for alarm panel	\$365.00
40944	Royal Industrial Solutions	Outlets for pond plugs	\$1,671.76
40945	South Coast A.Q.M.D	Annual Biofilter permit renewal - 11/15/2022-11/14/2023	\$13,434.52
40946	Southwest Networks, Inc.	Contract: Fixed fee - July 2022	\$100.00
40946	Southwest Networks, Inc.	Labor charges - September 2022	\$261.25
40947	United Way of the Desert	PR 09/16/2022 - 09/29/2022 PD 10/07/2022	\$20.00
40948	Associated Time Instruments	AOD activity - September 2022	\$295.56
40949	Best, Best & Krieger	Legal services - September 2022	\$6,914.80
40949	Best, Best & Krieger	Legal services - installment sale agreement - Sept 2022	\$379.27
40949	Best, Best & Krieger	Board Legal Services - September 2022	\$592.00
40950	Caltest Analytical Laboratory	Weekly NPDES testing	\$383.40
40951	Cintas Corp	Uniforms, mats, towels, etc - 10/13/2022	\$476.89
40952	Desert Arc	Janitorial Services - September 2022	\$3,500.36
40952	Desert Arc	Landscaping services - October 2022	\$840.00
40953	Donald Gavic	Partial Refund 606-460-020 Sewer Service Fee	\$333.20
40954	Downing Construction, Inc	IPS payment #11 - September 2022	\$22,575.23
40955	Geotab USA, Inc	Vehicle telemetrics devices for new vehicles	\$1,120.29
40956	Hach Company	COD digest vial	\$450.00
40956	Hach Company	Potassium hydroxide pellets	\$23.98
40957	IDEXX Distribution, Inc.	Pre-disp qt 2000 comparator	\$42.19
40958	Innovative Document Solutions	Canon copier maintenance - September 2022	\$59.92
40959	Master's Refreshment Services LLC	Water dispenser rental - CY Q4 2022	\$176.18
40959	Master's Refreshment Services LLC	Water delivery - 10/03/2022	\$212.58
40960	Polydyne, Inc.	Polymer delivery - 10/10/2022	\$8,543.27
40961	Rudy's Pest Control	Pest control - October 2022	\$200.00
40962	SC Fuels	Fuel delivery - 10/6/2022	\$7,319.54
40963	Southern California Boiler, Inc.	Boiler maintenance - August 2022	\$1,004.99
40964	Southwest Networks, Inc.	Guadian BDR Storage - November 2022	\$699.00
40965	Stantec Consulting Services, Inc.	IPS Rehab owners rep - August 2022	\$3,126.00
40966	Superior Protection Consultants	Security services - September 2022	\$9,516.00
40967	Univar Solutions	Sodium hypo delivery - 10/10/2022	\$13,984.14
40968	WateReuse Association	Membership renewal - 1/1/2023-12/31/2023	\$3,780.00
202210121	Basic	Payment deducted - 10/12/2022	\$208.33
202210131	Frontier Communications	Telephone service - October 2022	\$354.75
202210132	Time Warner Cable	Telephone service - October 2022	\$1,169.61
202210133	Umpqua Bank	New Charges - September 2022	\$24,498.49
202210171	City of Coachella	Water - October 2022	\$58.38
202210172	Basic	FSA Plan Admin - 10/01/2022 - 12/31/2022	\$150.00
202210181	SoCal Gas	Gas service - September 2022	\$213.56
202210191	FedEx	Shipping charges - 10/4/2022	\$816.15
202210211	Paychex - Direct Deposit	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$89,160.78
202210212	Paychex - Garnishment	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$210.46
202210213	Paychex - Tax	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$41,602.98
202210214	CalPERS 457	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$1,070.00
202210215	CalPERS Retirement	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$23,111.88
202210216	Empower (formerly Mass Mutual)	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$10.00
202210217	Mission Square (formerly ICMARC / Vantage Point)	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$1,570.00
202210218	Nationwide Retirement Solution	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$1,813.00
202210219	Paychex - Fee	PR 09/30/2022 - 10/13/2022 PD 10/21/2022	\$191.58
		Totals	\$315,546.82



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Receive and File Credit Card Report for September 30, 2022

Suggested Action

Receive and File

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

The total charges incurred for the credit card statement ending September 30, 2022, are \$24,830.49.

Background

The attached report summarizes the District's credit card expenditures for the statement ending September 30, 2022.

Recommendation

Receive credit card statement for September 2022.

Attachments

[3.4 Attachment A Credit Card Transaction September 2022.xlsx](#)
[UMPQUA Credit Card Statement September_Redacted.pdf](#)

IMPORTANT INFORMATION

Finance Charge Calculation Methods and Computation of Average Daily Balance Subject to Finance Charge: The Finance Charge Calculation Method applicable to your account for Cash Advances and Credit Purchases of goods and services that you obtain through the use of your card is specified on the front side of this statement and explained below:

Method A - Average Daily Balance (including current transactions): The Finance Charge on purchases begins on the date the transaction posted to your account. The Finance Charge on Cash Advances begins on the date you obtained the cash advance, or the first day of the billing cycle within which it is posted to your account, whichever is later. There is no grace period.

The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of your account. To get the average daily balance, we take the beginning balance of your account each day, add any new purchases or cash advances, and subtract any payments, credits, non-accruing fees, and unpaid finance charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

Method E - Average Daily Balance (excluding current transactions): To avoid incurring an additional Finance Charge on the balance of purchases (and cash advances if Method E is specified as applicable to cash advances) reflected on your monthly statement, you must pay the New Balance shown on your monthly statement on or before the Payment Due Date. The grace period for the New Balance of purchases extends to the Payment Due Date.

The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of purchases (and if applicable, cash advances). To get the average daily balance, we take the beginning balance of your account each day and subtract any payments, credits, non-accruing fees, and unpaid finance charges. We do not add in any new purchases or cash advances. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

Method G - Average Daily Balance (including current transactions): To avoid incurring an additional Finance Charge on the balance of purchases (and cash advances, if Method G is specified as applicable to cash advances) reflected on your monthly statement and, on any new purchases (and if applicable, cash advances) appearing on your next monthly statement, you must pay the New Balance, shown on your monthly statement, on or before the Payment Due Date. The grace period for the New Balance of purchases extends to the Payment Due Date.

The Finance Charges for a billing cycle are computed by applying the Periodic Rate to the "average daily balance" of purchases (and if applicable, cash advances). To get the average daily balance, we take the beginning balance of your account each day, add any new purchases or cash advances, and subtract any payments, credits, non-accruing fees, and unpaid finance charges. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle.

Payment Crediting and Credit Balance: Payments received at the location specified on the front of the statement after the phrase "MAKE CHECK PAYABLE TO" will be credited to the account specified on the payment coupon as of the date of receipt. Payments received at a different location or payments that do not conform to the requirements set forth on or with the periodic statement (e.g. missing payment stub, payment envelope other than as provided with your statement, multiple checks or multiple coupons in the same envelope) may be subject to delay in crediting, but shall be credited within five days of receipt. If there is a credit balance due on your account, you may request in writing, a full refund. Submit your request to the Account Inquiries address on the front of this statement.

By sending your check, you are authorizing the use of the information on your check to make a one-time electronic debit from the account on which the check is drawn. This electronic debit, which may be posted to your account as early as the date your check is received, will be only for the amount of your check. The original check will be destroyed and we will retain the image in our records. If you have questions please call the customer service number on the front of this billing statement.

Closing Date: The closing date is the last day of the billing cycle; all transactions received after the closing date will appear on your next statement.

Annual Fee: If your account has been assessed an annual fee, you may avoid paying this annual fee by sending written notification of termination within 30 days following the mailing date of this bill. Submit your request to the Account Inquiries address on the front of this statement. You may use your card(s) during this 30 day period but immediately thereafter must send your card(s), which you have cut in half, to this same address.

Negative Credit Reports: You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

BILLING RIGHTS SUMMARY

In Case of Errors or Inquiries About Your Bill: If you suspect there is an error on your account or you need information about a transaction on your bill, send your written inquiry to the Account Inquiries address on the front of this statement within 60 days of the date of the statement containing the transaction in question. You may telephone us, however a written request is required to preserve your rights.

In your letter, give us the following information:

- ◆ Your name and account number.
- ◆ The dollar amount of the suspected error.
- ◆ Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount you question.

Please provide a legal document evidencing your name change, such as a court document.

Please use blue or black ink to complete form

NAME CHANGE

Last

First Middle

ADDRESS CHANGE

Street

City State ZIP Code

Home Phone () - Business Phone () -

Cell Phone () - E-mail Address

SIGNATURE REQUIRED TO AUTHORIZE CHANGES

Signature _____

Cardholder Account Detail Continued					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/07	09/08	PPLN01	24164072250091007810671	TARGET 00018671 LA QUINTA CA	\$341.14
09/06	09/08	PPLN01	24013392250000707407287	NEKTER JUICE BAR 8101 760-2963043 CA	\$586.00
09/06	09/08	PPLN01	24412902250030023802310	AROUND THE CLOCK CALL CTR 888-711-1956 CA	\$159.15
09/19	09/20	PPLN01	24692162262108905311002	J2 EFAX SERVICES 323-817-3205 CA	\$16.95
09/28	09/29	PPLN01	24005942271300608749291	GOVERNMENT FINANCE OFFIC CHICAGO IL	\$135.00
09/29	09/30	PPLN01	24005942272300629881726	GOVERNMENT FINANCE OFFIC CHICAGO IL	\$345.00

Cardholder Account Summary				
BEVERLI A MARSHALL ### ## 5986	Payments & Other Credits \$0.00	Purchases & Other Charges \$362.98	Cash Advances \$0.00	Total Activity \$362.98

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/12	09/13	PPLN01	24492152255894476492295	PAYPAL *QUICKYMARTL 402-935-7733 CA	\$4.99
09/21	09/22	PPLN01	24001752265083153406377	SACBEE SUBSCRIPTION 800-284-3233 CA	\$1.00
09/26	09/27	PPLN01	24493982270083153403441	PE SUBSCRIPTIONS 951-368-9000 CA	\$10.00
09/28	09/28	PPLN01	24692162271105105707426	Palm Sp Desert Sun 888-426-0491 IN	\$14.99
07/14	08/24	PPLN01	24009582195300624103427	DISPUTE	\$332.00

Cardholder Account Summary				
RON BUCHWALD ### ## 6000	Payments & Other Credits \$0.00	Purchases & Other Charges \$22.06	Cash Advances \$0.00	Total Activity \$22.06

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/01	09/04	PPLN01	24137462245500966562649	STATARBROS094 INDIO CA	\$22.06

Cardholder Account Summary				
HEBERTO MORENO ### ## 6026	Payments & Other Credits \$0.00	Purchases & Other Charges \$3,819.48	Cash Advances \$0.00	Total Activity \$3,819.48

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/07	09/09	PPLN01	24943012251010183350123	THE HOME DEPOT #6630 LA QUINTA CA	\$60.86
09/08	09/09	PPLN01	24801972251726237628562	PAMCO MACHINE WORKS 909-941-7260 CA	\$3,622.00
09/14	09/15	PPLN01	24692162257105384268825	APPLE.COM/BILL 866-712-7753 CA	\$2.99
09/22	09/25	PPLN01	24943012266010179628113	THE HOME DEPOT #6874 INDIO CA	\$53.97
09/26	09/28	PPLN01	24137462271001573327358	TRACTOR SUPPLY #2357 INDIO CA	\$3.01
09/27	09/29	PPLN01	24943012271010183639745	THE HOME DEPOT #6630 LA QUINTA CA	\$76.65

Cardholder Account Summary				
TINO TIJERINA ### ## 6034	Payments & Other Credits \$0.00	Purchases & Other Charges \$2,387.66	Cash Advances \$0.00	Total Activity \$2,387.66

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
08/31	09/01	PPLN01	24755422243642434252218	ZORO TOOLS INC 855-2899676 IL	\$107.41
08/30	09/01	PPLN01	24427332243710034810401	TOWER MARKET #948 INDIO CA	\$15.00
09/02	09/04	PPLN01	24717052246262468002253	KEEP IT COOL WINDOW TINTI INDIO CA	\$220.00
09/08	09/09	PPLN01	24755422251642514564127	ZORO TOOLS INC 855-2899676 IL	\$173.70
09/09	09/11	PPLN01	24692162253102479130980	THE HOME DEPOT 6874 INDIO CA	\$210.16
09/08	09/11	PPLN01	24943012252010179754683	THE HOME DEPOT #6874 INDIO CA	\$41.58
09/13	09/14	PPLN01	24489932257600110635464	1000BULBS.COM 800-624-4488 TX	\$109.32
09/14	09/16	PPLN01	24943012258010184311432	THE HOME DEPOT #6874 INDIO CA	\$188.44
09/19	09/20	PPLN01	24055222262083305292933	ENERGY CONTROL.COM 954-739-8400 FL	\$523.80

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/19	09/20	PPLN01	24492152262717675393033	SUPERBREAKERS 866-809-9078 NY	\$439.00
09/20	09/21	PPLN01	24765792263030035360177	ACCESSPROS.COM 562-602-2256 CA	\$187.90
09/22	09/23	PPLN01	24717052265292651224071	CASTANEDAS MEXICAN FOOD INDIO CA	\$131.37
07/24	08/07	PPLN01	24269792206500626496656	DISPUTE	\$19.99
07/24	09/09	PPLN01	24269792206500626496656	DISPUTE RESOLUTION	\$19.99

Cardholder Account Summary

SCOTT SEAR #### #### #### 6109	Payments & Other Credits \$0.00	Purchases & Other Charges \$1,438.28	Cash Advances \$0.00	Total Activity \$1,438.28
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/01	09/04	PPLN01	24034542245000198270726	ARCO #42858 AMPM INDIO CA	\$45.48
09/18	09/19	PPLN01	24628012261000221894174	EZTRIP_01277 HURON CA	\$88.83
09/22	09/23	PPLN01	24692162265101308988960	LOVE'S #441 SANTA NELLA CA	\$81.12
09/22	09/23	PPLN01	24628012265000227431712	PILOT_00307 NORTH PALM SP CA	\$90.86
09/22	09/25	PPLN01	24431062266036002141242	HAMPTON INN & SUITES NAPA CA	\$1,122.00
09/25	09/26	PPLN01	24011342268000038450458	QUICKQUACK* #0701 WASH 188-87722792 CA	\$9.99

Cardholder Account Summary

EDUARDO LUNA #### #### #### 9557	Payments & Other Credits \$0.00	Purchases & Other Charges \$3,208.86	Cash Advances \$0.00	Total Activity \$3,208.86
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
08/31	09/02	PPLN01	24275392244900011400153	USACD PALM DESERT 760-2005225 CA	\$34.68
09/07	09/08	PPLN01	24755422250282508446485	AUSTIN INDUSTRIES PALM DESERT CA	\$1,012.85
09/08	09/09	PPLN01	24231682252837000057428	SMART AND FINAL 718 COACHELLA CA	\$85.98
09/12	09/14	PPLN01	24941682256081321168195	EXPRESS PIPE INDIO-2020 INDIO CA	\$36.10
09/15	09/16	PPLN01	24275392258900012013420	UGSI CHEMICAL FEED, INC 856-8962160 NJ	\$1,508.16
09/21	09/22	PPLN01	24493982265286770600029	ALLIED REFRIGERATION #7 760-324-1746 CA	\$531.09

Cardholder Account Summary

BRANDEN RODRIGUEZ #### #### #### 9565	Payments & Other Credits \$0.00	Purchases & Other Charges \$418.99	Cash Advances \$0.00	Total Activity \$418.99
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/01	09/01	PPLN01	24431062244083710571580	CHIPOTLE ONLINE 180-024-4768 CA	\$52.58
09/01	09/02	PPLN01	24692162244105904558495	SQ *DESERT ARC Indio CA	\$210.00
09/13	09/15	PPLN01	24269792257500558252232	GO-GO EXPRESS WASH COACHELLA CA	\$10.00
09/20	09/21	PPLN01	24692162263109830253805	SQ *TIFFANY'S SWEET SPOT LaQuinta CA	\$45.76
09/22	09/23	PPLN01	24431062266091122191361	PANDA EXPRESS #1620 P olo.com CA	\$97.82
09/22	09/23	PPLN01	24431062266838005310645	PANDA EXPRESS 1620 LA QUINTA CA	\$2.83

Cardholder Account Summary

HOLLY GOULD #### #### #### 7260	Payments & Other Credits \$0.00	Purchases & Other Charges \$7,646.03	Cash Advances \$0.00	Total Activity \$7,646.03
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/01	09/02	PPLN01	24692162244105956409449	SQ *CV BBQ, INC Indio CA	\$96.31
09/01	09/02	PPLN01	24492152244852998946911	LIEBERTCASS 310-981-2000 CA	\$475.00
08/31	09/02	PPLN01	24202982244030036621611	CALIFORNIA SPECIAL DISTRI 916-442-7887 CA	\$1,350.00
09/02	09/04	PPLN01	24755422246642462115888	STATE WATER BOARD 916-3415100 CA	\$4,250.00
09/02	09/04	PPLN01	24755422246642462116043	OPC STATE WB FEE 800-3525002 NE	\$97.75
09/08	09/09	PPLN01	24431062252091480908808	PANDA EXPRESS #1486 P olo.com CA	\$38.82
09/08	09/09	PPLN01	24431062252838002210596	PANDA EXPRESS 1486 INDIO CA	\$5.22
09/21	09/22	PPLN01	24692162264100153028857	AMZN Mktp US*1U7JS9L91 Amzn.com/bill WA	\$43.24
09/21	09/22	PPLN01	24692162264100201804127	AMZN Mktp US*1M1HG5W40 Amzn.com/bill WA	\$9.78

Cardholder Account Detail Continued					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/21	09/22	PPLN01	24692162264100270004963	Amazon.com*1M9GN0YMO Amzn.com/bill WA	\$385.61
09/26	09/27	PPLN01	24445002270400209138654	WM SUPERCENTER #2181 INDIO CA	\$57.98
09/27	09/28	PPLN01	24431062270083307892479	GENERAL PARTS-CARQUEST 800-726-3449 NC	\$611.33
09/27	09/28	PPLN01	24207852270177500453653	MUNICIPAL MANAGEMENT ASSO 877-3147080 CA	\$90.00
09/27	09/28	PPLN01	24801972271690188875794	CALIFORNIA WATER ENVIRON 510-382-7800 CA	\$110.00
09/29	09/30	PPLN01	24692162272105965568222	AMZN Mktp US*1477P2FD0 Amzn.com/bill WA	\$6.51
09/29	09/30	PPLN01	24692162272106287885799	AMZN Mktp US*148LA2Z20 Amzn.com/bill WA	\$18.48

Cardholder Account Summary					
ANNA BELL #### #### #### 7278		Payments & Other Credits \$342.00-	Purchases & Other Charges \$1,042.00	Cash Advances \$0.00	Total Activity \$700.00

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/01	09/02	PPLN01	24801972245690895463697	CALIFORNIA WATER ENVIRON 510-382-7800 CA	\$342.00
09/01	09/02	PPLN01	24801972245690895497133	CALIFORNIA WATER ENVIRON 510-382-7800 CA	\$175.00
09/12	09/13	PPLN01	24793382255349888377740	Government Tax Seminar San Francisco CA	\$525.00
09/13	09/14		74801972257690030843811	CREDIT VOUCHER CALIFORNIA WATER ENVIRON OAKLAND CA	\$342.00-

Cardholder Account Summary					
JIMMY GARCIA #### #### #### 7450		Payments & Other Credits \$0.00	Purchases & Other Charges \$410.25	Cash Advances \$0.00	Total Activity \$410.25

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/02	09/04	PPLN01	24034542246000332526776	ARCO #42960 AMPM INDIO CA	\$10.00
09/15	09/18	PPLN01	24943012259010183771924	THE HOME DEPOT #6874 INDIO CA	\$77.51
09/16	09/18	PPLN01	24034542260001929386773	ARCO #42960 AMPM INDIO CA	\$47.99
09/21	09/23	PPLN01	24692162265101109549409	THE HOME DEPOT 6874 INDIO CA	\$89.68
09/21	09/23	PPLN01	24489932265500616223668	VALLARTA SUPERMARKETS 54 PACOIMA CA	\$20.38
09/22	09/25	PPLN01	24943012266010179626703	THE HOME DEPOT #6874 INDIO CA	\$128.81
09/26	09/28	PPLN01	24164072270105001416503	STAPLES 00113241 LA QUINTA CA	\$35.88

Cardholder Account Summary					
DANIEL A MILLS #### #### #### 8110		Payments & Other Credits \$0.00	Purchases & Other Charges \$752.53	Cash Advances \$0.00	Total Activity \$752.53

Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/27	09/28	PPLN01	24692162270104752512685	LOWES #00208* LA QUINTA CA	\$752.53

Cardholder Account Summary					
DAVE COMMONS #### #### #### 7327		Payments & Other Credits \$0.00	Purchases & Other Charges \$76.58	Cash Advances \$0.00	Total Activity \$76.58
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/03	09/04	PPLN01	24204292246000254023634	Adobe Inc 800-8336687 CA	\$14.99
09/01	09/04	PPLN01	24692162245106438396237	TST* Waba Grill - Indio Indio CA	\$38.67
09/21	09/22	PPLN01	24431062264083701951465	AMZN MKTP US*1U2D47Z01 AM AMZN.COM/BILL WA	\$9.34
09/28	09/29	PPLN01	24692162271105266263490	AMZN Mktp US*1U4L35YE1 Amzn.com/bill WA	\$13.58

Cardholder Account Summary					
DEBRA CANERO #### #### #### 2806		Payments & Other Credits \$48.85-	Purchases & Other Charges \$1,648.98	Cash Advances \$0.00	Total Activity \$1,600.13
Cardholder Account Detail					
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
09/08	09/11	PPLN01	24431062252036108262922	ALASKA AIR 0272310826292 SEATTLE WA CANERO/DEBRA 091822 PSP / SFO AS N SFO / PSP AS N O	\$319.19
09/08	09/11	PPLN01	24431062252036004033450	ALASKA AIR 0274400403345 SEATTLE WA CANERO/DEBRA 091822 PSP SFO AS PSP AS	\$39.98
09/18	09/19	PPLN01	24692162261108483701765	PRICELN*N CAR RENTALS 800-774-2354 CT	\$220.56
09/18	09/22	PPLN01	24275392264900010780352	NU CAR RENTALS SFO 877-5357117 CA	\$161.52
09/21	09/22		74275392264900010728661	CREDIT VOUCHER	\$48.85-
09/21	09/23	PPLN01	24431062265036002141268	NU CAR RENTALS SFO BURLINGAME CA HAMPTON INN & SUITES NAPA CA	\$907.73

Additional Information About Your Account

THE ITEM(S) LISTED ABOVE HAS BEEN DISPUTED BY YOU. WHILE IT REMAINS IN YOUR STATEMENT BALANCE, IT IS NOT INCLUDED IN PAYMENT CALCULATIONS. PLEASE REFER TO THE LAST PAGE OF YOUR STATEMENT FOR IMPORTANT INFORMATION ON DISPUTED TRANSACTIONS.

IT IS NOT NECESSARY TO MAIL YOUR PAYMENT. YOUR ACCOUNT WILL BE AUTOMATICALLY PAID THROUGH A DIRECT DEBIT OF YOUR CHECKING OR SAVINGS ACCOUNT ON 10/10/22 PER YOUR AGREEMENT WITH US. THE DEBIT AMOUNT THIS MONTH IS \$24830.49

THE DISPUTE ON THE ITEM(S) LISTED ABOVE HAS BEEN RESOLVED. THANK YOU FOR YOUR ASSISTANCE AND COOPERATION.

Finance Charge Summary / Plan Level Information									
Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
PPLN01 001	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$24,830.49
Cash									
CPLN01 001	CASH	A	\$0.00	0.06572%(D)	23.9900%	\$0.00	\$0.00	0.0000%	\$0.00
* Periodic Rate (M)=Monthly (D)=Daily							Days In Billing Cycle: 30		
** includes cash advance and foreign currency fees							APR = Annual Percentage Rate		
¹ FCM = Finance Charge Method									
(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.									



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Monthly Revenue & Expense Report for the Period Ending September 30, 2022

Suggested Action

Approve

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

There is no fiscal impact from this report.

Background

The adopted operating and capital budget for the fiscal year 2022/23 includes \$17,767,816 in revenues and \$16,189,076 in operating expenditures.

The attached Monthly Income Summary (Attachment A) and Budget Variance (Attachment B) report compare revenues and expenses to the respective line-item budgets. The report identifies current monthly revenues and expenses as well as fiscal year-to-date (FYTD) values.

Year-to-Date Summary

- As of September 30, 2022, the District has recorded \$17,349,954 in revenue. The revenues are \$1,602,909 or 10.2% over the annual seasonal budget. The variance is attributed to pending tax roll revenue and interest income recorded in July 2022.
- As of September 30, 2022, the District has incurred \$3,451,829 in expenditures. The District's expenditures are \$595,440 or 14.7% under the FYTD straight-line budget.

The Summary of Cash and Investments (Attachment C) report details the changes to the fund balances by fund type.

Fund	Unaudited Fund Balance As of 09/30/2022
Operating Fund (Fund 11)	\$20,330,217
Special Revenue Fund (Fund 11 and Fund 6)	1,042,720
Fiduciary Fund (Fund 4)	246,980
Capital Improvement Fund (Fund 13)	11,496,112
Restricted CIP Fund (Fund 12)	28,764,484
Total	\$61,880,513

Recommendation

Staff recommends that the Board receive and file the Revenue and Expense report for the period ending September 2022.

Attachments

[Attachment A Monthly Income Summary - September 2022.pdf](#)

[Attachment B Budget Variance Report.pdf](#)

[Attachment C Summary of Cash and Investments.pdf](#)

Valley Sanitary District

Monthly Income Summary

September 2022 (UNAUDITED)

	<u>Current Month</u>	<u>Fiscal YTD</u>	<u>Annual Projection</u>	<u>% Received</u>	<u>Balance</u>
Revenues					
Sewer Service Chgs-Current	\$351,724	\$16,361,759	\$15,686,490	104 %	(\$675,269)
Permit & Inspection Fees	\$2,510	\$7,500	\$35,874	21 %	\$28,374
Plan Check Fees	\$1,200	\$3,750	\$14,704	26 %	\$10,954
Other Services	\$160	\$430	\$3,397	13 %	\$2,967
Sale of Surplus Property	\$0	\$0	\$31,818	0 %	\$31,818
Taxes - Current Secured	\$0	\$0	\$855,412	0 %	\$855,412
Taxes - Current Unsecured	\$0	\$0	\$55,294	0 %	\$55,294
Supple Prop. Taxes - Current	\$0	\$10	\$0	0 %	(\$10)
Supple Prop. Taxes - Prior	\$564	\$564	\$0	0 %	(\$564)
Homeowners Tax Relief	\$0	\$0	\$6,090	0 %	\$6,090
Interest Income	\$3,020	\$264,469	\$36,068	733 %	(\$228,401)
Unrealized gains (losses)	(\$23,658)	(\$19,365)	\$0	0 %	\$19,365
Rebate Income	\$0	\$0	\$3,836	0 %	\$3,836
Non-Operating Revenues - Fnd 11	\$0	\$81	\$5,156	2 %	\$5,075
Interest Income	\$0	\$372,914	\$32,151	1,160 %	(\$340,763)
Connection Fees	\$111,178	\$212,826	\$996,915	21 %	\$784,090
Interest Income	\$0	\$145,016	\$4,611	3,145 %	(\$140,405)
Total Revenues	\$446,699	\$17,349,954	\$17,767,816	98 %	\$417,862

Valley Sanitary District
Budget Variance Report
September 2022

Description	FY23 Total Budget	Current Month			Fiscal Year to Date			Percentage Remaining
		Actual	Budget	Favorable (Unfavorable)	FYTD Actual	YTD Budget	Favorable (Unfavorable)	
Revenues:								
Operating Revenue	16,769,198	466,772	1,397,433	(930,661)	16,586,265	15,497,390	1,088,874	1.1%
Non-Operating Revenue	998,618	(20,073)	83,218	(103,291)	763,690	249,655	514,035	23.5%
Total Operating Revenue	17,767,816	446,699	1,480,651	(1,033,953)	17,349,954	15,747,045	1,602,909	2.4%
Operating Expenses:								
Salaries And Wages	3,543,600	262,407	295,300	32,893	789,653	885,900	96,247	77.7%
Director Fee/Payroll Tax-Board	94,985	5,700	7,915	2,215	17,000	23,746	6,746	82.1%
Bonus, Awards, Recertification	10,300	100	858	758	300	2,575	2,275	97.1%
Overtime	33,100	1,605	2,758	1,153	6,841	8,275	1,434	79.3%
Callout	13,000	1,386	1,083	(302)	3,274	3,250	(24)	74.8%
Standby Pay	61,824	4,874	5,152	278	14,186	15,456	1,270	77.1%
Longevity	43,000	3,138	3,583	445	9,415	10,750	1,335	78.1%
Retirement Contributions	357,077	25,852	29,756	3,904	76,385	89,269	12,884	78.6%
Fica And Medicare	347,615	20,223	28,968	8,745	61,015	86,904	25,888	82.4%
Life Insurance	7,260	592	605	13	1,762	1,815	53	75.7%
Health Insurance	615,374	50,121	51,281	1,161	143,733	153,844	10,110	76.6%
Dental Insurance	44,232	3,700	3,686	(14)	10,801	11,058	257	75.6%
Vision Insurance	8,156	682	680	(2)	1,972	2,039	67	75.8%
Long Term Disability	10,416	891	868	(23)	2,583	2,604	21	75.2%
Accounting Services-Admin	77,771	3,305	6,481	3,176	19,182	19,443	261	75.3%
Certifications	24,080	195	2,007	1,812	1,412	6,020	4,608	94.1%
Chemicals	529,620	70,732	44,135	(26,597)	150,250	132,405	(17,845)	71.6%
Comprehensive Insurance	371,193	29,365	30,933	1,568	89,711	92,798	3,087	75.8%
Conferences/ Meetings	202,629	7,112	16,886	9,774	33,616	50,657	17,042	83.4%
Contracts	1,527,336	40,148	127,278	87,130	140,602	381,834	241,232	90.8%
County Expense	23,100	1	1,925	1,924	3,046	5,775	2,729	86.8%
Covid-19 Supplies	15,759	-	1,313	1,313	489	3,940	3,451	96.9%
Election Expense	70,000	-	5,833	5,833	-	17,500	17,500	100.0%
Electric	726,000	60,749	60,500	(249)	175,651	181,500	5,849	75.8%
Gas, Oil & Fuel	58,000	9,450	4,833	(4,616)	16,232	14,500	(1,732)	72.0%
Grit & Screening Removal	40,000	2,133	3,333	1,200	5,848	10,000	4,152	85.4%
Legal Services	70,000	14,757	5,833	(8,924)	22,442	17,500	(4,942)	67.9%
Debt Service	4,412,971	367,748	367,748	-	1,103,243	1,103,243	-	75.0%
Medical Services	32,943	1,434	2,745	1,312	357	8,236	7,879	98.9%
Memberships	60,298	3,246	5,025	1,779	22,792	15,075	(7,717)	62.2%
Misc. Professional Services	109,391	10,215	9,116	(1,099)	22,381	27,348	4,967	79.5%
Natural Gas	7,000	214	583	370	592	1,750	1,158	91.5%
Office Supplies	26,000	205	2,167	1,961	3,388	6,500	3,112	87.0%
Opeb Contribution	81,719	1,192	6,810	5,618	3,576	20,430	16,854	95.6%
Other Expenses	70,000	136	5,833	5,697	3,862	17,500	13,638	94.5%
Permits & Fees	117,925	5,551	9,827	4,276	7,703	29,481	21,778	93.5%
Projects	369,000	25,750	30,750	5,000	77,250	92,250	15,000	79.1%
Publications	3,500	376	292	(84)	824	875	51	76.5%
Repairs & Maintenance	650,637	33,746	54,220	20,474	130,928	162,659	31,731	79.9%
Research & Monitoring	97,000	5,064	8,083	3,020	12,901	24,250	11,349	86.7%
Supplies	247,306	10,821	20,609	9,788	32,570	61,827	29,257	86.8%
Telephone/Internet	34,569	2,531	2,881	350	7,550	8,642	1,092	78.2%
Tools & Equipment	44,300	47	3,692	3,645	561	11,075	10,514	98.7%
Tuition Reimbursement	12,000	1,000	1,000	-	4,000	3,000	(1,000)	66.7%
Uniform Services	45,620	1,530	3,802	2,272	8,590	11,405	2,815	81.2%
Unfunded Accrued Liability	736,606	61,384	61,384	-	184,152	184,152	-	75.0%
Water	27,500	1,751	2,292	541	6,914	6,875	(39)	74.9%
Workers Compensation	77,364	5,979	6,447	468	20,293	19,341	(952)	73.8%
Total Operating Expenses (Before Depreciation)	16,189,076	1,159,134	1,349,090	189,955	3,451,829	4,047,269	595,440	78.7%
Operating Expenses in Excess of Operating Revenue				(712,436)		13,898,126		

Valley Sanitary District
Budget Variance Report
September 2022

Description	FY23 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Favorable (Unfavorable)	FYTD Actual	FY23 YTD Budget	Favorable (Unfavorable)	Percentage Remaining
Operating Expenses:								
Wages	3,756,809	276,072	313,067	36,995	831,255	939,202	107,947	77.9%
Fringe Benefits	1,433,130	105,199	119,428	14,229	307,667	358,283	50,615	78.5%
Services	1,982,849	75,486	165,237	89,751	225,504	495,712	270,208	88.6%
Supplies and Materials	1,610,622	120,615	134,219	13,604	331,087	402,656	71,569	79.4%
Fuels and Lubricants	58,000	9,450	4,833	(4,616)	16,232	14,500	(1,732)	72.0%
Comprehensive Insurance	448,557	35,344	37,380	2,036	110,004	112,139	2,135	75.5%
Projects	369,000	25,750	30,750	5,000	77,250	92,250	15,000	79.1%
Utilities	800,500	64,846	66,708	1,862	189,005	200,125	11,120	76.4%
Debt Service	4,412,971	367,748	367,748	-	1,103,243	1,103,243	-	75.0%
Permits and Fees	141,025	5,552	11,752	6,200	10,749	35,256	24,507	92.4%
Unfunded Accrued Liability	736,606	61,384	61,384	-	184,152	184,152	-	75.0%
Other	439,007	11,689	36,584	24,895	65,681	109,752	44,070	85.0%
Total Operating Expenses (Before Depreciation)	16,189,076	1,159,134	1,349,090	189,955	3,451,829	4,047,269	595,440	78.7%
Revenues:								
Operating Revenue	16,769,198	466,772	1,397,433	(930,661)	16,586,265	15,497,390	1,088,874	1.1%
Non-Operating Revenue	998,618	(20,073)	83,218	(103,291)	763,690	249,655	514,035	23.5%
Total Revenue	17,767,816	446,699	1,480,651	(1,033,953)	17,349,954	15,747,045	1,602,909	2.4%
Net Operating Gain (Loss)		(712,436)			13,898,126			

VALLEY SANITARY DISTRICT
SUMMARY OF CASH AND INVESTMENTS

FOR THE PERIOD: 09/01/2022 TO 09/30/2022 (UNAUDITED)

Agenda Item No. _____

INVESTMENTS

LAIF Fund 4 - Agency Fund			
Beginning Balance (Fund 4)		246,980	
Net Transfer from (to) Fund 11		0	
Fair Value Factor for quarter ending 06/30/2022		0	
Interest (Pd quarterly - Int. Rate 0.75%)		0	
Fund 04 Ending Balance		<u>246,980</u>	
LAIF Fund 6 - Wastewater Revenue Refunding Bonds			
Beginning Balance (Fund 6)		749	
Net Transfer from (to) Fund 11		0	
Fair Value Factor for quarter ending 06/30/2022		0	
Interest (Pd quarterly - Int. Rate 0.75%)		0	
Fund 06 Ending Balance		<u>749</u>	
LAIF Fund 10 - Recycled Water Project			
Beginning Balance (Fund 10)		0	
Net Transfer from (to) Fund 11		0	
Fair Value Factor for quarter ending 06/30/2022		0	
Interest (Pd quarterly - Int. Rate 0.75%)		0	
Fund 10 Ending Balance		<u>0</u>	
LAIF Fund 11 - Operating Fund			
Beginning Balance (Fund 11)		11,751,409	
Net Transfer from (to) Fund 04		0	
Net Transfer from (to) Fund 06		0	
Net Transfer from (to) Fund 12		92,775	
Net Transfer from (to) Fund 13		(111,177)	
Fund Transfer from (to) LAIF - WF		6,000,000	
Fair Value Factor for quarter ending 06/30/2022		0	
Interest (Pd quarterly - Int. Rate 0.75%)		0	
Fund 11 Ending Balance		<u>17,733,007</u>	
LAIF Fund 12 - Reserve Fund			
Beginning Balance (Fund 12)		28,857,259	
Net Transfer from (to) Fund 11		(92,775)	
Fair Value Factor for quarter ending 06/30/2022		0	
Interest (Pd quarterly - Int. Rate 0.75%)		0	
Fund 12 Ending Balance		<u>28,764,484</u>	
LAIF Fund 13 - Capital Improvement Fund			
Beginning Balance		11,384,935	
Connection Fees	111,177		
(Disbursements) or Reimbursements	<u>0</u>		
Net Transfer from (to) Fund 11		111,177	
Fair Value Factor for quarter ending 06/30/2022		0	
Interest (Pd quarterly - Int. Rate 0.75%)		0	
Fund 13 Ending Balance		<u>11,496,112</u>	
TOTAL LAIF INVESTMENTS: FUNDS 04, 06, 11, 12 AND 13			<u><u>58,241,332</u></u>

CASH IN CHECKING ACCOUNT

WELLS FARGO - FUND 11

Beginning Balance		2,139,709	
Deposits		7,215,766	
Fund Transfer from (to) LAIF (net)		(6,000,000)	
Disbursements and Payroll		(758,265)	
Wells Fargo Ending Balance		<u>2,597,210</u>	

CALTRUST - FUND 11

Beginning Balance		1,062,609	
Interest Income		3,020	
Unrealized Gain / <Loss>		(23,658)	
CalTRUST Ending Balance		<u>1,041,971</u>	

TOTAL WELLS FARGO AND CALTRUST CHECKING			<u>3,639,181</u>
TOTAL CASH AND INVESTMENTS			<u><u>61,880,513</u></u>

The Board certifies the ability of the District to meet its expenditure requirements for the next six (6) months, as per Government Code 53646(b)(3).

This report is in compliance with the District's Investment Policy under Government Code 53646(b)(2).



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Tino Tijerina
SUBJECT: Declare 2009 Ford Crew Cab 4x4 Surplus Equipment and Authorize the General Manager to Dispose as Appropriate

Suggested Action

Approve

Strategic Plan Compliance

GOAL 3: Excellent Facilities

Fiscal Impact

Any revenue from the sale of the surplus vehicle will be used to offset the cost of the replacement vehicle.

Background

The 2009 Ford Crew Cab 4x4 truck has reached the end of its useful life and was identified on the Vehicle and Equipment replacement fund for Fiscal Year 2022-23. It was replaced with a 2022 Ford Hybrid truck. If approved, the surplus truck will be sold on GovDeals.

Recommendation

Staff recommends that the Board of Directors declare the 2009 Ford Crew Cab 4x4 truck as surplus equipment and authorize the General Manager to dispose as appropriate.

Attachments

[2009 ford surplus.pdf](#)



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Ronald Buchwald, Engineering Services Manager
SUBJECT: Accept a Grant of Easement Located at 45761 Flower Street, Indio CA, and Authorize the General Manager to Sign a Certificate of Acceptance

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact from the recommended action.

Background

The easement that is to be granted to Valley Sanitary District is within the property of Indio Motor Machine located at 45761 Flower Street. Attached is the Grant of Easement document, which includes the Certificate of Acceptance, showing the location of the sewer easement within the private property. This easement is for a portion of the work that will be taking place in the Indio Downtown District Sewer Improvement Project. New public sewer line is being installed on the aforementioned property to alleviate issues with the existing sewer line. The existing sewer main was installed in an alley several decades ago. The alley has since been built upon and access to this sewer main is limited at best. The sewer main is cast iron and corroded such that staff cannot clean this sewer main. The Downtown Indio project will have a new main built on Indio Motor Machine's property tying into an existing main in Flower Street which fronts the businesses. A new private sewer main will be installed in the former alley way and reconnected to each businesses' service lateral.

Recommendation

Staff recommends that the Board of Directors authorize the General Manager to sign the Certificate of Acceptance for the grant of easement at 45761 Flower Street, Indio CA, for recording purposes.

Attachments

[Indio Motor Machine Easement Agreement - Signed and Notarized 10-6-22.pdf](#)



August 4, 2022

Brian Hafliger
45761 Flower Street
Indio, CA 92201

Dear Mr. Hafliger,

The purpose of this letter is to outline the conditions of acceptance for the proposed utility easement on your property (the "Property") requested by Valley Sanitary District. The District wishes to obtain a 20-foot-wide utility easement for the construction of a new public sewer main to serve your and adjacent parcels. In exchange, the District is willing to construct new asphalt concrete in the following location: from the southern wall of the existing shop building to the edge of the existing concrete slab to the south and from the concrete driveway entrance to the west end of the block wall that is attached to the shop building (the "Project"). This area measures approximately 95 feet by 36 feet for a total area of 3,420 square feet.

By signing this letter, you grant to the District and its agents, employees, consultants, designees, and contractors the temporary right upon the Property for the purpose of constructing the Project.

If these terms are acceptable, please both sign this letter and notarize the easement agreement and return to Valley Sanitary District who will then have the easement agreement officially recorded with the County of Riverside.

If you have any questions or comments, please contact me at the information below.

Sincerely,

Ron Buchwald
District Engineer

760-238-5400 | Ext 108
rbuchwald@valley-sanitary.org

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

ACCEPTANCE OF LETTER

Acceptance of this letter is hereby acknowledged by Indio Motor Machine this 6th day of Oct., 2022.

By:

Title: Owner

PARCEL NO. 17252
PROJECT: Indio Downtown District
Sewer Improvement Project

RECORDING REQUESTED BY:
VALLEY SANITARY DISTRICT

WHEN RECORDED MAIL TO:
VALLEY SANITARY DISTRICT
45-500 VAN BUREN
INDIO, CA 92201

The Documentary Transfer Tax is \$None
Conveyance to Governmental Entity R&T 1192

APN: 611-372-016

FREE RECORDING REQUESTED
California Govt. Code 6103

GRANT OF EASEMENT

THIS INDENTURE, made and entered into this 6th day of Oct., 2022, by and between BRIAN HAFLIGER, (“Grantor”) and VALLEY SANITARY DISTRICT, (“Grantee”).

WITNESSETH: FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Grantor does hereby grant unto the Grantee, the easement and right of way to establish, construct and maintain for all time a public sewer or sewers and appurtenances in, through, on and along that certain real property situated in the County of Riverside, more particularly described as follows:

See Exhibit “A” and Exhibit “B” attached hereto and made a part hereof.

THIS GRANT is made by the Grantor under the full understanding and condition that the Grantee, by acceptance of this Grant, has the right to remove all things thereon that interfere with the purpose for which said easement is granted. Further, it is agreed by the Grantor that any structure placed upon, or tree, plant or shrub planted on, along, or adjacent to said easement which injures the sewer or interferes with the maintenance thereof shall be removed by the Grantor at his expense when notified in writing to do so by the Grantee. Further, it is understood that connections to such public sewer or sewers constructed on the real property described above may be made only upon strict compliance with such rules and regulations as Grantee shall adopt from time to time and keep on file in the office of its secretary.

TO HAVE AND HOLD upon the Grantee forever for the sole object and purpose of constructing and maintaining thereon a public sewer or sewers and appurtenances thereto. Grantee’s rights shall include the right to construct and maintain manholes and service connection structures appurtenant to said line or lines of sewer pipe which structures may extend above the surface of the ground.

Dated: 10-6-22

GRANTOR:

BRIAN HAFLIGER

By: [Signature]
Name: Brian Hafziger
Its: owner

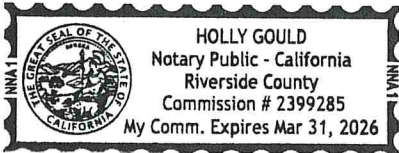
CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of Riverside }
On October 6, 2022 before me, Holly Gould, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Brian Hafliker
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Holly Gould
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

Signer's Name: _____

Corporate Officer – Title(s): _____

Partner – Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer is Representing: _____

EXHIBIT A
LEGAL DESCRIPTION OF EASEMENT

EXHIBIT "A"
SANITARY SEWER EASEMENT
LEGAL DESCRIPTION

THE NORTH 20.00 FEET OF PARCEL 2 OF PARCEL MAP NO. 17252 ON FILE IN BOOK 91,
PAGE 53, OF PARCEL MAPS, OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE
COUNTY, CALIFORNIA.

CONTAINING 2,450 SQUARE FEET, MORE OR LESS.

SEE EXHIBIT "B" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF.

THIS LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION
IN COMPLIANCE WITH THE CALIFORNIA LAND SURVEYORS ACT.



TUNG JU HSIEH - PLS 8722 DATE: 12/11/2020
EXPIRES 06/30/22
THE ALTUM GROUP
73-710 Fred Waring Drive, Suite 219
Palm Desert, CA 92260 760 346-4750

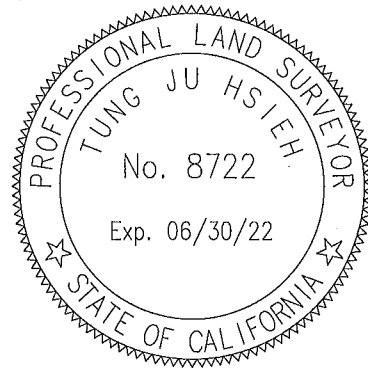
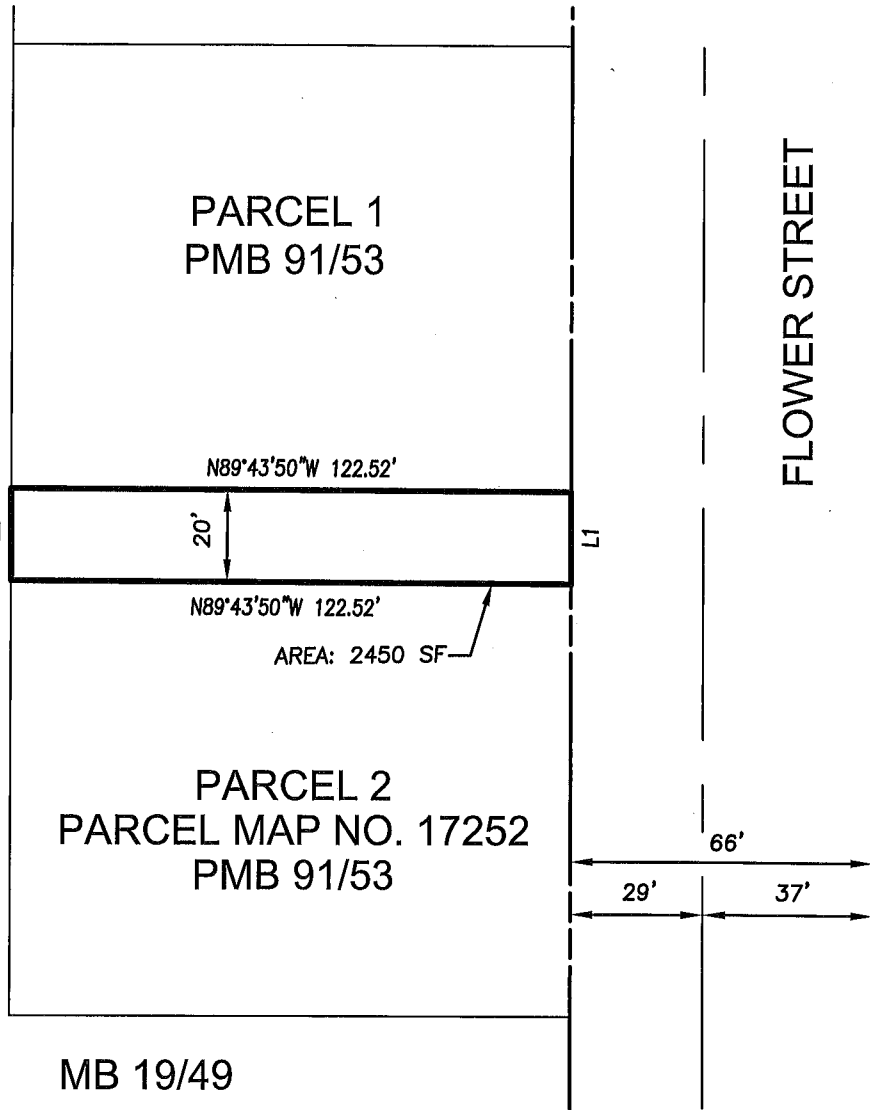


EXHIBIT "B"

DEPICTION OF EASEMENT

LINE TABLE		
#	BEARING	LENGTH
L1	N00°05'47"E	20.00'
L2	N00°05'46"E	20.00'

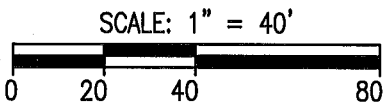


MB 19/49



PARCEL 2
PARCEL MAP NO. 17252
PMB 91/53

MB 19/49



PREPARED UNDER THE SUPERVISION OF:

TUNG JU HSIEH DATE: 12/11/20
P.L.S. 8722, EXP. 12/31/20



- Engineering
- Planning
- Survey
- Environmental

The Altum Group
73-710 Fred Waring Drive, Suite 219, Palm Desert, CA 92260
t. 760.346.4750 TheAltumGroup.com f. 760.340.0089

EXHIBIT "B"
SANITARY SEWER EASEMENT
PLAT

PROJECT NO.: C1436

SCALE: 1" = 40'

DATE: 12/11/20

SHEET: 1 OF 1

DRAWN BY: TJH

CHECKED BY: AD



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Beverli A. Marshall, General Manager
SUBJECT: Cancel the Regular Board Meeting on Tuesday, December 27, 2022, Due to Its Proximity to the District Observed Holiday

Suggested Action

Approve

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is a nominal savings associated with cancelling the meeting.

Background

Regular Board meetings are scheduled for the second and fourth Tuesdays of each month. In December, the fourth Tuesday is after a four-day weekend due to Christmas Eve (observed December 23) and Christmas Day (observed December 26).

Key staff and directors may choose to travel for this holiday, which can affect attendance at the meeting. In addition, key staff have scheduled time off in addition to the observed holidays, which makes it difficult to prepare the staff reports and required documents for the agenda packet in compliance with the Brown Act.

By cancelling the meeting, everyone has the opportunity to take full advantage of the holiday week to prepare for, travel, and be with family for the holiday.

Recommendation

Staff recommends that the Board of Directors cancels the regular Board meeting on Tuesday, December 27, 2022, due to its proximity to the District-observed holidays.



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Beverli A. Marshall, General Manager
SUBJECT: Receive Update from Innovate Federal Strategies LLC on Federal Legislative Issues

Suggested Action

Informational

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

There is no fiscal impact from this report.

Background

The Board of Directors authorized a contract with Innovative Federal Strategies LLC to provide federal legislative advocacy on water and wastewater related issues. The Board has requested periodic updates on the status of the issues and will provide ongoing direction as needed.

Recommendation

Receive information and provide direction as appropriate.



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Ed Luna. Maintenance Technician II
SUBJECT: Authorize the General Manager to Execute a Contract with VM Air Mechanical Air Conditioning and Heating for the Purchase and Installation of a 10-ton HVAC Unit for the Blower Room Building in an Amount Not to Exceed \$27,825

Suggested Action

Approve

Strategic Plan Compliance

GOAL 3: Excellent Facilities

Fiscal Impact

The total cost for this unit is \$27,825, which is included in the adopted Capital Improvement budget for Fiscal Year 2022-23.

Background

VSD currently has one 12-Ton HVAC unit supplying air to the Blower Room, which was sufficient to provide cooling in the past. In 2020, a second blower was needed to provide additional air to the Aeration Basins. The required operation of two blowers is affecting the heat load mixed with extreme ambient temperatures, causing the equipment to overheat and run at higher temperatures. The subjection of high temperatures to the equipment will result in premature failure and loss of air supply to the processing that takes place in the District's Aeration Basin.

Staff has identified VM Air Mechanical as the most competitive in bidding the requested equipment (Trane model TWSC120H4R0A0000). This unit was requested due to manufacture reliability and to prevent VSD from having to source future parts from multiple parts suppliers.

Recommendation

Staff recommends that the Board of Directors authorize the General Manager to execute a contract with VM AIR Mechanical Air Conditioning and Heating for the purchase and installation of a 10-ton HVAC unit for the Blower Room Building in an Amount Not to Exceed \$27,825.

Attachments

[Blower Room AC Quotes.pdf](#)



78206 Varner Rd. #D-183 Palm Desert, CA 92211

PROPOSAL

SUBMITTED TO: <u>Valley Sanitary District</u>		JOB NAME: <u>VSD 23-0007</u>	JOB #
ADDRESS: <u>45-500 Van Buren</u>		JOB LOCATION: <u>Blower Room</u>	
<u>Indio Ca 92201</u>		DATE: <u>9/23/2022</u>	PHONE NUMBER:
OPTION #1: <u>\$ 27,825⁰⁰</u>	OPTION #2:	OPTION #3:	

WE HEREBY SUBMIT SPECIFICATIONS AND ESTIMATES FOR: Installation of a 10 Ton HVAC Heatpump package unit. 460 V 3 ph. Price includes the pick-up and delivery of unit.

Upon arrival of unit fabrication of supply and return metal work will begin. Will install drain lines and p-trap for condensation.

Quote is for customer requested unit.

Trane model # TWSC120H4ROA0000

Warranty

- 5- Years Compressor
- 1- Years Part
- 1- Years Labor

WE PROPOSE HEREBY TO FURNISH MATERIAL AND LABOR -- COMPLETE IN ACCORDANC WITH THE ABOVE SPECIFICATIONS FOR THE SUM OF:
 \$ Twenty - Seven Thousand, Eight Hundred - Twenty Five /⁰⁰ Dollars

WITH PAYMENTS TO BE MADE AS FOLLOWS: Balance to be paid upon completion.

Any alteration or deviation from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control.

Respectfully submitted VM AIR Mechanical,

Note - this proposal may be withdrawn by us if not accepted within _____ days.

Acceptance of Proposal

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Date of Acceptance _____ Signature _____

Signature _____ Signature _____



Timo's Air Conditioning & Heating, Inc.
 72232 Corporate Way
 Thousand Palms, CA 92276
 Office: 760-770-4357
 Email: help@timosair.com
 License # 920062

Estimate 47149505
 Job 47135836
 Estimate Date 9/19/2022
 Customer PO

Billing Address
 Valley Sanitary District
 45500 Van Buren ST
 Indio, CA 92201

Job Address
 Valley Sanitary District
 45500 Van Buren Street
 Indio, CA 92201 USA

Estimate Details

Trane RT-SVX23Q HP: 10-Ton System (Best): Installation Of New Trane Package Unit - New Thermostat Wire and Thermostat. Custom Metal Ducting Routed to Existing Cut Outs In Block Wall.

Task #	Description	Quantity	Your Price	Your Total
XL16C60HP	Trane Complete System	1.00	\$19,673.00	\$19,673.00

- Tonnage: 10-Ton: 3 Phase
- Packaged Unit: TWSC120H4R0A0000
- Thermostat: Honeywell T6 Pro

Includes:

- Installation of new Packaged Unit and Thermostat
- Install New Drain Line and P-Trap
- City Permits and HERS/Duct Testing
- Meet or Exceed all HVAC Related Building Codes

Warranty:

- 5 Years Compressor
- 1 Years Part
- 1 Year Labor

INSTALL101	Custom Sheet Metal Ductwork	1.00	\$9,758.00	\$9,758.00
------------	------------------------------------	------	------------	------------

- Fabricate and install custom sheet metal ducting with 1" liner.
- Ducting to be cross stamped for added rigidity
- Ducting to use duct-mate connections due to size.
- Ducting to feature a cross-over transition so return can cross over supply to designated entry locations at wall.
- Includes flashing for finished look interior
- Includes 45° angle diverter add interior supply to deflect air

Not included:

- High voltage electrical to be supplied at packaged unit's location
- Supply and Return holes to be cut into block wall others
- Interior ducting not included. System is to provide air through one supply and one return.

Sub-Total	\$29,431.00
Tax	\$0.00
Total	\$29,431.00

Thank you for choosing Timo's Air Conditioning

- Notice of Right to Cancel: You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. To cancel this transaction, mail or deliver a signed and dated copy of the written cancellation notice. Terms & Conditions: By signing above, you agree to the Terms & Conditions below.
- Preliminary Lien Notice: Upon acceptance of proposal and commencement of work, notice is served on the persons and business entities at the installation address listed above. A Mechanic's Lien may be placed on the property if balance is not paid in full upon completion. All orders not paid in full are subject to approval from the Company's credit department. This proposal may be withdrawn by the Company if not accepted within 30 days. Until final payment is made, the Company will retain title to all materials and equipment it installs.
- Payment Terms: 10% Deposit (up to \$1,000) upon acceptance of contract. Balance to be paid upon completion of installation. Projects may require a more specific and frequent progress payment schedule based upon the delivery of goods and completion of installed components. These progress payments are to be specified in the "Details" section above. Final payment not to be delayed by third parties.
- Payment is due in full upon completion of installation. Payment is not contingent upon completion of third parties, such as: HERS (Duct) Testing, final permit inspection by



**PALOMA
AIR CONDITIONING**

83-019 Avenue 45
Indio, CA 92201
760-347-1212 Lic. CCL # 1078957
Fax: 760-347-1112

PROPOSAL SUBMITTED TO	Valley Sanitary	PHONE	DATE	8-11-2022
STREET	45500 Van Buren	JOB NAME		
CITY, STATE and ZIP CODE	Indio	JOB LOCATION	Blower Room	
ARCHITECT	Carlos	DATE OF PLANS	JOB PHONE	

We hereby submit specifications and estimates for:

Install 10 ton package heat pump
provide crane to move unit

Install new supply and return
ductwork, up to 6 LF of Return
up to 20 LF of Supply duct

Daikin \$21,800

warranty:
one year labor
Five years parts
Five years compressor

NOTE: Concrete pad by OTHERS

NOTE: Lead time 8-10 weeks.

* Note: Permits & Duct testing not Included add \$ 600 Yes/No _____

We Propose hereby to furnish material and labor -- complete in accordance with above specifications, for the sum of:

_____ dollars (\$ _____).

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal—The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date of Acceptance: _____

Signature _____



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Ron Buchwald, District Engineer
SUBJECT: Authorize the General Manager to Issue a Purchase Order for a Combination Sewer Cleaning Truck from Haaker Equipment in an Amount not to Exceed \$619,163.77

Suggested Action

Approve

Strategic Plan Compliance

GOAL 3: Excellent Facilities

Fiscal Impact

The total price of the new combination sewer cleaning truck from Haaker Equipment is \$619,163.77. The Vehicle and Equipment Replacement fund will be used for this purchase and was included as part of the approved Capital Improvement Program budget for Fiscal Year 2022-23.

Background

Combination sewer cleaning trucks are an essential part of the District's equipment pool as it performs the necessary cleaning of sewer mains to prevent sewer system overflows (SSOs) as well as respond to and clean up after an SSO. Without combination sewer cleaning trucks, staff would need to rent a truck or hire a company to be on standby to relieve sewer mains of any overflows. Neither is ideal and both are expensive. The cost to rent a combination sewer cleaning truck is about \$4,500 per week or about \$12,500 per month. These rates fluctuate and can be higher or lower based on demand and availability.

VSD has two combination sewer cleaning trucks; one as the primary cleaning truck and the other as a backup that is used approximately once a week. The primary cleaning truck is a 2014 Vactor/Kenworth truck and is 8 years old. The backup is a 2003 International truck and has experienced recurring maintenance issues from the start. Due to its age, it is becoming more difficult to find parts for this

unit.

The purpose of having a backup truck is to allow service to the primary truck. Earlier this Spring when the 2014 Vactor truck needed service, the 2003 truck failed and required service as well. Both trucks were out for about 2 months due to back ordered or hard-to-find parts and availability of service technicians. The only solution was to rent a combination sewer cleaning truck at a significant cost that was not budgeted.

Combination sewer cleaning trucks generally have a 10-year life cycle. With the above-mentioned issues and the long lead times to receive a new truck once purchased (6 to 12 months), staff has been proactive and have started the process of procuring a new truck about a year early. Purchasing a new combination sewer cleaning truck will allow the 2014 truck to become the backup and the 2003 truck will be sold. The proceeds will partially offset the cost of the new truck.

Staff has solicited information from various manufacturers of combination cleaning units including combination units that are recyclers. Recycler units have been modified to use the wastewater from sewer mains as the water source for jetting sewer mains, which saves money (domestic water charges) and staff time to fill water tanks on the units. Recycler units are more expensive up front, but the savings from water charges and staff time can offset most of this expense over time. Recycler units typically have more required maintenance due to extra parts needed to allow usage of the wastewater.

Staff has participated in demonstrations of recycler units by three different vendors: Kaiser Premier, Keller Equipment, and Haaker Equipment. All three recyclers had several challenges in common. Recycler units require staff to drive the trucks with the debris tank at least half full of water to use the collected recycled wastewater to jet the sewer mains. Traditional trucks are driven with the debris tank empty of fluids. A debris tank that is half full of water creates a safety issue by driving with a heavier load near the top half of the truck. It also can present a potential legal issue with the total weight exceeding what is permitted on the road (The California Highway Patrol infrequently performs vehicle weight inspections and will cite an agency if over the weight limit).

Another challenge with the recyclers was their struggle to clean the Calhoun lift station. The flexible hose created a significant challenge in keeping it steady, which prevented it from cleaning the lift station thoroughly (see the attached Pros & Cons table).

Staff has worked with the three Vendors to obtain quotes for the recycling trucks. Staff has also requested a quote from Haaker for a non-recycler unit. Kaiser Premier does not sell a non-recycler unit. Keller Equipment did not respond to staff on providing a quote on their non-recycler. Staff has

requested each vendor to use State (Sourcewell) or Local (Houston-Galvestan Area Council, HGAC) procurement sites that satisfy the required formal bidding process. This will secure the lowest possible price for the base unit purchased. Please refer to the Cost Comparison table for the cost difference between the three Recycler units and the one non-Recycler unit.

Staff has been very satisfied with the Haaker Vactor unit currently in use. It has performed well over the last eight years. Haaker Equipment has provided good service both with onsite maintenance and when needed, service at their Upland location. Vactor is the manufacturer of the combination sewer cleaning truck and they have been in business for over a hundred years.

Recommendation

Staff recommends that the Board of Directors authorize the General Manager to issue a purchase order for a combination sewer cleaning truck from Haaker Equipment in an amount not to exceed \$619,163.77.

Attachments

[Combination Sewer Cleaning Truck Comparison.pdf](#)

[Pros Cons Recycler Units.pdf](#)

[Haaker Non-Recycler Sourcewell Quote 10-20-22.pdf](#)

Combination Sewer Cleaning Truck Comparison

Recycler Units Vendor - Manufacturer	Quote - Total Price	Date of Quote	Source of Procurement	Delivery Estimate (days)
Keller Equipment - Vacall	\$ 687,847.34	5-Aug	Sourcewell	Not stated
Haaker Equipment - Vactor	\$ 722,881.91	23-Aug	Sourcewell	270-330
Kaiser Premier - Aquastar	\$ 759,786.00	1-Aug	HGAC	180-270

Vendor - Non-Recycler Unit	Quote - Total Price	Date of Quote	Source of Procurement	Delivery Estimate (days)
Haaker Equipment Company	\$ 619,163.77	20-Oct	Sourcewell	270-330

Pros and Cons of a Recycler Unit

PROS Recycler

- 1 Recovers water usage
- 2 Every set up ready to vacuum debris
- 3 Jet hose centered over MH opening
- 4 Vacuum hose reaches depths of up to 38 ft. 1 tube attachment
- 5 Clean at slower reel speeds
- 6 Great equipment for large diameter line cleaning
- 7 Water levels are displayed in real time (debris body and Fresh Water)
- 8 Works great in heavy debris lines
- 9 Debris body filter system has a "life time" warranty
- 10 It will discharge some excess water through vacuum tube

CONS Recycler

- 1 Requires about 75% water in debris body to work in recycle mode. District crews generally do not travel with a loaded debris tank. This is a weight and safety issue.
- 2 Crew will need to drain water from debris body when driving away from job site
- 3 Decant of water from debris body can be an issue due to heavy wipes that can plug up the drain
- 4 Can't recycle water jetting in reverse. We have several sewer main segments that need to jet in reverse. This would require us to use fresh water.
- 5 Need to set up of vacuum tube and vacuum hose in line for every set up
- 6 Vacuum hose difficult to control in deep wells (Calhoun LS)
- 7 Not as quiet as mentioned it would be while vaccuming the lift station. Other places it was quiet.
- 8 Nozzle sprays out wastewater on to public right-a-way when removing from manhole. Our vactor nozzle leaks fresh water not recycled water

HAAKER

EQUIPMENT COMPANY

2070 North White Avenue, La Verne, California 91750
(909) 598-2706 ~ FAX (909) 598-1427 - Haaker.com



QUOTE

October 19, 2022

TO: VALLEY SANITARY DISTRICT
45-500 Van Buren
Indio CA 92201

ATTN: Mr. Tito Moreno
760-238-5400
Email: tmoreno@valley-sanitary.org

In accordance with your request, we are pleased to submit the following proposal for your consideration and approval based on the [Sourcewell Cooperative Purchasing Agreement - Contract #101221-VTR.](#)

ONE NEW VACTOR 2110 SEWER CLEANER

12-Cubic Yard Capacity with Roots 18" Positive Displacement Blower, 1500 Gallons of Water, Mounted on a 2024 Freightliner 370 HP 6x4 Chassis with Allison Automatic Transmission, Dual Air Ride Seats, Steel Wheels. Equipped with all Standard/Optional Equipment listed:

Standard Equipment Included

- Aluminum Fenders
- Mud Flaps
- Electric/Hydraulic Four Way Boom
- Color Coded Sealed Electrical System
- Intuitouch Electronic Package
- Double Acting Dump Hoist Cylinder
- Handgun Assembly w/35' x 1/2" Hose w/Quick Disconnects
- 3" Y-Strainer at Water Pump Inlet
- Ex-Ten Steel Cylindrical Debris Tank
- Flexible Hose Guide
- (3) Nozzles with Carbide Inserts w/Rack
- Suction Tube Storage - 4 Pipe
- 1" Nozzle Pipe
- 10' Leader Hose
- Flat Rear Door w/Hydraulic Locks
- Dual Stainless Steel Float Shut Off
- Debris Body Vacuum Relief System
- Debris Deflector Plate
- 60" Dump Height
- Additional Water Tank Sight Gauge
- Liquid Float Level Indicator
- Boom Transport Post Storage
- Boom Out of Position Indicator/Alarm
- Body Out of Position Indicator/Alarm
- 3" Y-Strainer @ Water Pump
- Performance Package
- 1" Water Relief Valve
- Microstrainer Prior to Blower
- Midship Handgun Coupling
- Side Mounted Water Pump
- Hose Wind Guide (Dual Roller)
- Hose Reel Manual Hyd. Extend/Retract
- Hose Reel Chain Cover (Full)
- Hydraulic Extending 15", Rotating Hose Reel, 1" x 800' Capacity
- Tachometer & Hourmeter/Blower
- Circuit Breakers
- LED Lights. Clearance, Back-Up, Stop, Tail & Turn
- Tow Hooks, Front and Rear
- Electronic Back-Up Alarm
- Hydraulic Tank Shutoff Valves
- Module Paint, Dupont Imron Elite - Sanded Primer Base
- 7" Vacuum Pipe Package
- Emergency Flare Kit
- Fire Extinguisher 5 Lbs.

- Subframe Mounted, 2-Pipe Rack, 7"
- Low Water Alarm with Water Pump Flow Indicator
- Joystick Boom Control
- Digital Hose Footage Counter
- Water Pump Hour Meter
- PTO Hour Meter

- Hydraulic Oil Temp Alarm
- Digital Water Pressure Gauge
- Vactor Standard Manual and USB Version - 1 + Dealer

Optional Equipment Included

- 48" x 22" x 24" Curb Side Aluminum Toolbox with Lighting
- Stainless Steel Cage for Float Shut Off System
- Roots 824-18" Hg. Blower
- 180 deg. 10' x 15' Rapid Deployment Boom - RDB/Water Recycler
- Heavy Duty RDB Hose
- RDB Washout Coupling
- 80 GPM Variable Flow Water System
- 2500 PSI Water Pressure
- **6" Rear Door Knife Valve with Air Actuated Knife Valve, Streetside**
- Hydraulic Cooling Package
- 1" x 800' Piranha Sewer Hose, 2500 PSI
- Debris Body Washout
- 6" Rear Door Knife Valve w/Camloc w/Port, 6:00 position
- Externally Mounted Trash Pump w/Floating Arm
- Full Rear Door Swinging Screen
- Centrifugal Separators (Cyclones)
- Folding Pipe Rack, Curbside, 7" Pipe
- Folding Pipe Rack, Street side, 7" Pipe
- Rear Door Pipe Rack Removed
- Rear Door Splash Shield
- Lube Manifold
- Plastic Lube Chart
- Final Filter and Silencer Ball Valve Drains
- Laval Water Separator at Fill
- Hot Shift Blower Drive (automatic transmission)
- Grate Lifting Hook, Installed on Boom
- Bellypack Wireless Controls with hose reel controls, 2-way communications, and LCD Display
- Rotatable Boom Inlet Hose
- Anti Splash Valve, Body Inlet
- Rodder System Accumulator- Jack Hammer on/off control at Front Hose Reel
- Handgun Couplers, Front and Rear
- Hose Wind Guide (Dual Roller), Auto, Non-Indexing

- Cyclone Washout System
- Rodder Hose Pinch Roller
- High Pressure Hose Reel
- Front Hose Reel Tool Storage
- Rodder Pump Drain Valves
- Corded, Hand Light w/Bumper Plug
- Wireless, Waterproof, Rechargeable, Handheld, LED Spot Light w/12V Charger
- Additional Corded Hand light Connector, Rear
- LED Mid-Ship Turn Signals
- Worklights (2), LED, Boom
- Worklights (2), LED, Rear Door
- Worklight, LED, Operators Station
- Worklight, LED, Hose Reel Manhole
- Worklight, LED, Curb Side
- Worklight, LED, Street Side
- Hose Reel Wrapped for Delivery
- Toolbox, Front Bumper Mounted, 16 x 12 x 18 w/ (2) LED Side Markers
- Behind Cab Toolbox with Lighting
- Toolbox, Driver Side Chassis Frame, 24w x 24h x 24d, with Lighting
- Toolbox, Driver Side Subframe, 18w x 24h x 24d, with Lighting
- (4) Long Handle Tool Storage Locations behind Cab
- Camera System, Front, Rear and Both Sides
- Safety Cone Storage Rack - Post Style
- Additional Safety Cone Storage Rack - Post Style
- Chassis Engine DPF Soot Load Information
- Digital Water Level Indicator
- Door Stripe Material, Reflective Tape, Blue
- Blower High Temperature Safety Shutdown
- Vactor Standard Manual and USB Version
- LED Light Package to include LED Light Bar, Strobes, Arrow LED Traffic Advisor, Cables, Switches, Mounting Brackets

Sourcewell Unit Price:	\$ 582,235.00
Sourcewell Discount:	(\$ 12,889.00)
Subtotal:	\$ 569,346.00
Sales Tax (8.75%).....	\$ 49,817.77

TOTAL UNIT PRICE, FOB: INDIO, CA: \$ 619,163.77

THE PROPERTY HEREIN IS GUARANTEED BY MANUFACTURER'S WARRANTY ONLY AND SELLER MAKES NO WARRANTY EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR OTHERWISE, OR OF FITNESS FOR ANY PARTICULAR PURPOSE, THAT EXTENDS BEYOND THE ABOVE DESCRIPTION OF THE EQUIPMENT.

NOTE: Price is good until 15 Days. Cost increases due to the addition of Government mandated safety or environmental devices incurred after the date of this proposal, will be charged to you at our cost. Proof of such costs, if any, will be documented.

TAXES: SALES TAX applicable at time of delivery will be shown on our invoice. FEDERAL EXCISE TAXES, if applicable, will require payment unless a properly executed Exemption Certificate is submitted.

DELIVERY: 270-330Days

TERMS: Net 30

We appreciate the opportunity to present this proposal and look forward to being of further and continued service.

HAAKER EQUIPMENT COMPANY

ACCEPTED BY: _____

BY: George Lopez
GEORGE LOPEZ/ Sales Representative

DATE: _____



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Officer
SUBJECT: Authorize the General Manager to Execute a Contract with NBS to Perform a Sewer Rate Study Update and Capacity Fee Study in an Amount Not to Exceed \$79,640

Suggested Action

Approve

Strategic Plan Compliance

GOAL 5: Long-Term Financial Strength

Fiscal Impact

The fiscal impact of this updated study is \$79,640. If directed to proceed with the study, staff will request a budget adjustment of \$35,083 as part of the mid-year budget adjustment in January.

Background

At the April 19, 2022, Special Board of Directors Meeting staff presented the fiscal year 2022/23 proposed budget with changes that impacted the financial plan. The changes were significant in that they impacted the fiscal year 2021/22 rate study and fee schedule. The changes were primarily Capital Improvement Project (CIP) driven. Additional changes in the financial plan were impacted due to debt terms, required debt ratio coverage, and updated operating expenditures to include CalPERS Unfunded Accrued Liability costs.

At the July 5, 2022, Budget & Finance Committee meeting staff requested direction and feedback regarding the financial plan and rate review. The committee provided important feedback regarding the need for an updated master plan and rate study and financial plan. The committee also mentioned updating the definition of an Equivalent Dwelling Unit (EDU) that would be legally defensible.

On October 4, 2022, the Operations Committee meeting staff presented an update on CIP Projects and the need for a rate study update. Increasing costs of construction projects are impacting the District's CIP program. There is a budgetary shortfall due to inflationary costs, debt service

requirements, and regulatory requirements impacting the capital improvement prioritization schedule. Projects are being delayed or postponed which in the long term will only increase the cost of completing these already urgent projects.

Updating the rate study will allow for ample time over the next six months for the Board to review an updated financial plan and meet Proposition 218 notice requirements should the Board of Directors deem it necessary to adjust the rate schedule.

Recommendation

Staff recommends that the Board of Directors authorize the General Manager to execute a contract with NBS to perform a sewer rate study update and capacity fee study in an amount not to exceed \$79,640.

Attachments

[Sewer Rate and Capacity Fee Study Update FINAL_9-21-22.pdf](#)

Aerial view of Valley Sanitary District
via Google Earth



VALLEY SANITARY DISTRICT

Proposal for:

**Sewer Rate Study Update and
Capacity Fee Study**

September 21, 2022



nbsgov.com



32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Toll free: 800.676.7516
nbsgov.com

September 21, 2022

Jeanette Juarez
Chief Administrative Officer
Valley Sanitary District
45500 Van Buren Street
Indio, CA 92201

RE: Proposal for Sewer Rate Study Update and Capacity Fee Study

Dear Ms. Juarez,

NBS is pleased to submit this proposal to the Valley Sanitary District to review and update the sewer rates as well as perform a comprehensive evaluation of the sewer capacity fees. Our proposal builds on the last rate study completed in March 2021 when the District adjusted the sewer rate structure from a 100% fixed rate to one that consists of both a fixed and variable rate component based on EDUs (or accounts) and estimated sewer flow (i.e., water consumption).

This study will fully evaluate the continuing changes in customer consumption patterns and work cooperatively with the District to develop solutions well suited to the District's current needs. As a part of this process, we will evaluate the EDU calculations and assignments for each customer class which will enable the District to better formulate plans and rate alternatives that maintain the financial health of the District.

NBS' overall objective is to develop practical and implementable solutions that can be defended confidently from both a technical and legal perspective. Our proposal also includes effectively communicating with the Board and the public on key aspects of the study, study alternatives, and proposed solutions.

Please contact me at 800.676.7516 or via email at abou@nbsgov.com if you have any questions or would like to discuss our professional qualifications further. We would genuinely like to work on this project and help the District move forward successfully.

Sincerely,

A handwritten signature in blue ink that reads "Alice Bou".

Alice Bou
Project Manager

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1 | COMPANY OVERVIEW

Firm History

NBS is an independent consulting firm founded in 1996 by experienced finance and engineering professionals and has worked with more than 500 public agencies to date. NBS serves local governmental agencies, including cities, towns, counties, municipal utilities, and special purpose districts. The goal of NBS is to provide support, expertise and solutions that allow these local agencies to focus on community needs and core services. One focus area of the firm is on sustainable water, wastewater, recycled water and stormwater utility rate programs. In addition, NBS provides other utility financial analysis and studies.

NBS currently has 54 employees located in Temecula (corporate headquarters) and San Francisco (regional office). NBS as a whole has low staff turnover and is respected for the longevity of staff. In 2014, NBS became a 100% employee-owned firm, which has strengthened that trend. We are actively, *but prudently*, growing our firm recruiting top talent to ensure our clients' expectations are always met – if not, exceeded.



AT-A-GLANCE: helping communities fund tomorrow

26 YEARS In Business **100% ESOP** NBS is a 100% employee-owned S-Corporation

 **NBS HEADQUARTERS**
32605 Temecula Pkwy | Suite 100
Temecula, CA 92592

SAN FRANCISCO REGIONAL OFFICE
870 Market Street | Suite 1223
San Francisco, CA 94102

 **CONTACT**
Alice Bou | 800.676.7516
abou@nbsgov.com

 **LEGAL NAME** **DBA** **55 EMPLOYEES**
NBS Government Finance Group NBS

 **INDIVIDUAL AUTHORIZED TO NEGOTIATE AGREEMENT**
Michael Rentner, President

Utility Rate Group

The NBS Utility Rate Group ensures your utility rates, system capacity fees, and financial plans provide an appropriate level of funding and are also justifiable in a fluid legal and regulatory environment.

500 STUDIES PERFORMED

We act as strong advocates for our many utility clients to ensure that rates and fees address the multitude of challenges facing each community. Just ask the municipalities where we have performed more than 500 studies!

PROP 218 COMPLIANT

Once study results are in, we support you through the Proposition 218 approval process. Working within legal and industry standards, we partner with you to implement solutions for the most challenging financial issues.



Throughout the process, we strive to educate the public, manage community expectations, and work within the often-confusing legal framework to develop the best

solutions for your utility. Our analytical support and expert consultants help agency staff and legal counsel navigate the practical and legal challenges.

Our Publications

We believe in continuing education, not only for our own team, but also for our clients and municipal staff.

As industry leaders, we have a unique set of qualifications and experience in the work we perform. In that regard, we have published four booklets on related industry topics that can be downloaded at no charge at www.nbsgov.com/publications. For a hard copy, please call 800.676.7516 or email contactnbs@nbsgov.com.

- **Special Financing Districts (SFDs)** (2015) has been credited as the best publication on SFDs in a decade by prominent industry professionals.
- **Rates, Fees and Charges Compendium** (2015) has received high regard and interest from industry professionals.
- **Stormwater: A Ten-Step Funding Plan** (2018) addresses the spectrum of stormwater needs in California.
- **Community Facilities Districts (CFDs)** (2018) explains this robust funding and financing tool for local governments in California.

To see a short video of our Utility Rate Group's consulting approach, please click on the link below and navigate to the 2nd video, *Challenges Today in Setting Utility Rates*:

<https://www.nbsgov.com/videos/>



2 | APPROACH & METHODOLOGY

This section presents NBS’ overall project understanding and approach followed by the scope of services for the sewer rate update and capacity fee studies.

Project Understanding and Approach

The District is requesting a rate study update for its sewer utility as well as a comprehensive sewer capacity fee analysis. Our understanding and approach to the sewer rate study and the capacity fee study is presented below. Capacity fees are adopted by administrative procedures in a public hearing, while utility rates are subject to the requirements of Proposition 218 (Prop 218), which has come under more scrutiny in the last five to ten years. Therefore, we plan to carefully review the rate study tasks that tend to be more prone to legal challenges compared to capacity fees.

Sewer Rate Study

The District is requesting a comprehensive review and update of its sewer rates in addition to a thorough evaluation of its sewer capacity fees. In preparing the rate study, NBS will maintain established industry standards for utility rate setting which follow the three basic study components shown in **Figure 1**.

Figure 1. Components of a Comprehensive Rate Study



Since the 2015 San Juan Capistrano court decision,¹ municipal agencies are required to demonstrate the cost basis for utility rates. As a result, NBS will clearly outline the rationale for how costs have been equitably allocated to customer classes, the equity of the rate designs, and the cost basis for rate alternatives. NBS will work cooperatively with District staff, management, and stakeholders to develop a financial plan and rate recommendations that will provide sufficient revenues to cover all operational and administrative costs. In addition, NBS will help devise a plan to address the unfunded, deferred maintenance of infrastructure and determine how to best fund capital improvements.

¹ Capistrano Taxpayer’s Association, Inc. vs. City of San Juan Capistrano.

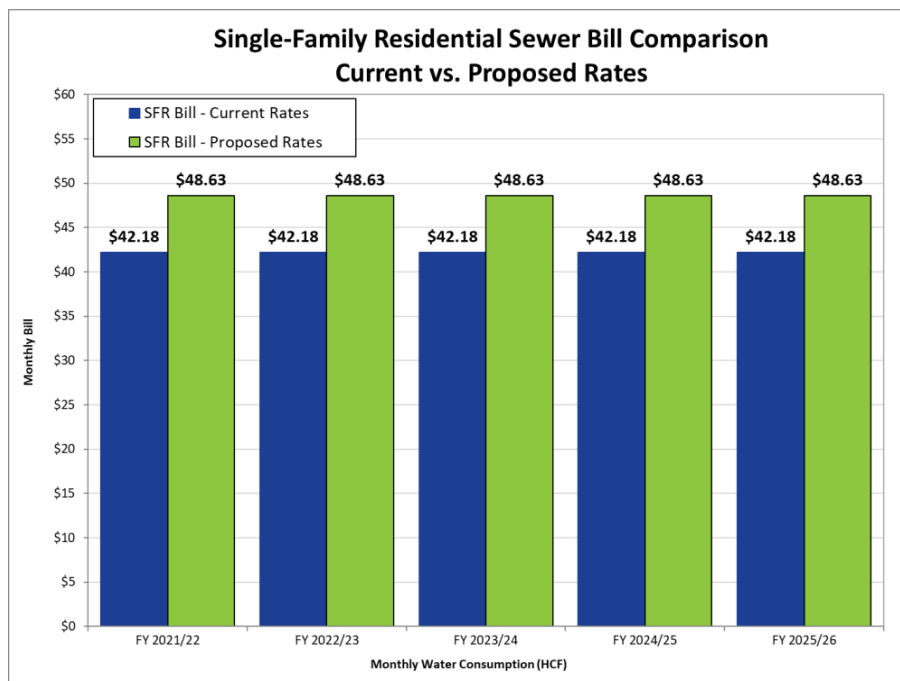
Rate Design – The District’s sewer rate design includes both residential and non-residential rates based on consumption levels. Using the District’s previous rate study, we would continue using the average winter consumption for residential customers since this typically is the best representation of indoor water use and effluent generation, and annual consumption for non-residential customers (includes RV parks).

We would also re-examine commercial rates to ensure they are accurately matched to the best available effluent strength factors for each customer class. For both residential and non-residential, we would rely on the most recent water consumption data to evaluate and true-up sewer rates for these customer classes. If the District is aware of any customer classes that are not represented in the current rate structure, NBS would incorporate appropriate new rates for those new classes.

Customer Bill Comparisons – The first question customers typically ask about a rate study is, “how will this affect my monthly bill?” Our bill comparisons answer that question and provide an understanding of how many customers are affected and by how much.

To compare the impacts on the monthly bills for each rate alternative, we will prepare rate tables and monthly bill comparisons. Each customer class will have a separate bill comparison, like the one shown in **Figure 2**. These tables and charts will be used as needed in the report and in public workshops. NBS will also provide benchmarking of the District’s current vs. proposed rates by comparing them to similar communities in the region.

Figure 2. Example of a Residential Sewer Bill Comparison



Rate Modeling Process – NBS will work with District staff to review the Excel-based rate models as they are developed during this study. This means that we will share draft components of the rate models, such as the financial plan and reserve fund balance, the cost-of-service worksheets, and the rate design calculations. District staff will be able to ask questions during the study with the objective of having them familiar with the model for each utility by the end of the study.

NBS does not use “proprietary” or “black-box” rate models that can be extremely difficult for non-consultants to understand. Black-box models typically use complex formulas that are not apparent in

showing what the formula is calculating, making it difficult for District staff to follow the calculations. Instead, NBS focuses on transparency and simplicity so District staff can follow, step-by-step, the process of taking input data that result in the proposed rates.

Prop 218 Process – NBS will work with District staff to answer any questions that come up and guide you through the rate adoption process. We will provide the proposed rate tables included in the notice and, if desired, help prepare the draft Prop 218 Notice. The District should also have legal counsel review the notices for legal compliance with the provisions of Prop 218, wording related to pass-throughs, etc.

Capacity Fee Study

The over-arching goal of capacity fee studies is to develop fees that fully recover the cost of providing service to new development, are consistent with applicable legal requirements and industry standards, and ensure the District is fully recovering the costs of growth from new development. Costs that are not appropriately recovered from new development will, by default, need to be recovered from ratepayers.

In its simplest form, capacity fees, or connection fees, are the result of dividing the cost (or value) of the system’s current capacity plus planned capital improvements by the expected number of new customers. The two most common approaches are often referred to as (1) a “buy-in” approach, whereby new users pay for their fair share of existing system assets paid for by current customers, and (2) an “incremental,” or “marginal” approach, which assumes capacity fees should fully cover the costs of all new (or “incremental”) system facilities required to provide them sufficient capacity in the system. Depending on the remaining system capacity, a combination of these two approaches is often used. NBS will develop an appropriate methodology that complies with industry standards and appropriately reflects planned capital improvements and projected growth.

Legislative Basis of Connection Fees – Connection fees are subject to California’s Mitigation Fee Act (“Act”), embodied in Government Code 66000 et seq. and which passed the State Legislature starting with Assembly Bill 1600 in 1989. The Act prescribes how public agencies may impose development impact fees, including sewer capacity fees. The capacity fees presented herein are calculated with the intent of complying with the Act and are based on typical industry methodologies.

Capacity fee revenues may not be used for annual operations or maintenance of existing or new facilities. The cost of the public facilities analyzed do not include the operational costs of these facilities which, over their useful life, may be quite substantial and will be borne by customers connected to the system at the time of operation.

Facility Standards, Level of Service, and Deficiencies – The words “standard” and “level of service” are used interchangeably at times to describe the level of investment in capital facilities that are needed to serve sewer customers. A standard is defined as the adopted policy, or benchmark, that the District currently provides or intends to achieve for any facility. On the other hand, level of service (LOS) refers to the actual level of benefit that the current population experiences. Level of service may be different from the standard for a given facility. If the existing LOS is less than the standard, a deficiency exists for that facility.

New development alone cannot be required to improve the LOS provided by those facilities that serve both new and existing development.² State law limits capacity fees to the cost of maintaining services for new development at the same LOS as existing development.

Mitigation Fee Act and Required Findings – The Mitigation Fee Act establishes requirements for imposing capacity fees, including necessary funding for the ongoing administration of capacity fee programs. It also requires local governments to document the following when adopting a capacity fee:

- Identify the purpose of the fee.
- Identify the use of fee revenues.
- Determine a reasonable relationship exists between the fee’s use and the type of development paying the fee.
- Determine a reasonable relationship exists between the need for the fee and the type of development paying the fee.
- Determine a reasonable relationship exists between the amount of the fee and the cost of the facility attributable to development paying the fee.

Together, these items constitute a “nexus study” when documented and presented in a report. The final study report must provide the required documentation for the above findings and the determinations that establish the basis for the recommended fees.

Scope of Services – Sewer Rate Study

The following sections explain the tasks involved in the sewer rate update and our detailed approach to this project.

TASK 1. KICKOFF MEETING AND DATA COLLECTION

NBS will provide the District with a data request and hold a kickoff meeting (by videoconference or phone) to review and discuss the data requirements for the study, scope of work, study timeline, and ensure there is a clear understanding of how the study objectives will be met. The data required to conduct the study includes information, such as:

- Financial data typically reported in annual financial statements.
- Operating and maintenance budget for the sewer utility including sewer treatment, personnel costs, and infrastructure replacement costs.
- Customer billing information such as customer class, property type, and monthly water consumption within each customer class.
- Current cash balances in each reserve fund for the sewer utility.
- Capital Improvement and/or Master Plans.
- Details of total annual rate revenue for residential and non-residential customers for the past two years.

² New development can, and often does, fund facilities beyond those covered by capacity fees through “developer agreements” which are voluntarily and mutually agreed upon by developers and individual utilities and are outside the scope of this report, and not considered a part of the capacity fee program addressed herein.

TASK 2. FINANCIAL PLAN

NBS will prepare a financial plan that summarizes revenues, expenditures, and reserves, and will identify the net revenue requirements – that is, the revenue that must be collected from customer charges.

Task deliverables will include:

- A 10-year financial projection model that will serve as a financial “roadmap.”
- Summary of current and projected net revenue requirements.
- Updated reserve fund policies and targets potentially including reserves for operations, emergencies, capital repair and replacement, and debt service.
- Projected year-end reserve fund levels.
- Calculated debt service coverage ratios.

The financial plan will lay the groundwork for the cost-of-service and rate design analyses addressed in Tasks 4 and 5. The following subtasks are anticipated:

- 1. Project Revenues and Expenditures** – NBS will prepare a 10-year rate model that projects revenues, expenses, and increases in rate revenue needed to meet all obligations. The analysis will use a cash-basis approach when addressing the District’s system of accounts. The work will provide the District with a financial tool that is able to model rate adjustments, varying operating and maintenance costs, infrastructure improvements, debt issuance, asset replacement, and appropriate reserve fund levels. The District’s projected customer growth rates from master plan documents and planned cost inflation factors will be incorporated into the analysis.
- 2. Evaluate Reserve Fund Sufficiency** – NBS will evaluate the sufficiency of existing reserve funds, target reserves, reserve fund policies, and related issues, such as meeting debt service coverage ratios and other rate covenants. NBS will provide recommendations for reserve fund targets that are tailored to the District’s specific needs. If it is determined a deficit in reserves exists, we will consider a phased-in approach to funding reserves to minimize the impact to ratepayers.
- 3. Review Capital Improvement Program Funding** – NBS will incorporate the District’s plans for new facilities, infrastructure improvements, and asset replacement into the financial plan. We will evaluate the timing, costs, and available reserves needed to fund all projects. NBS will collaborate with District staff to develop a well-conceived approach to funding these capital needs. The solution will include an appropriate balance between rate and system development fee funded projects and, if necessary, the use of outside financing. NBS will develop up to three scenarios to fund the capital improvement program for modeling and comparison purposes.

The financial plans will be presented in a format similar to that shown in **Figures 3 and 4** and will be tailored to the District’s chart of accounts. Reserve fund policies will also be evaluated and presented in a format like that shown in **Figures 5 and 6**.

Figure 3. Example of a Financial Plan Summary

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	5-Year Rate Adoption Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Sources of Water Funds						
Rate Revenue Under Prevailing Rates	\$ 15,179,148	\$ 15,497,910	\$ 15,823,366	\$ 16,155,656	\$ 16,494,925	\$ 16,841,319
Non-Rate Revenues	1,098,954	1,106,147	1,113,492	1,120,991	1,128,647	1,136,465
Interest Earnings	180,121	176,388	164,908	110,214	94,864	79,547
Total Sources of Funds	\$ 16,458,222	\$ 16,780,445	\$ 17,101,766	\$ 17,386,862	\$ 17,718,436	\$ 18,057,331
Uses of Water Funds						
Operating Expenses	\$ 11,785,202	\$ 13,027,679	\$ 13,665,520	\$ 14,337,001	\$ 15,043,999	\$ 15,788,501
Rate-Funded Capital Expenses	-	890,787	6,412,621	7,432,357	8,616,828	9,023,266
Total Use of Funds	\$ 11,785,202	\$ 13,918,466	\$ 20,078,141	\$ 21,769,358	\$ 23,660,827	\$ 24,811,767
Surplus (Deficiency) before Rate Increase	\$ 4,673,020	\$ 2,861,978	\$ (2,976,375)	\$ (4,382,496)	\$ (5,942,391)	\$ (6,754,436)
Additional Revenue from Rate Increases	-	1,394,812	2,976,375	4,382,496	5,942,391	6,754,436
Surplus (Deficiency) after Rate Increase	\$ 4,673,020	\$ 4,256,790	\$ -	\$ -	\$ -	\$ -
Projected Annual Rate Increase	0.00%	9.00%	9.00%	7.00%	7.00%	3.00%
Net Revenue Requirement¹	\$ 10,506,128	\$ 12,635,931	\$ 18,799,741	\$ 20,538,153	\$ 22,437,316	\$ 23,595,754

1. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from water rates.

Figure 4. Example of a Financial Plan Summary

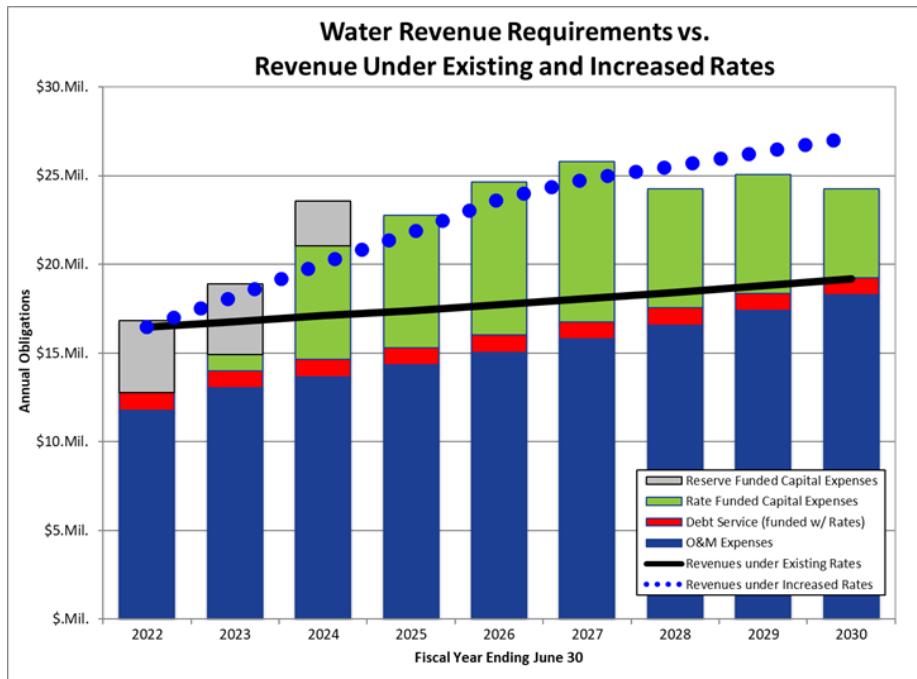
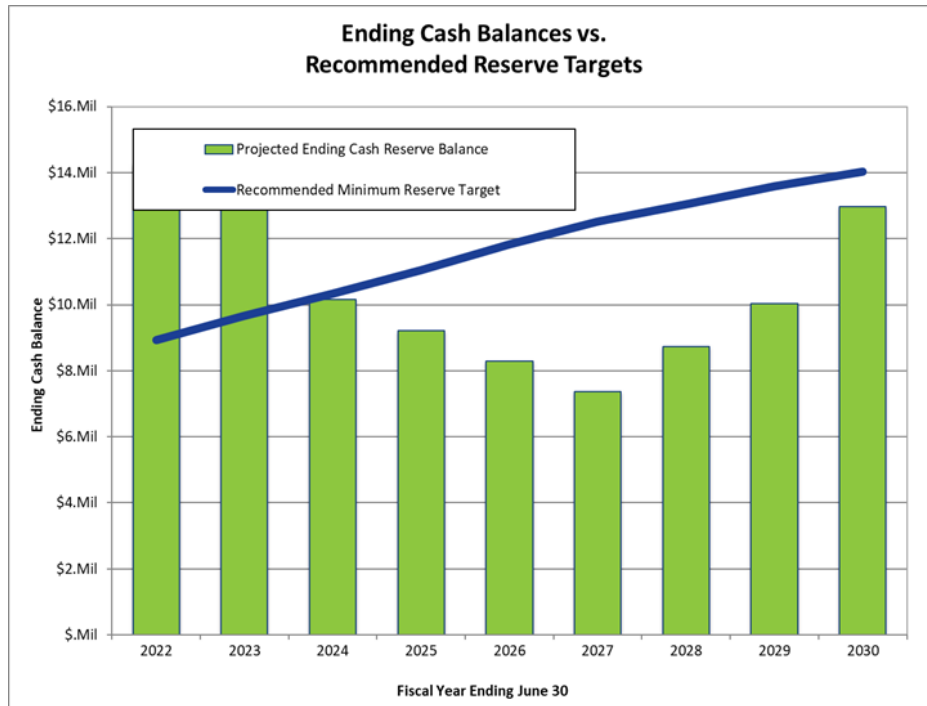


Figure 5. Example of a Financial Reserve Fund Summary

Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget	5-Year Rate Adoption Period				
	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Water Operations Fund (650)	\$ 2,946,301	\$ 3,256,920	\$ 3,256,920	\$ 3,256,920	\$ 3,256,920	\$ 3,256,920
<i>Recommended Minimum Target</i>	<i>2,946,301</i>	<i>3,256,920</i>	<i>3,416,380</i>	<i>3,584,250</i>	<i>3,761,000</i>	<i>3,947,125</i>
Water System Replacement Fund (653)	\$ 8,288,597	\$ 7,246,771	\$ 3,763,100	\$ 2,785,359	\$ 1,809,794	\$ 834,340
<i>Recommended Minimum Target</i>	<i>2,953,600</i>	<i>3,300,600</i>	<i>3,763,100</i>	<i>4,236,000</i>	<i>4,757,700</i>	<i>5,194,200</i>
Rate Stabilization Fund (652)	\$ 3,035,830	\$ 3,083,492	\$ 3,131,903	\$ 3,181,074	\$ 3,231,017	\$ 3,281,744
<i>Recommended Minimum Target</i>	<i>3,035,830</i>	<i>3,099,582</i>	<i>3,164,673</i>	<i>3,231,131</i>	<i>3,298,985</i>	<i>3,368,264</i>
Total Ending Balance	\$ 14,270,727	\$ 13,587,183	\$ 10,151,923	\$ 9,223,353	\$ 8,297,731	\$ 7,373,003
Total Recommended Minimum Target	\$ 8,935,730	\$ 9,657,102	\$ 10,344,153	\$ 11,051,382	\$ 11,817,685	\$ 12,509,589

Figure 6. Example of a Financial Reserve Fund Summary



TASK 3. ANALYZE CUSTOMER DATA

NBS will analyze the District’s customer data and monthly water consumption data³ for both residential and non-residential customers in order to develop estimated sewer flows contributed by these customers to the District’s wastewater system. This task will require the District to obtain water consumption data from the water provider in its service area. NBS will take the lead in matching the water provider account data to its parcel so that we can develop the sewer flow estimates that can be used in developing volumetric sewer rate alternatives.

In addition, NBS will calculate the equivalent dwelling units (EDUs) for all residential customers and low/medium strength commercial classes by using the average winter water consumption when outdoor irrigation is typically at its lowest. The number of EDUs for the remaining high strength commercial customers, such as restaurants and markets, will be determined based on the annualized water consumption and the relative strength factors (i.e., BOD and TSS) for each commercial customer class relative to single-family averages.

TASK 4. COST-OF-SERVICE ANALYSIS

Using the net revenue requirements developed in Task 2, we will equitably allocate costs to each customer class based on cost-of-service principles that comply with Prop 218. NBS will review the District’s existing customer classifications and analyze the historical usage characteristics to determine if any changes should be made to provide more equity among user classes or comply with industry standards. Based on the level of detail in the District’s budgets, NBS will evaluate how costs should be allocated to various cost components and types of customers.

³ Indio Water Authority will provide water consumption data.

NBS will prepare a cost-of-service analysis to equitably allocate the revenue requirements to the individual customer classes based on industry standards. We will review existing customer classes and analyze the historical characteristics of each customer class. The main components of the cost-of-service analysis are as follows:

1. **Functionalization & Classification of Expenses** – Functionalizing the expenses means arranging costs into basic categories, such as collections, operations, and maintenance, as well as administrative and overhead costs. Once the costs have been functionalized, they are then classified into their various cost components (i.e., flow, strength, or customer-related costs).
2. **Allocation of Costs to Customer Classes** – These costs are then allocated to individual customer classes based on allocation factors specific to each cost classification, producing fixed and variable revenue requirements for each customer class. The allocations will consider water consumption data, wastewater treatment plant flow and loading data, and industry standard customer classification data. The cost allocation factors will include:
 - Volume Allocation Factors – Estimates of the total annual volume of wastewater treated for each customer class.
 - Strength Allocation Factors – Estimates of the annual pounds of BOD and TSS treated for each customer class.
 - Customer Allocation Factors – Calculate the number of customers by customer class in the District’s sewer service area.

NBS will then apportion the costs to individual customer classes based on the allocation factors specific to each cost classification, producing fixed and variable revenue requirements for each customer class. These allocations will be used for the actual rate calculations.

TASK 5. RATE DESIGN ANALYSIS

NBS will work with District staff to review the current rate structure and develop alternatives to ensure that the proposed rates meet the District’s broader rate design goals and objectives. Identifying and including pass-through mechanisms in the rates would be incorporated in the rate resolutions and Prop 218 notices. The following subtasks are anticipated:

5.1 Develop Rate Design Recommendations

Updated sewer rates will be developed based on the cost-of-service analysis and include a discussion of the relative merits (i.e., pros and cons) of the current rate structure versus new alternatives developed in the study. Evaluating the District’s desired rate complexity and resulting customer bills will be essential components of this process. To the extent that the District chooses to maintain the existing rate structure, we will focus on ensuring new rates provide adequate revenues to support utility operations, maintenance, and capital improvement needs.

New rate alternatives will be designed to generate the exact same rate revenue as under the current rate structure; the customer bill impacts will be a key focus of any new rate design alternatives, along with a comparison of the pros and cons of each option.

Review Criteria for Improving the Rate Design – Primary considerations in the rate design include revenue sufficiency and financial resiliency. NBS’ general approach is to avoid significant *under-collection* of rate

revenue, which is the worst-case scenario from a financial perspective. Other criteria for evaluating rate structures include:

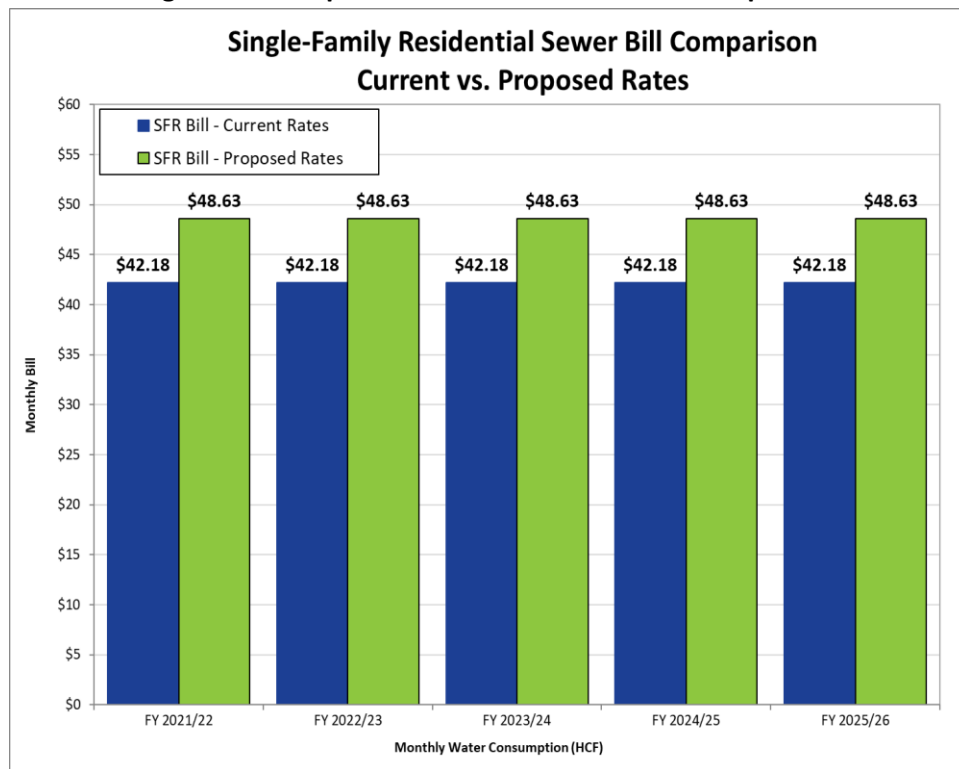
- Ease of understanding the rate structure by customers.
- How costs allocated to fixed and volumetric rates affect revenue stability.
- How water conservation is reflected in the sewer rate analysis.
- How annual changes over the last several years due to drought and conservation efforts should be considered in the rates on a going-forward basis.
- How differences in the amount of revenue collected from fixed and variable charges impact customer bills.
- Impacts on customer bills by level of consumption (e.g., low-, average-, and high-consumption customers).

As noted above, any customer classes that are not represented in the current rate structure would be incorporated into the new rates.

5.2 Comparison of Customer Bills

In order to compare the impacts on the monthly bills for each rate alternative, we will prepare rate tables and monthly bill comparisons. Each customer class will have a separate bill comparison, like the one shown in **Figure 7**. These tables and charts will be used as needed in the report and in public workshops. NBS will also provide benchmarking of the District’s current and proposed rates by comparing them to similar agencies in the region.

Figure 7. Example of a Residential Sewer Bill Comparison



TASK 6. PREPARE RATE MODELS

NBS will work with District staff to review the Excel-based rate models as they are developed during this study. This means that we will share draft components of the rate models, such as the financial plan and reserve fund balances, the cost-of-service worksheets, and the rate design calculations. District staff will be able to ask questions during the study with the objective of having them familiar with the models by the end of the study.

NBS does not use “proprietary” or “black-box” rate models that can be extremely difficult for non-consultants to understand. Black-box models typically use complex formulas that are not apparent in showing what the formula is calculating, making it difficult for District staff to follow the calculations. Instead, NBS focuses on transparency and simplicity so District staff can follow, step-by-step, the process of taking input data in order to develop the proposed rates.

TASK 7. PREPARE WRITTEN STUDY REPORT

NBS will prepare draft and final study reports and work with District staff to review drafts of these reports prior to public release. Our emphasis will be on writing clear and concise reports with an executive summary and introduction to present the purpose of the report and results of the study. Key assumptions, methodologies, and factors affecting the development of the proposed rates will be highlighted with charts and graphs when helpful. However, more technical aspects of the study, particularly the multiple tables documenting the calculations and data sources, will be separately provided in a technical appendix.

TASK 8. MEETINGS AND PRESENTATIONS

NBS will meet with District staff to review study results and recommendations throughout the project. We will also support the District in public meetings promoting the new rates and capacity fees. The following meetings and presentations are anticipated for this study:

- 1. Meetings with District Staff** - NBS proposes to hold progress meetings with District staff via conference call or web meeting format. These meetings will be used to review initial work products and gain input on the direction of the study. NBS will also communicate with District staff on a regular basis regarding data collection, analysis, initial results, and to answer questions staff may have.
- 2. Public Meetings** – NBS will provide up to two (2) public meetings, which could be a workshop, Board of Directors meeting, and/or attendance at the final hearing to adopt rates. Our proposal assumes these meetings will be conducted remotely (e.g., Zoom, Teams, etc.). If on-site attendance is required, NBS can provide that service at an additional cost.

Also, NBS has a public outreach practice called CivicMic that provides a wide range of services including public outreach, public involvement, mailing materials, etc. If the District decides it would like to add these services, we can adjust our cost proposal based on the level of services the District would request.

TASK 9. PROPOSITION 218 NOTICE

NBS will provide a draft of the Prop 218 Notice which we will then print and mail to every property owner and customer serviced by the District. NBS will also be available throughout the study to any questions that may arise and provide guidance through the entire adoption process.

9.1 Draft Proposition 218 Notice

The key technical tasks will be to prepare a draft Prop 218 Notice and provide the proposed rate tables included in the Notice. We will also assist the District in any modifications to the District’s Municipal Code and rate resolutions since they will need to accommodate the new rates. The District should have legal counsel review and approve the Notice for legal compliance with the provisions of Prop 218, language related to pass-throughs, etc.

9.2 Mailing of Notices

This scope of services pertains to mailing notices for the Sewer Rate Study Update and includes the following services:

- **Mailing List** - NBS will create a mailing list using data supplied by the District from the customer database as well as property owner data from the latest County Secured Roll data, as applicable.
- **Notice** - NBS will draft, print, and mail the Notice to property owners and customers subject to the new sewer rates.
- **Consulting Support** - NBS will provide consulting support including a toll-free phone number for use by the District, other interested parties, property owners, and customers. NBS staff will be available to answer questions regarding the rate study. Bilingual staff is available to assist Spanish-speaking property owners.

Scope of Services – Capacity Fee Study

NBS will develop sewer capacity fees (connection fees) that appropriately recover the cost of infrastructure available to serve new customers and are consistent with applicable legal requirements and industry standards.⁴

TASK 1. KICKOFF MEETING AND DATA COLLECTION

The kick-off meeting will be used to clearly communicate and work with District staff to and review study objectives, tasks, schedule, and obtain the necessary data. NBS will:

- Provide a data request prior to the kickoff meeting.
- Review the initial data provided.
- Conduct a kickoff meeting with District staff.
- Discuss and create a preliminary schedule for project deliverables.

TASK 2. DEVELOP SYSTEM ASSET VALUES

The actual methodology of estimating the value of existing system assets (e.g., collection, pumping, and treatment) is important to the outcome. For example, using current book values typically underestimates the “true value” of facilities, while a replacement-cost-less-depreciation approach usually provides a better estimate of the true value of assets. We will use the replacement-cost-less-depreciation approach to estimate the value of the District’s assets and propose using the Handy-Whitman Index of Public Utility Construction Costs, which is a regionally specific index that tracks costs for water utility construction. We believe this is the most accurate inflation index available to utilities and the District can use it going forward, so that capacity fees can keep pace with cost of inflation.

⁴ Capacity fees developed in this study will be consistent with AB 1600 requirements.

Once the values of the existing and planned (that is, incremental or marginal) system assets are estimated, these values are allocated to existing and new customers. NBS will assess the equity of how these values are allocated to existing and new customers, and then divide the amount allocated to new customers by the system capacity, typically measured in equivalent dwelling units (EDUs). This calculation determines the maximum cost the District can charge per EDU for a new connection.

TASK 3. CALCULATE AND RECOMMEND NEW CAPACITY FEES

The total costs allocated to growth (or value of the system assets available to serve growth) are divided by the available capacity in EDUs, as determined by the system capacity available to serve growth.

NBS will consider two methods of estimating the capacity available to future customers: (1) calculate all available remaining capacity, and (2) calculate expected number of units that would be added to the system. This second approach could be less than the available remaining capacity. For example, if there are 5,000 EDUs of remaining capacity in the system, but realistic growth is only 3,000 EDUs, then the smaller number would be used to calculate the capacity fee. Based on this analysis, NBS will review the new capacity fees with District staff and recommend the alternative that best meets its needs.

TASK 4: PREPARE CAPACITY FEE MODEL

Once the study is complete, NBS will develop the sewer capacity fee model for District staff to use. This will be a MS Excel-based capacity fee model and include one training session with District staff on how to use the model.

The capacity fee model will establish fees for one year and then a cost inflation factor (typically, the Engineering News Record Construction Cost Index) can be applied to the fees in future years to keep pace with costs. NBS will provide District staff with one training session on how to use the model at the conclusion of the study; however, we will review components of the model in progress meetings throughout the study with the goal that staff will be familiar with the model and how it works by the conclusion of the project. The models will not require any licensing fees and/or setup and updates from NBS.

TASK 5. PREPARE WRITTEN STUDY REPORT

NBS will prepare draft and final reports for review by District Staff that include our final recommendations for capacity fees. Sufficient information will be provided in the report for staff, the Board, and the public to review and understand the study.

An executive summary and introduction will present the purpose of the report and results of the study. Tables, graphs, and charts will be used as appropriate, but the emphasis will be on providing a clear, concise, and understandable report that will provide the District with a thorough administrative record that addresses:

- Overall study methodology, with reference to AWWA M1 Manual and industry standards.
- Description of the capital improvement program.
- Supporting justification (e.g., calculation tables) that a judge and the public can easily understand.
- Appropriate figures and tables summarizing key aspects and results of the study.

TASK 6. MEETINGS AND PRESENTATIONS

- 1. Coordination with District Staff** – NBS will hold regular conference calls with District Staff to discuss progress, problems, and develop solutions. These calls will help to facilitate study progress, communicate the results, and keep District staff informed.
- 2. Public Meetings** – We will also provide the presentation materials intended to review and explain the process and results and will also be available to answer questions. We assume District staff will present this material, but NBS could attend this presentation and/or the final hearing to adopt the capacity fees at the request of District staff. For now, we will assume one remote meeting (Zoom or similar format).

DISTRICT'S RESPONSIBILITIES - The District shall furnish NBS with any pertinent information that is available to the District and applicable to the sewer rate study. The District shall promptly respond to requests for review and approval of work prepared by NBS, and to requests for decisions related to the study.

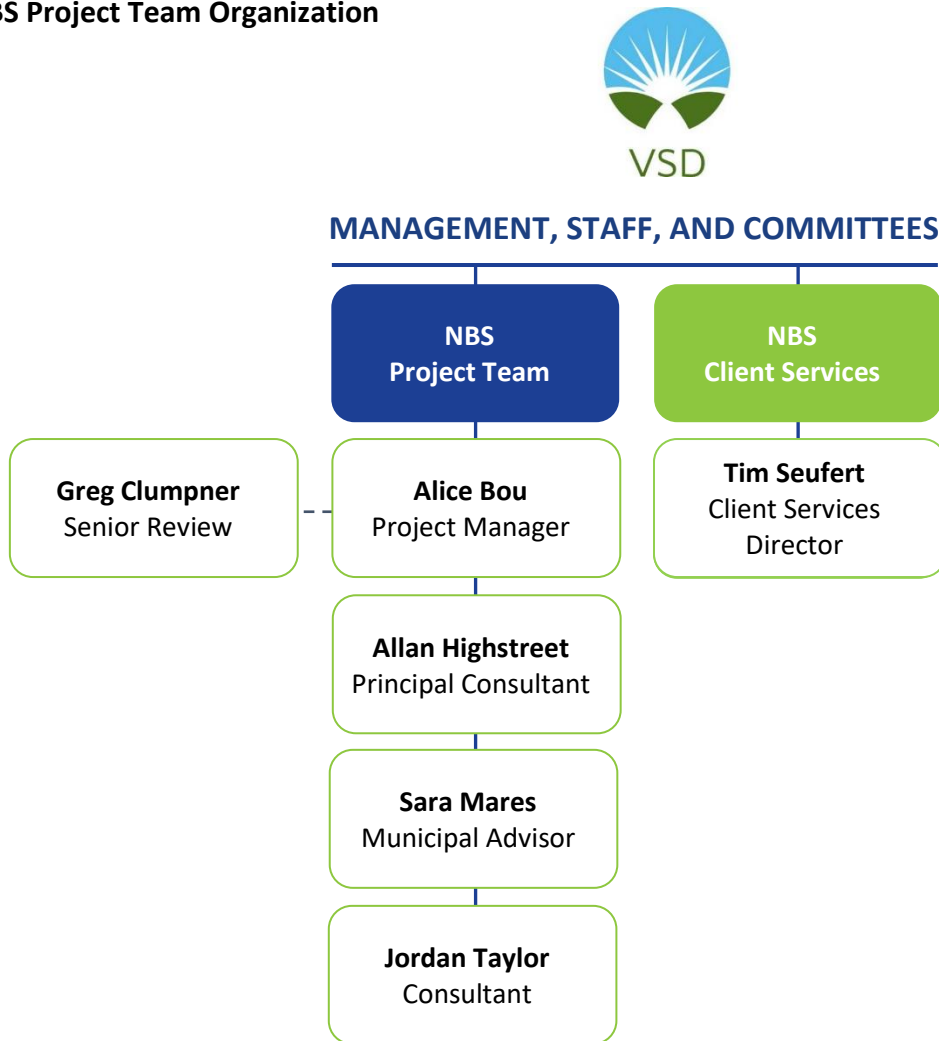
The District understands and agrees that NBS is entitled to rely upon all information and documents supplied to NBS by the District or any of its agents or contractors and other government sources or proxies thereof as being accurate and correct, that NBS will have no obligation to confirm that such information and documentation is correct, and that NBS will have no liability to the District or any third party if such information is not correct.

3 | PROJECT TEAM

Key Personnel

NBS’ staff include 50 professionals with extensive experience in the fields of finance, management, engineering, and local governance. The staff selected for Valley Sanitary District’s Sewer Rate Study Update and Capacity Fee Study are those most qualified based on their experience and backgrounds. The following is a brief overview of NBS’ proposed consulting team. Our team members work together seamlessly allowing your staff to focus on other priorities.

NBS Project Team Organization



All work will be performed in-house by the above employee-owners of NBS.

ALICE BOU, PROJECT MANAGER

Role and Responsibilities: Alice Bou will direct the work efforts of the project team and will work closely with the District’s project manager to discuss and review the overall approach, development of rate alternatives, and creative solutions to consider. She will be the District’s main point of contact throughout the study and will design and direct analytical efforts of the project team, provide senior-level technical

analysis and review, and monitor the schedule and delivery of work products to the District’s satisfaction. Alice will be fully conversant in all findings and will be present for progress meetings with District staff and all public presentations for this project.

Work Experience: Alice Bou has a Bachelor of Arts degree and offers more than two decades of experience working in accounting and financial management performing data analysis, variance analysis, budgeting and forecasting, financial modeling, and managerial reporting.

GREG CLUMPNER, SENIOR REVIEW

Role and Responsibilities: As senior reviewer, Greg Clumpner will provide senior technical review on this project. He will be available as needed throughout the project to assist the project team with the analysis and technical issues as they arise.

Work Experience: As a director in NBS’ Utility Rate Study Practice, Greg Clumpner’s 40-year professional career has focused on cost-of-service rate studies for municipal water, sewer, recycled water and solid waste agencies. He regularly makes technical presentations at client workshops, presented many technical papers at industry conferences, and published numerous articles in the Journal of the American Water Works Association (JAWWA). Greg’s practice includes management-consulting assignments related to utility operations, system valuations, and feasibility studies. He also created and managed Foresight Consulting where, for six years, his practice focused on water and sewer rate analyses. He has completed 400+ similar studies during his career.

Additionally, since Greg works with Prop 218 legal counsel on an on-going basis, he knows the general legal constraints as well as when to solicit critical legal input to ensure alternatives will meet specific legal requirements.

ALLAN HIGHSTREET, PRINCIPAL CONSULTANT

Role and Responsibilities: Allan Highstreet brings additional experience in sewer rate making and will provide technical review, including the evaluation of study alternatives and results, as needed throughout the project. He will assist the project team in developing the best solutions that will fit the District’s unique characteristics.

Work Experience: Allan Highstreet has 41 years of experience in the water industry working as a water resources planner for Jacobs Engineering (previously CH2M Hill). Most recently he was senior vice president at Jacobs managing water resource planning and development projects. Allan’s four decades of experience includes preparing water and sewer rate and capacity fee studies, and he provides invaluable experience to the NBS project team for this engagement. His academic background includes a BS in Agricultural Business and a MS in Agricultural Economics.

SARA MARES, MUNICIPAL ADVISOR

Roles and Responsibilities: Sara Mares is a Director with NBS and will be the Registered Municipal Advisor Representative for this project.

Work Experience: Sara Mares has more than 22 years of experience with NBS and is a Registered Municipal Advisor Representative. She has extensive experience with modeling and structuring revenue mechanisms that support debt issuance. Sara forms Special Financing Districts (SFDs), including Community Facilities

Districts and 1913 Act Assessment Districts, which provide land secured financing for limited obligation bonds. She has also provided bond issuance disclosure related to revenue bonds, both stand-alone that are secured by utility rate revenue or as part of a pool bond structure. Sara also has more than 20 years of experience preparing and disseminating continuing disclosure annual reporting and listed event filings.

JORDAN TAYLOR, UTILITY RATE CONSULTANT

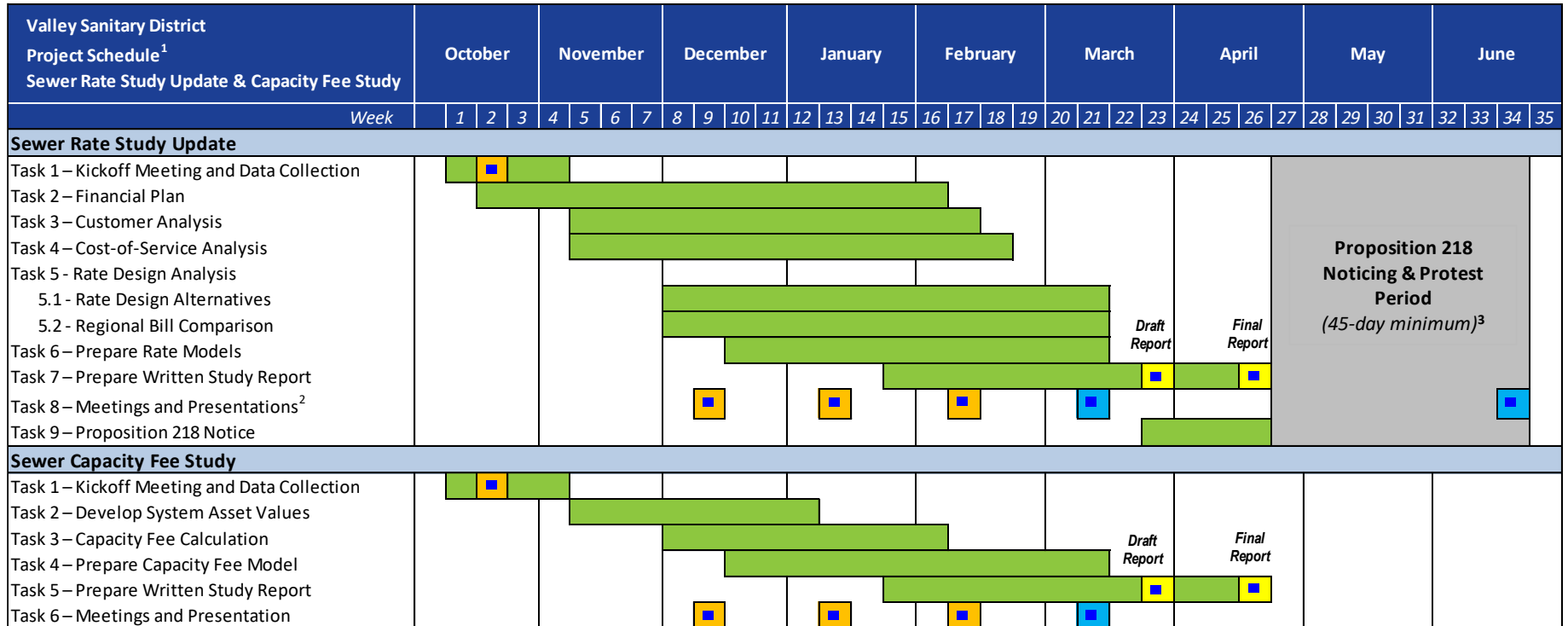
Role and Responsibilities: Jordan Taylor is on staff with NBS and has more than a decade of project experience. She will support the project team in performing financial plan analysis, consumption data analysis and validation, cost of service analysis and calculations, and develop the rate design and funding alternatives.

Work Experience: Jordan Taylor has a Bachelor of Science degree in Chemistry and a master's degree in Business Administration with an emphasis in Finance. She offers more than 10 years of accounting experience along with extensive knowledge of financial analysis and budget planning. Jordan has completed more than 40 similar studies across California.

4 | PROPOSED PROJECT SCHEDULE

The following is an overview of our proposed project schedule. We will discuss a detailed schedule at the kickoff meeting, along with the expected timing for individual tasks. *NOTE: This page intentionally formatted differently to improve legibility of the content below.*

PROJECT SCHEDULE FOR THE VALLEY SANITARY DISTRICT



**Proposition 218
Noticing & Protest
Period
(45-day minimum)³**

- The proposed schedule may need to be revised during the course of the study due to unforeseen events on the part of Valley Sanitary District and/or NBS.
- Meetings and presentations are estimated in this timeline and will be scheduled as needed throughout the study.
- The timing of the Proposition 218 process shown in the schedule above is an estimate of when the process can take place. The actual schedule will be discussed at the kick-off meeting and a more defined plan will be developed at that time.

- Active task work
- Draft and Final Reports
- Meeting with District Staff (to be scheduled as needed)
- Board Presentation (to be scheduled as needed)

5 | COST PROPOSAL

Our professional fees are based on our understanding of the District’s needs and the effort we believe is necessary to complete the scope of services described in our proposal. Work will be performed on a time and materials basis, at the hourly labor rates show in the tables below, with a fee of **\$98,390** (plus the cost of any additional analysis needed to complete Task 3).

Valley Sanitary District							
Study Tasks	Consultant Labor (Hours)						Grand Totals
	Senior Review (Clumpner)	Principal Consultant (Highstreet)	Municipal Advisor (Mares)	Project Manager/ Consultant (Bou)	Consultant (Taylor)	Total Consultant Labor (Hrs.)	Consultant Costs (\$)
Hourly Rates	\$260	\$260	\$260	\$180	\$180		
Sewer Rate Study Update							
Task 1 – Kickoff Meeting and Data Collection	0.0	2.0	0.0	16.0	0.0	18.0	\$ 3,400
Task 2 – Financial Plan	2.0	6.0	2.0	28.0	0.0	38.0	7,640
Task 3 – Customer Analysis ¹	0.0	4.0	0.0	40.0	0.0	44.0	8,240
Task 4 – Cost-of-Service Analysis	2.0	8.0	0.0	22.0	0.0	32.0	6,560
Task 5 – Rate Design Analysis							
5.1 - Rate Design Alternatives	2.0	6.0	0.0	22.0	0.0	30.0	6,040
5.2 - Regional Bill Comparison	0.0	0.0	0.0	6.0	0.0	6.0	1,080
Task 6 – Prepare Rate Models	<i>Cost included above</i>						
Task 7 – Prepare Written Study Report	2.0	6.0	0.0	28.0	4.0	40.0	7,840
Task 8 – Meetings and Presentations ²	0.0	8.0	0.0	28.0	0.0	36.0	7,120
Task 9 – Proposition 218 Notice							
9.1 - Draft Proposition 218 Notice and Prepare Mailing Database ³							5,000
SUBTOTAL							\$ 52,920
9.2 - Mailing of Notices ⁴							18,750
TOTAL: Sewer Rate Study Update	8.0	40.0	2.0	190.0	4.0	244.0	\$ 71,670
Sewer Capacity Fee Study							
Task 1 – Kickoff Meeting and Data Collection	0.0	0.0		10.0	0.0	10.0	\$ 1,800
Task 2 – Develop System Asset Values	0.0	6.0		21.0	0.0	27.0	5,340
Task 3 – Capacity Fee Calculation	0.0	8.0		21.0	0.0	29.0	5,860
Task 4 – Prepare Capacity Fee Model	<i>Cost included above</i>						
Task 5 – Prepare Written Study Report	0.0	6.0		24.0	6.0	36.0	6,960
Task 6 – Meetings and Presentation ²	0.0	8.0		26.0	0.0	34.0	6,760
TOTAL: Capacity Fee Study	0.0	28.0	0.0	102.0	6.0	136.0	\$ 26,720
GRAND TOTAL: Rate Study Update & Capacity Fee Study	8.0	68.0	2.0	292.0	10.0	380.0	\$ 98,390

- Estimated level of effort to complete customer and water consumption data analysis. If it is determined that more hours are needed to complete the work, NBS will bill at the hourly rates listed for the additional time. No additional work will be performed without written authorization from District staff.
- The number of public presentations can be adjusted as needed by District staff, if more than three presentations are needed, they can be provided at an additional cost.
- This is the total fee for Proposition 218 services.
- The cost to print and mail the Prop 218 Notice is only an estimate, the actual cost will vary depending on the number of current property owners and customers as well as the length and overall design/format of the mailer. Costs typically range from \$0.75 to \$1.50 per piece. NBS does not mark up printing and mailing expenses, but passes them through as a reimbursable expense at cost. The estimate presented is based on \$0.75 per piece and 25,000 pieces.

Additional services authorized by the District, but not included in the scope of services above, such as additional analysis, public meetings or rate alternatives will be billed at the labor rates shown below, or the then applicable hourly rates. All additional tasks would be mutually agreed upon by NBS and the District prior to proceeding.

Title	Hourly Rate
Senior Reviewer	\$260
Principal Consultant	\$260
Municipal Advisor	\$260
Project Manager	\$180
Consultant	\$180



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Ron Buchwald, District Engineer
SUBJECT: Award Contract to GRBCON in an Amount Not to Exceed \$2,317,866 for the Indio Downtown District Sewer Improvement Project

Suggested Action

Approve

Strategic Plan Compliance

GOAL 3: Excellent Facilities

Fiscal Impact

The bid price for GRBCON is \$2,317,866. Staff recommends including a 10% contingency to cover any change orders for the project. The total price including the 10% contingency is \$2,549,653. The Capital Improvement Program budget for Fiscal Year 2022-23 included \$3.67 million for construction of this project.

Background

The Collection System Rehabilitation & Program Management project is comprised of multiple sewer main replacement or relining projects within the District's boundary. This is the second improvement project in the program and consists of sewer main rehabilitation, manhole rehabilitation and sewer main replacement in the downtown area near Jackson Street and Requa Street. Project work will also include traffic control, temporary bypassing of sewer flows, cleaning and repairing the sewer mains.

The project was put out to bid on August 29, 2022 with a closing date of October 12, 2022. A total of three contractors submitted sealed bids to the District. One of the bidders (Van Dyck) did not comply with bid instructions and therefore was disqualified. If they did qualify they would have been the second lowest bidder just behind GRBCON. The lowest, responsible bidder was GRBCON, Inc. with a bid of \$2,317,866. The Engineer's Estimate came in at \$2,745,358. The bid tabulation is included in this report as is GRBCON's bid package. GRBCON is new to the District.

Recommendation

Staff recommends that the Board of Directors award a contract to GRBCON in an amount not to exceed \$2,317,866 for the Indio Downtown District Sewer Improvement Project and to authorize additional budget of 10% of the bid to allow for change orders on this project.

Attachments

[Bid Results.pdf](#)

[GRBCON Pgs 1-16.pdf](#)

[DIR Number Information.pdf](#)

[Contractors License Detail.pdf](#)

Indio Downtown District Sewer Improvement Project Bid Results

Contractor	GRBCON	DCI	Van Dyke
Bid Amount	\$ 2,317,866.00	\$ 2,682,659.00	\$ 2,350,017.00
	Required Forms		
Contact form	✓	✓	X
Bid proposal form	✓	✓	✓
Bid proposal certificate	✓	✓	✓
Complete bid sheet	✓	✓	✓
List of subcontractors	✓	✓	✓
Contractor's licensing statement	✓	✓	✓
Contractor's experience statement	✓	✓	✓
Bid bond	✓	✓	✓
Non-collusion affidavit	✓	✓	✓
Addendum #1	✓	✓	✓
	#1	#2	Disqualified

BID PROPOSAL FORM

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

Bidders:

The undersigned hereby proposes to perform all work for which a contract may be awarded him/her and to furnish any and all plant, labor, services, material, tools, equipment, supplies, transportation, utilities, water and all other items and facilities necessary therefor as provided in the Contract Documents, and to do everything required therein for the work as set forth in the documents entitled:

Indio Downtown District Sewer Improvement Project

Together with appurtenances thereto, all as set forth in the Specifications and other Contract Documents; and he/she further proposes and agrees that, if this Bid is accepted, he/she will contract in the form and manner stipulated to perform all the work called for by Specifications, and other Contract Documents, and to complete all such work in strict conformity therewith within the time limits set forth therein, and that he/she will accept as full payment therefor the prices set forth in the Bid Sheet(s) forming a part hereof.

It is understood and agreed that:

1. The undersigned has carefully examined all the Contract Documents which will form a part of the Contract; and all additions, deletions, modifications, and appendices and all addenda as prepared prior to the date of bid opening setting forth any modifications or interpretations of any of said documents.
2. The undersigned has by investigation of the site of the Work and otherwise satisfied himself/herself as to the nature and location of the Work and has fully informed him/her as to all conditions and matters which can in any way affect the Work or the cost thereof.
3. The undersigned fully understands the scope of the Work and has checked carefully all words and figures inserted in this Bid and he/she further understands that the Owner will in no way be responsible for any errors or omissions in the preparation of this Bid.
4. The undersigned will execute the Contract Agreement and furnish the required proof of insurance coverage within ten (10) business days after the date of Notice of Award to him/her of acceptance of his/her Bid by the Owner.
5. The undersigned Bidder further agrees that if he/she shall fail to complete the Work within the Contract Time and any authorized extension thereof, he/she shall pay liquidated damages as defined in the Notice Inviting Bids to the Owner for each calendar day of unauthorized delay in completion of the Work until the Work is completed, unless another amount is agreed to and stated in the Contract Agreement.
6. The undersigned hereby certifies that this proposal is genuine and not a sham or collusive or made in the interest or in behalf of any persons not herein named, and the undersigned has not directly or indirectly induced or solicited any other Bidder to put in a sham Bid, or any other person, firm or corporation to refrain from bidding; the undersigned has not in any manner sought by collusion to secure for himself/herself an advantage over any other bidder.
7. In conformance with current statutory requirements of Section 1861, et seq., of the Labor Code of the State of California, the undersigned confirms the following as his/her certification: I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workmen's

compensation or to undertake self-insurance in accordance with the provisions before commencing the performance of the Work of this Contract.

8. In compliance with the provisions of Sections 4100-4114 of the Public Contract Code of the State of California, and any amendments thereof, the undersigned Bidder has set forth below the name and the location of the place of business of each Subcontractor who will perform work or labor or render service to the Contractor in or about the Contract Work to be performed under the Contract Documents in which this Bid is responsive, and where the portion of the Work which will be done by each Subcontractor for each subcontract is in excess of one-half of one percent (0.5%) of the Total Base Bid. The undersigned Bidder understands that if he/she fails to specify a Subcontractor for any portion of the Work, or specifies more than one subcontractor for the same portion of work, he/she shall be deemed to have agreed to perform such portion himself/herself and that he/she shall not be permitted to sublet or subcontract that portion of the Work except in cases of public emergency or necessity, and then only after a finding is reduced to writing as a public record of the Owner setting forth the facts constituting the emergency or necessity. It is further understood and agreed that the aggregate total of all subcontracts shall not exceed forty-five percent (45%) of the total contract price in accordance with the provisions of Instructions to Bidders and or General Conditions.

9. The undersigned hereby states that he/she has * previously performed work subject to the provisions of the President's Executive Order No. 11246 relative to nondiscrimination in employment.

* The Bidder shall insert "has" or "has not", as applicable in the above statement.

10. Receipt is hereby acknowledged of addenda number(s) 1 through 1.

11. Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of the alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

12. The undersigned is registered with the Department of Industrial Relations to perform public work and is licensed in accordance with the Laws of the State of California:

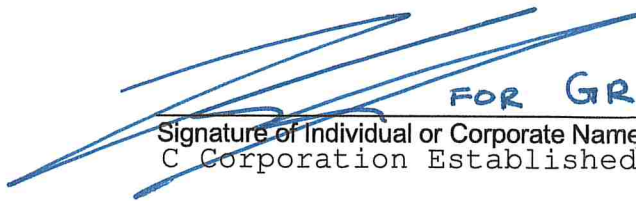
License Number: 1012408 Class A, C-42; Registration Number 1000038691.

13. If the bidder is a corporation, partnership, or joint venture, the undersigned certifies that he/she is entitled to execute and submit this Bid Proposal on behalf of bidder.

(Signatures continued on next page)

NOW: In compliance with all the provisions hereinbefore stipulated, the undersigned, with full cognizance thereof, hereby proposes to perform the entire Work for the prices set forth in the attached Schedule(s) upon which Award of Contract is made. The undersigned also hereby certifies under the penalties of perjury that this Bid is in all respects bona fide, fair and made without collusion or fraud with any other person. As used in this section, the word "person" shall mean any natural person, joint venture, partnership, corporation, or other business or legal entity.

81-1023211
Social Security Number or Federal
Identification Number

 FOR GRBCON, Inc.
Signature of Individual or Corporate Name
C Corporation Established in CA

BY: Kristion Grbavac, President
Corporate Officer (if applicable)

Notice of acceptance should be mailed, faxed, or delivered to the following:

Kristion Grbavac - Grbcon, Inc.
(Name)

By: President
(Title)

5114 Elton Street
(Business Address)

Baldwin Park, CA. 91706
(City and State)

Date: 10-12-2022

Note: If the Bidder is a corporation, indicate State of incorporation under signature, and affix corporate seal; if a partnership, give full names and residential addresses, if different from business address.

COPY



GRBCON, Inc.
A California Corporation

Meeting of the Board of Directors
Dated: January 7th, 2016

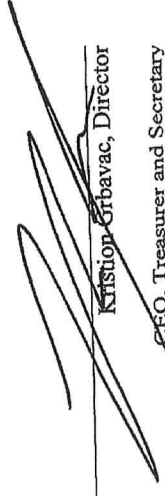
Corporate Resolution Regarding Contractual Authority

Following the establishment GRBCON, Inc. on 12/24/15, its Board of Directors has met on January 7th, 2016 and have granted Kristion Grbavac the authority to enter into binding agreements on behalf of the Corporation. Kristion Grbavac shall occupy the positions of CEO, Secretary, Treasurer, and member of the board. Gordon Anthony Grbavac shall serve as Vice President and member of the board.

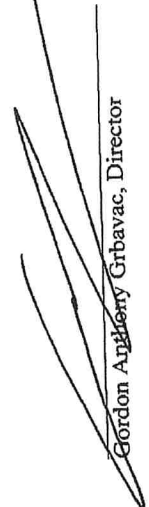
When, and if requested, Kristion Grbavac shall have the ability to enter into contractual agreements on behalf of the firm and to sign in the capacities as the officers mentioned above.

IN WITNESS THEREOF, Gordon Anthony Grbavac and Kristion Grbavac have executed this written consent dated January 7th, 2016.

Affix Corporate Seal


Kristion Grbavac, Director
CEO, Treasurer and Secretary

Dated: January 7th, 2016


Gordon Anthony Grbavac, Director

Vice President

Dated: January 7th, 2016

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles)

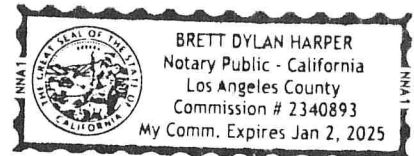
On October 12, 2022 before me, Brett Harper, Notary Public
(insert name and title of the officer)

personally appeared Kristion Grbavac,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are
subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same in
~~his~~ her/their authorized capacity(ies), and that by ~~his~~ her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



**BID PROPOSAL CERTIFICATE
(Partnership)**

STATE OF CALIFORNIA)
) SS: NA
COUNTY OF)

I HEREBY CERTIFY that a meeting of the Partners of the _____
_____ a partnership existing under the laws of the State of _____
_____ held on _____, 20____, the following resolution was duly passed and
adopted:

"RESOLVED, that _____, as
_____ General Partner of this Partnership, be and is hereby authorized
to execute the Bid dated _____, 20____, to the Valley Sanitary District by this
Partnership and that his/her execution thereof, attested by the General Partner shall be the official
act and deed of this Partnership."

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this _____, day of _____, 20____.

General Partner

(SEAL)

**BID PROPOSAL CERTIFICATE
(Joint Venture)**

STATE OF CALIFORNIA)
)
COUNTY OF)

SS:

NA

I HEREBY CERTIFY that a meeting of the Principals of the _____
_____ a joint venture
existing under the laws of the State of _____, held on _____, 20____, the following
resolution was duly passed and adopted:

"RESOLVED, that _____, as
the Joint Venture, be and is hereby authorized to execute the Agreement dated _____, 20____, by
and between this Joint Venture and Valley Sanitary District and that his/her execution thereof,
attested by the _____ shall be the official act and deed of this Joint
Venture."

I further certify that said resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this _____, day of
_____, 20____.

Managing Partner

(SEAL)

PROPOSAL BID SHEET

INDIO DOWNTOWN DISTRICT SEWER IMPROVEMENT PROJECT

BASE BID

No.	Quantity	Unit	Items of Work (Spec Section) Please Print Unit Prices Written in Words	Unit Price	Total
1.	1	LS	Mobilization/Demobilization (Section 7-3.4)	\$ 150,150	\$ 150,150
			One hundred and fifty thousand one hundred and fifty dollars PER LS		
2.	1	LS	Traffic Control (Section 601)	\$ 23,063	\$ 23,063
			twenty three thousand and sixty three dollars PER LS		
3.	1	LS	Temporary Sewer Bypass (Section 3-12.5)	\$ 19,483	\$ 19,483
			nineteen thousand four hundred and eighty three dollars PER LS		
4.	1	LS	Open Trench Shoring and Bracing (Section 306-4)	\$ 57,902	\$ 57,902
			fifty seven thousand nine hundred and two dollars PER LS		
5.	9,190	LF	Clean Existing Pipe, Furnish and Install 8-inch CIPP liner complete and in place in accordance with the project plans and specifications (Section 500)	\$ 32.50	\$ 298,675
			thirty two dollars and fifty cents PER LF		
6.	1,920	LF	Clean Existing Pipe, Furnish and Install 10-inch CIPP liner complete and in place in accordance with the project plans and specifications (Section 500)	\$ 45	\$ 86,400
			forty five dollars and no cents PER LF		
7.	955	LF	Clean Existing Pipe, Furnish and Install 12-inch CIPP liner complete and in place in accordance with the project plans and specifications (Section 500)	\$ 54	\$ 51,570
			fifty four dollars and no cents PER LF		
8.	135	EA	Reinstate Sewer Service Lateral Connection (Section 500-8)	\$ 50	\$ 6,750
			fifty dollars PER EA		
9.	135	EA	Service Lateral Connection Sealing ("Cosmic Top Hat" or Approved Equal) (Section 501)	\$ 1,193	\$ 161,055
			One thousand one hundred and ninety three dollars PER EA		

No.	Quantity	Unit	Items of Work (Spec Section) Please Print Unit Prices Written in Words	Unit Price	Total
10.	52	EA	Rehabilitate Sewer Manholes (Section 502)	\$ 3,678	\$ 191,256
			Three thousand six hundred and seventy eight dollars PER EA		
11.	1,150	LF	Construct 8-inch PVC (SDR-35) Sewer per VSD Std Plan S-5 and City of Indio Std Plan 172 (Section 306-7)	\$ 472	\$ 542,800
			four hundred and seventy two dollars PER LF		
12.	510	LF	Construct 8-inch PVC (C900 DR18) Sewer per VSD Std Plan S-5 and City of Indio Std Plan 172 (Section 306-7)	\$ 374	\$ 190,740
			three hundred and seventy four dollars PER LF		
13.	245	LF	Construct 6-inch PVC (SDR-35) Sewer per VSD Std Plan S-5 and City of Indio Std Plan 172 (Section 306-7)	\$ 389	\$ 95,305
			three hundred and eighty nine dollars PER LF		
14.	9	EA	Construct Reinforced Concrete Manhole per VSD Std Plan S-8 (Section 303-1)	\$ 16,326	\$ 146,934
			sixteen thousand three hundred and twenty six dollars PER EA		
15.	4	EA	Proposed Sewer Cleanout per VSD Std Plan S-14	\$ 8,393	\$ 33,572
			eight thousand three hundred and ninety three dollars PER EA		
16.	4	EA	Remove Existing Manhole	\$ 4,834	\$ 19,336
			four thousand eight hundred and thirty four dollars PER EA		
17.	1,540	LF	Remove and Dispose of Existing Sewer Main (4", 6", 8" Dia)	\$ 12	\$ 18,480
			twelve dollars PER LF		
18.	500	LF	Abandon Existing Sewer Main (4" and 6" Dia, Including Plugs)	\$ 15	\$ 7,500
			fifteen dollars PER LF		
19.	1	EA	Abandon Existing Sewer Manhole	\$ 3,998	\$ 3,998
			three thousand nine hundred and ninety eight dollars PER EA		

No.	Quantity	Unit	Items of Work (Spec Section) Please Print Unit Prices Written in Words	Unit Price	Total
20.	53	EA	Connect Existing Sewer Lateral to Proposed Sewer Main	\$ 1,199	\$ 63,547
			One thousand one hundred and ninety nine dollars PER EA		
21.	4	EA	Modify Existing Manhole Base, Rechannel Bench and Enlarge Channel and Openings	\$ 7,093	\$ 28,372
			seven thousand and ninety three dollars PER EA		
22.	6	EA	Trim Protruding Existing Lateral flush with interior Surface of Existing Sewer Main	\$ 308	\$ 1,848
			three hundred and eight dollars PER EA		
23.	1	LS	Relocate Existing Shipping Container to allow Construction and Place it back when Construction is Complete	\$ 5,351	\$ 5,351
			five thousand three hundred and fifty one dollars PER LS		
24.	18	LF	Remove Existing Asbestos Cement Pipe Water Main and Furnish and Install new 4-inch Pressure Class 350 Ductile-Iron Water Pipe and Fittings	\$ 760	\$ 13,680
			seven hundred and sixty dollars PER LF		
25.	36	LF	Remove Existing Asbestos Cement Pipe Water Main and Furnish and Install new 10-inch Pressure Class 350 Ductile-Iron Water Pipe and Fittings	\$ 732	\$26,352
			seven hundred and thirty two dollars PER LF		
26.	1	EA	Remove Existing and Furnish and Install New 6-inch Water Valve	\$ 9,759	\$ 9,759
			nine thousand seven hundred and fifty nine dollars PER EA		
27.	94	CY	Excavation	\$ 164	\$ 15,416
			one hundred and sixty four dollars PER CY		
28.	106	TON	Asphalt Concrete	\$ 356	\$ 37,736
			three hundred and fifty six PER TON		
29.	42	CY	Aggregate Base	\$ 258	\$ 10,836
			two hundred and fifty eight dollars PER CY		

The District reserves the right to not award, increase or decrease the quantity (by any percent change of the quantity) of any of the bid items without change to the bid unit price.

Total Bid Price (Enter Here)

Two Million Three Hundred Seventeen Thousand Eight Hundred Sixty Six Dollars and no cents.

Words

\$ 2,317,866.00

Figures

Signed  FOR GRBCON, INC.

Bidder

LIST OF SUBCONTRACTORS FORM

The Bidder is required to furnish the following information in accordance with the provisions of the California Subletting and Subcontracting Fair Practices Act, contained in Sections 4100 to 4114, inclusive, of the Public Contract Code of the State of California and any amendments thereto, for each subcontractor performing more than one-half of one percent (0.5%) of the total base bid. Do not list alternative subcontractors for the same work. The Contractor shall list only one subcontractor for each such portion of Work as is defined by the Contractor in his/her Bid. Contractor shall not substitute any person as subcontractor in the place of a subcontractor listed below, except as provided in the General Conditions.

The Bidder understands that if he/she fails to specify a subcontractor for any portion of the Work to be performed under the Contract, or specifies more than one subcontractor for the same portion of the Work, he/she shall be deemed to have agreed that he/she is fully qualified to perform that portion himself/herself and that he/she shall not be permitted to sublet or subcontract that portion of the Work, except as provided in the General Conditions.

Name Under Which Subcontractor is Licensed	Which is	License Number and DIR Number*	Address and Telephone Number	Specific Description of Subcontract and Percent of Total Base Bid
NATIONAL COATING & LINING COMPANY		886430 1000013795	26713 Madison Way Murrieta, CA. 92562 951-471-3388	Rehab of Manholes 5%
MCS, Inc.	445161/	1000010719	35246 Antelope Rd, Murrieta, CA. 92563 951-246-3476	Construction of MHs 1.7%
Southwest Pipeline and Trenchless Corp.		773862 1000002176	22118 South Vermont Ave. Torrance, CA. 90502 310-329-0981	CIPP/Clean and CCTV/ Top Hats 22%

*DIR Number is the subcontractor's registration number with the Department of Industrial Relations to perform public work. Failure to include the DIR number may render the bid non-responsive.

CONTRACTOR'S LICENSING STATEMENT FORM

The undersigned is licensed in accordance with the laws of the State of California
providing for the registration of Contractors: License Number 1012408
Class A, C-42 Expiration Date 3/31/24

DIR Registration Number 1000038691

Name of Contractor's Firm GRBCON, Inc.

Business Address and Telephone Number (626) 699-2380
5114 Elton Street, Baldwin Park, CA. 91706

Name of Individual Owner (Print or Type):

Kristion Grbavac

Signature of Owner

Said Owner swears under penalty of perjury under the laws of the State of California that the information provided is true and correct.

or

The following Partners swear under penalty of perjury under the laws of the State of California that the information is true and correct

Signature, title, and address of members signing on behalf of the partnership:

Name NA Title _____

Address _____

Name _____ Title _____

Address _____

Name _____ Title _____

Address _____

or

The following Officers swear under penalty of perjury under the laws of the State of California that the information is true and correct.

Corporation organized under the laws of the State of California

(Place Seal Here)

Signature of President of Corporation

Signature of Secretary of Corporation

For Owner, Partner(s) or Corporation Officers:

This Contractor's Licensing Statement Form is executed at Baldwin Park California,
Location

on October 12, 2022
Date

CONTRACTOR'S EXPERIENCE STATEMENT FORM

The following outline is a record of the undersigned Bidder's experience in construction of a type similar in magnitude and character to that contemplated under this Contract. The Bidder shall have a minimum of five (5) years of experience installing CIPP liners in pipe of a similar size, length and configuration as contained in this project. The superintendent, the foreman and the lead crew personnel for the CCTV inspection, resin wet-out, the CIPP liner installation and the robotic service reconnection operator must have demonstrated competency and experience to perform the scope of work contained in this contract. The Bidder shall include in his/her outline the number, size, types and final costs of all similar type projects constructed in the past five (5) years. The Bidder shall also provide the name, work resume, and qualifications for the individual who will be the job superintendent during the performance of this Contract. The Bidder shall not reassign the designated superintendent without prior approval of the Owner. The Installer shall be adequately trained in the maintenance and operation of the required installation equipment, as certified by the lining manufacturer. The Bidder shall also provide a letter from the manufacture of the lining system, verifying the certification of the installer; this letter is also required to be on-site during installation. Additional numbered pages outlining this portion of the Bid may be attached to this Bid.

- John Gavigan, Project Manager: 30+ Years Sewer, Storm Drain ,Paving, Lining (See Attached Resur
Tim Grbavac, Superintendent: 30+ Years Sewer, Storm Drain ,Paving, Lining (See Attached Resur
Gordon Grbavac, Superintendent: 6+ Years Sewer, Storm Drain ,Paving, Lining (See Attached Resume
See Attached Statement of Experience from Lining Subcontractor
- City of Anaheim - Alley Sanitary Sewer Improvement Project: 645' of 8" VCP
15 house connections, 4 48" sewer manholes, and 13,257 SF of concrete alley.
 - City of Alhambra - 6th Street Sewer Main Replacement Project: 1,321' of 12"
VCP with bypass, 46 house connections, 43,800 SF of asphalt grind and overlay,
4,600 SF of full AC removal, and the construction of 6 new 48" manholes with PVC lining.
 - HCIDLA - Rosa De Castilla Apartments Project: 1,200' of 6",8",10",12", and 15"
storm drain line, junction structures, manholes, drain boxes, 60' of 6" sewer line CIPP rehab.
 - City of Covina - Sewer Line Installation Project Zone 10: Construct 570' of
8" VCP, 270' of 4" VCP, 2 48" Manholes, 77,000 SF of overlay, 2 ADA ramps, and traffic loops.
 - City of Arcadia - Baldwin Ave Sewer Project: Install 1,080' of 16" HDPE by pipeburstin
repair 6 Manholes, tie-in 23 house connections, and modify 8"to12"drop connection.
 - City of Pasadena - 2020 Sewer Lining Project: Various point repairs on 8",
10", and 12" pipe. Bypass, manhole remodeling, and sinkhole repairs were included.
 - City of Alhambra - Chapel Ave Sewer Main Replacement Project: 700' open cut
12" VCP, 1,225' of 14" HDPE by pipebursting, 68 house reconnections, 1 new manhole,
8 manhole rehabs with lining, 85,500 SF of slurry seal, striping, grind & overlay.
 - City of San Juan Capistrano - Annual Sewer CIP: Raise manholes, cleanouts,
490' of point repairs, paving (grind and overlay, and DAR repairs.

Contractor Information

Registration History

Legal Entity Name

GRBCON, INC.

Legal Entity Type

Corporation

Status

Active

Registration Number

1000038691

Registration effective date

7/1/2021

Registration expiration date

6/30/2024

Mailing Address

5114 ELTON ST BALDWIN PARK 91706 CA Unite...

Physical Address

5114 ELTON ST BALDWIN PARK 91706 CA Unite...

Email Address

Trade Name/DBA

STORM DRAIN CONTRACTOR

SEWER CONTRACTOR

PIPELINE CONTRACTOR

WATER SYSTEMS CONTRACTOR

License Number(s)

CSLB:1012408

CSLB:1012408

Effective Date	Expiration Date
6/14/2018	6/30/2019
6/28/2017	6/30/2018
7/6/2016	6/30/2017
6/3/2016	6/30/2016
7/1/2019	6/30/2021
7/1/2021	6/30/2024

Legal Entity Information

Corporation Number:

C3856002

Federal Employment Identification Number:

President Name:

KRISTION GRBAVAC

Vice President Name:

GORDON GRBAVAC SR.

Treasurer Name:

KRISTION GRBAVAC

Secretary Name:

KRISTION GRBAVAC

CEO Name:

KRISTION GRBAVAC

Agent of Service Name:

KRISTION GRBAVAC

Agent of Service Mailing Address:

5114 ELTON ST. BALDWIN PARK 91706 CA United States of America

Corporation Number:

Federal Employment Identification Number:

President Name:

KRISTION GRBAVAC

Vice President Name:

Gordon Anthony Grbavac

Treasurer Name:

Secretary Name:

CEO Name:

Workers Compensation

Do you lease employees No

through Professional
Employer Organization
(PEO)?:

Please provide your
current workers
compensation insurance
information below:

PEO Information	PEO Name	PEO Phone	PEO Email

Insured by Carrier

Policy Holder Name:GRBCON, INC.**Insurance Carrier:**

HARTFORD FIRE INSURANCE COMPANY**Policy Number:**72 WEA AM1FRN**Inception date:**

7/18/2022**Expiration Date:**7/18/2023



Contractor's License Detail for License # 1012408

DISCLAIMER: A license status check provides information taken from the CSLB license database. Before relying on this information, you should be aware of the following limitations.

- ▶ CSLB complaint disclosure is restricted by law ([B&P 7124.6](#)) If this entity is subject to public complaint disclosure click on link that will appear below for more information. Click [here](#) for a definition of disclosable actions.
- ▶ Only construction related civil judgments reported to CSLB are disclosed ([B&P 7071.17](#)).
- ▶ Arbitrations are not listed unless the contractor fails to comply with the terms.
- ▶ Due to workload, there may be relevant information that has not yet been entered into the board's license database.

Data current as of 10/13/2022 9:32:11 AM

Business Information

GRBCON INC
5114 ELTON ST
BALDWIN PARK, CA 91706
Business Phone Number:(626) 699-2380

Entity Corporation
Issue Date 03/28/2016
Expire Date 03/31/2024

License Status

This license is current and active.

All information below should be reviewed.

Classifications

- ▶ [C42 - SANITATION SYSTEM](#)
- ▶ [A - GENERAL ENGINEERING](#)

Bonding Information

Contractor's Bond

This license filed a Contractor's Bond with [BUSINESS ALLIANCE INSURANCE COMPANY](#).

Bond Number: G110226810529

Bond Amount: \$15,000

Effective Date: 03/07/2021

[Contractor's Bond History](#)

Bond of Qualifying Individual

The qualifying individual GORDON GRBAVAC certified that he/she owns 10 percent or more of the voting stock/membership interest of this company; therefore, the Bond of Qualifying Individual is not required.

Effective Date: 03/28/2016

Workers' Compensation

This license has workers compensation insurance with the [SENTINEL INSURANCE COMPANY LTD](#)

Policy Number: 72WEAAM1FRN

Effective Date: 07/18/2022

Expire Date: 07/18/2023

[Workers' Compensation History](#)

Other

- ▶ Personnel listed on this license (current or disassociated) are listed on other licenses.



**ITEM 8.1
DISCUSSION**

Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Beverli A. Marshall, General Manager
SUBJECT: Community Engagement Committee Report for October 19, 2022

Suggested Action

Discuss

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

None

Background

The minutes for the Community Engagement Committee meeting held October 19, 2022.

Attachments

[19 Oct 2022 Meeting Minutes.pdf](#)

**VALLEY SANITARY DISTRICT
COMMUNITY ENGAGEMENT COMMITTEE
SPECIAL MEETING MINUTES**

October 19, 2022

A meeting of the Valley Sanitary District (VSD) Community Engagement Committee was held at 45-500 Van Buren Street in Indio, California, on Wednesday, October 19, 2022.

1. CALL TO ORDER

Chairman Scott Sear called the meeting to order at 10:01 a.m.

2. ROLL CALL

Directors Present:
Chairperson Scott Sear
Committee Member Debra Canero

Staff Present:
Beverli Marshall, General Manager, and Holly Gould

Guests Present:
Eric O'Donnell, Townsend Public Affairs

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

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

None.

5. DISCUSSION / ACTION ITEMS

5.1 Approve Minutes for July 19, 2022, Regular Committee Meeting

Committee member Canero motioned to approve the July 19, 2022, Community Engagement Committee Regular Meeting minutes. Chairperson Sear seconded the motion. The motion carried unanimously.

5.2 Discuss Draft Legislation Guidelines Prepared by Townsend Public Affairs

Eric O'Donnell of Townsend Public Affairs presented the Draft Legislative Guidelines for 2023 created for Valley Sanitary District. The document's purpose is to guide Valley Sanitary District in how it actively engages with legislation through monitoring and communications activities. The 2023 VSD Legislative Guidelines represent the District's position on current or future issues that have the potential to impact the District or its interests. The Guiding Principles and Policy Statements will allow District staff and consultants to promptly address 2023 legislative

and regulatory issues without precluding the consideration of additional legislative and budget issues that may arise during the legislative session. The 2023 Legislative Guidelines is an important advocacy tool to present and deliver to elected officials who represent the VSD service area locally, in Sacramento and Washington D.C. Sharing policy statements and positions on common legislative and regulatory issues with elected officials help to shape elected official's policy decisions and positions VSD to be a leader in the community for legislative and regulatory topics. Chairperson Sear requested that staff add to guidelines that the President or Vice President is notified whenever their signature is used. This item will come before the entire Board in November.

5.3 Discuss Strategic Communications Plan Progress Report for August 2022

Beverli Marshall, General Manager, gave an update on the Communications Plan provided by CV Strategies. The Committee reviewed the updates for July and August 2022. The Committee requested an update of the analytics to see what progress has been made. The Committee requested that staff coordinate with the school that won the Water Bear naming contest. Ms. Marshall informed the Committee that she asked for a quote from CV Strategies to design a pamphlet for the VSD exhibit at Coachella Valley History Museum. The CV Strategies contract ends on October 31, 2022. The District will publish a Request for Proposals for Communications and Outreach Services on October 20, 2022. The Community Engagement Committee will review the proposals received before going to the entire Board for approval. Chairperson Sear requested that staff send him the template being used for District business cards. Chairperson Sear requested that the District purchase a table, easy-up, table cover, and swag for public events.

5.4 Discuss Recycled Water Project – Phase I Outreach Ideas

Schneider Electric has been working with staff to prepare an outreach and information component for the Recycled Water Project – Phase I. The contractor has developed a banner that will be placed on the fence at the District facility. A small billboard will also be erected at the southern end of the property near the Wild Bird Center entrance. These banners draw attention to the project and encourage the public to follow the project on the District's website and social media page. In addition to the banners, staff will work with the contractor to develop an information flyer that can be posted on the District's website and handed out to the public. The contractor will also develop a website with a map of the project that the public can use to learn more about the project, updates to the construction, and general information about the wastewater treatment process. The Committee also discussed doing similar outreach for the Downtown Sewer Rehabilitation Project.

5.5 Cancelling the State of the District Event Due to Cost, Staffing, and Time Constraints

Staff had proposed a State of the District event similar to the events held by cities and other special districts. Given staffing issues, limited time to put the event together and advertise it, and the potential for negative perceptions given the possibility of another rate increase, staff recommends that the event be cancelled and plan for the 100th anniversary of the District celebration on March 20, 2025. The Committee agreed.

6. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 11:32 p.m. The next regular committee meeting will be on November 15, 2022.

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



Valley Sanitary District

DATE: October 25, 2022
TO: Board of Directors
FROM: Jeanette Juarez, Chief Administrative Manager
SUBJECT: Information Regarding New Procurement Software OpenGov

Suggested Action

Information

Strategic Plan Compliance

GOAL 6: Improve Planning, Administration and Governance

Fiscal Impact

The fiscal impact for this report is \$29,286 which includes the annual subscription fee and professional services fee. This item is programmed in the fiscal year 2022/23 annual budget.

Background

In the fiscal year, 2022/23 one of the Administration's Departmental goals is to procure an enterprise resource system that can streamline the District purchasing processes from RFP development, supplier engagement, and contract award. The District reviewed three (3) different options and selected OpenGov Procurement as the best option based on the one-module software, unlimited users, cloud-based, support, and continued training options.

The procurement software includes:

Solicitation Development

- RFP and Bid Management
- Workflow Automation
- Template and Scope Library

Supplier Engagement

- Supplier Self-Service
- Guided Bidding
- Social Engagement

Evaluations & Awards

- Multi-Phased Evaluations
- Line Item Awarding
- Lowest Responsive

Contract Management

- Spend Tracking
- Searchable Repository
- Contract Development

Recommendation

Staff recommends that the Board of Directors receives this report for information.

Attachments

[Attachment A Valley Sanitary District, CA.pdf](#)



OpenGov and Valley Sanitary District

Project Plan Letter and Partnership
Investment Summary



David Bar-Or
Account Executive
dbaror@opengov.com

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8/18/22

Jeanette Juarez
Business Services Manager
Valley Sanitary District, CA

RE: Project Plan Letter for Procurement Software

Dear Jeanette,

On behalf of OpenGov, we are thrilled about the opportunity to partner with Valley Sanitary District by proposing OpenGov Procurement, the collaborative public procurement suite built for the modern government. We truly value your careful consideration in reviewing the project plan letter and proposal we have prepared for you.

We understand that Valley Sanitary District is looking for a comprehensive Procurement Management system to support and manage the entire procurement lifecycle, from the initial request and approval, to solicitation development and collaboration, to advertising and response dates, to evaluation committee review, and on through contract award and execution. In response to this need, OpenGov Procurement is a full procurement lifecycle solution, which includes highly collaborative solicitation development automation, end-to-end strategic procurement workflows, an intuitive cloud design, and a culture focused on the customer experience.

As you will read in the following proposal, OpenGov Procurement frees teams from the drudgery of manual and paper-based processes through a highly collaborative and easy-to-use solution built specifically to support and manage government procurement workflows. Valley Sanitary staff will be able to produce high quality, consistent, and compliant solicitations and provide transparency and clear communication to vendors throughout the entire procurement process. Featuring workflows for solicitation development and contract design, OpenGov Procurement provides clarity by helping suppliers understand and respond to solicitations more efficiently and effectively.

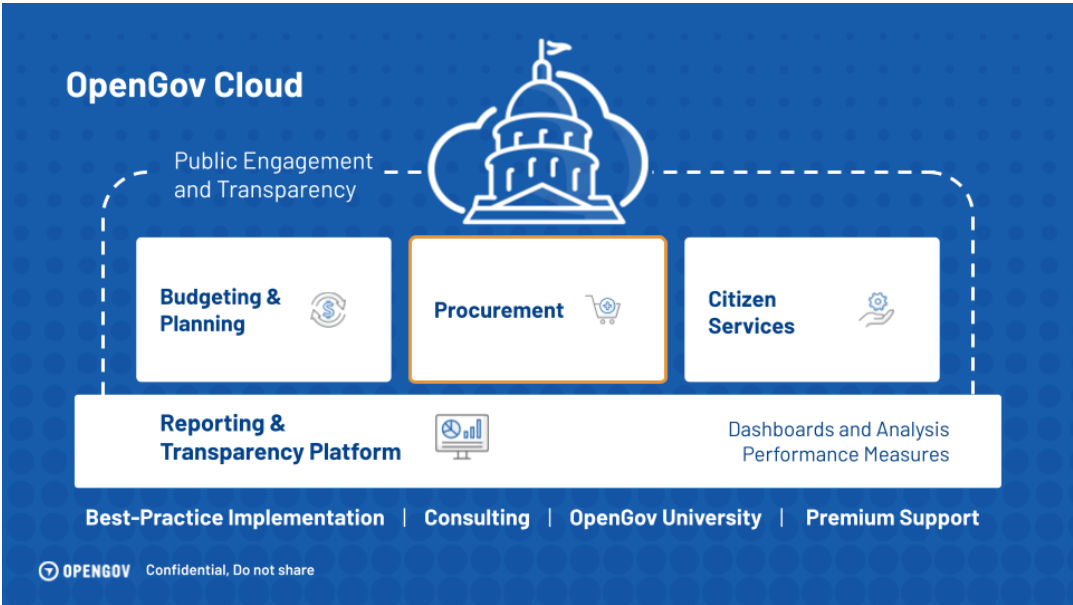
We are on a mission to power more effective and accountable government, and we seek to produce raving fans and long-term partners with the communities we serve. We look forward to putting our entire organization behind you to ensure this engagement exceeds expectations, and I look forward to meeting with you and your team soon.

Sincerely,

David Bar-Or
Account Executive

Executive Summary

OpenGov is proposing **OpenGov Procurement** for consideration. We look forward to demonstrating how these solutions will meet and exceed your needs and expectations.



OpenGov Procurement is the collaborative public procurement suite built for modern government. Providing end-to-end automation across solicitation development, proposal evaluations, and supplier interactions, OpenGov makes procurement more enjoyable and transparent for everyone involved. With it, procurement teams have the intuitive cloud software and world-class support needed to achieve strategic procurement.

Procurement teams using OpenGov have cut the time required to write and release RFPs by 75%, increased supplier responses to solicitations by 3-4x, and moved to 100% paperless procurement – all while transforming relationships within their government by simplifying how internal stakeholders engage with their function. As part of the OpenGov Cloud, OpenGov Procurement helps modern governments connect end-to-end processes across budgeting, procurement, accounting and reporting — driving improved strategic outcomes enterprise-wide. With it, customers access:

- The industry’s most collaborative, complete, and automated Solicitation Development solution
- Modern Supplier Engagement that increases bid response and equitable selection
- User-friendly design that guides users with in-context training and live support
- Transparent procurement and supplier relationships thanks to OpenGov’s legacy of driving transparent operations

Why OpenGov?

The only modern cloud software purpose-built for local government.

OpenGov offers transformative solutions for budgeting, financial management, civic services, and procurement with the market-leading Reporting & Transparency platform – allowing customers to reallocate up to 1% of their budgets for more strategic outcomes and save thousands of hours on manual and paper-based processes.

A trusted partner.

More than [1,100 governments nationwide](#) partner with OpenGov to drive more effective and accountable operations through cloud financial solutions. Built exclusively for state and local government, OpenGov's software, services, and expertise are backed by over 500 years of employee experience in the public sector.

A platform built to grow with you.

Modern cloud architecture ensures all of your users have access to the latest features and upgrades while reducing your IT burden, minimizing your cost footprint, and breaking down system and data silos. Thanks to world-class professional services and a roadmap driven by customer feedback, you future-proof your investment for the next generation.

Trusted by Leading Governments



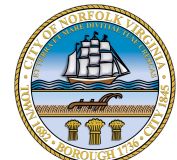
City of Palm Desert,
CA



City of Pittsburgh, PA



Sacramento County,
CA



City of Norfolk, VA



Orange County, FL



City of Tucson, AZ



Jersey City Public
Schools, NJ



Ben Franklin Transit,
WA



"We totally need an OpenGov "easy button" because it's so freaking EASY to use!! We are literally in love, if you can love software.."

Jennifer L. Olzinger

Procurement Manager | City of Pittsburgh, PA

Benefits of Modern Government Cloud Software

In a [post-pandemic world](#), the benefits of modern cloud software (aka: “Software as a Service”) are crucial in helping governments address the challenges of remote work, digital services, and managing uncertainty. [Cloud software](#) helps you future-proof your investment while focusing on your community.

✓ Increase Productivity

Modern government work is collaborative. Intuitive software empowers all users for success.

✓ Improve Citizen Experience

Digital services map to the expectations of community members and improve satisfaction.

✓ Strengthen Public Trust

Better decisions and alignment come from common, shared, accurate information

✓ Build Resilience

Leaders have confidence in the face of uncertainty that their [processes are secure](#) and sustainable.

All Cloud’s aren’t Created Equal

Many software providers try to sell legacy systems as “cloud” because they are delivered remotely. Same software, different packaging. These aren’t designed for 21st-century government. [Modern government cloud software](#) has these characteristics:

- **Anywhere, Any Device** - Nothing to install - only a browser required
- **Intuitive User Interfaces** - Built in the era of consumer software, eliminates the nuances and complexities that only “power users” can understand
- **Fast and Configurable** - Can be deployed quicking providing value when you need it and configured without deep technical expertise or IT assistance
- **Continuous Enhancement** - Updates are hassle-free and transparent to customers
- **World-Class Security and Infrastructure** - Modern applications take advantage of the leading cloud service providers (like [Amazon Web Services](#)) to ensure your mission-critical systems are resilient
- **100% Hassle-Free** - Always up-to-date with no effort from your government. No upgrades, patches, customizations, or (of course) hardware to manage



“As we step back and look at the differences between electronic bidding and where Milpitas is with OpenGov Procurement today, it is safe to say that in this case, the City realized a minimum 95% increase in productivity.”

Walter Rossmann, Deputy City Manager | City of Milpitas, CA

OpenGov Procurement

Collaborative Procurement Automation for the Modern Government

As part of the OpenGov Cloud, [OpenGov Procurement](#) helps modern governments connect end-to-end processes across budgeting, procurement, accounting, and reporting—driving improved strategic outcomes enterprise-wide. With OpenGov Procurement, customers access:

- The industry’s **most collaborative and complete** Solicitation Development solution
- Modern Supplier Engagement that **increases bid response** and **equitable selection**
- **User-friendly design** that guides users with in-context training and live support
- Transparent procurement and supplier relationships thanks to OpenGov’s legacy of **driving transparent operations**



Satisfied Suppliers

Expand your supplier network and improve your partner experience with intuitive an online portal and multiple workflows



100% Paperless Procurement

[Digitize document management](#) with scanning, uploading, and archiving facilities.



Increase Accountability

Establish a simplified view into contract and vendor spending via a single source of truth.



More Strategic Impact

Less clerical work and more strategic time thanks to intuitive guided workflows and integrated training for collaborators



Centralize Data

Enter data once and use it across the entire system.

75%

of customers cut time spent writing & releasing RFPs

...

Increased supplier responses by

3-4x

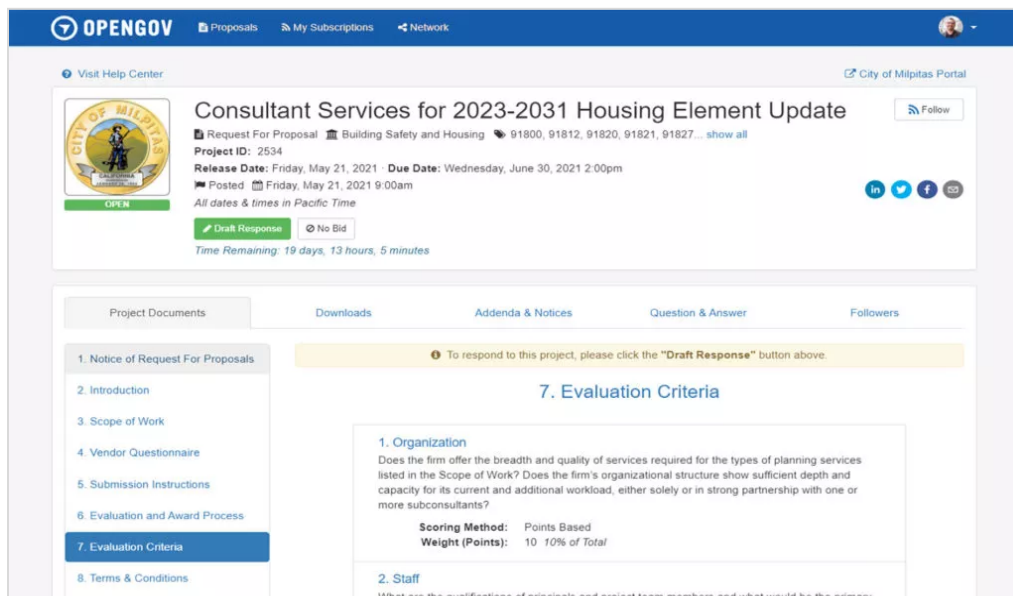
Procurement

Collaborative Procurement, End-to-End



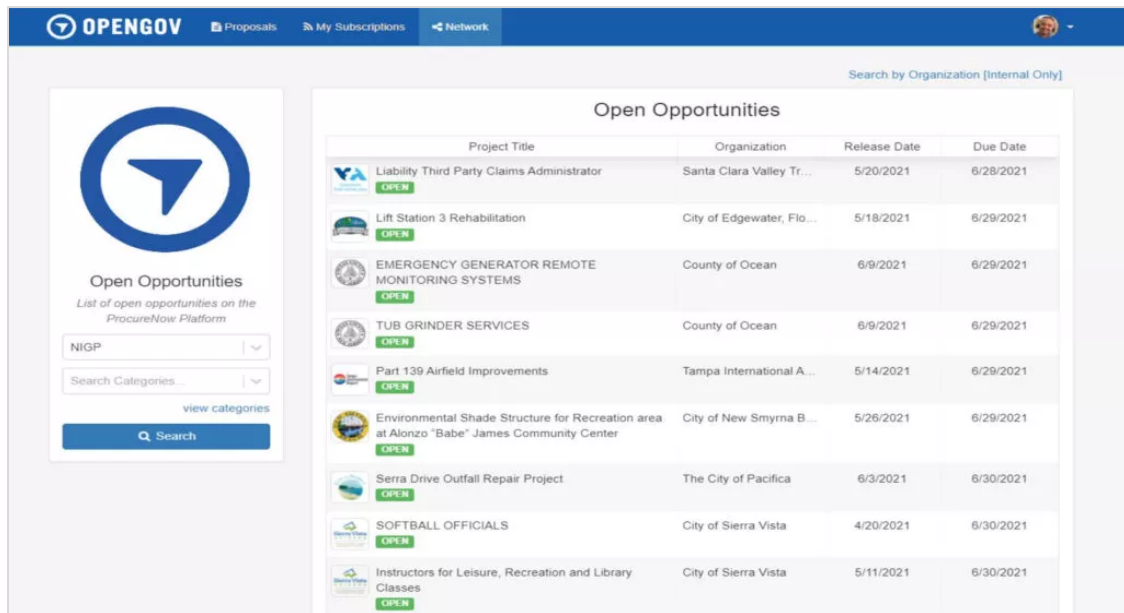
Transform your Solicitation Development

Turn your solicitation templates into intuitive, guided online workflows so project managers, reviewers, and buyers can easily collaborate on key documents. Dynamically track project status throughout reviews and get insight into timelines, stakeholders, and project pipelines. This "unique to OpenGov Procurement" capabilities turbocharges your entire workflow. Without this, your team spends much of its time hunting and pecking, copying and pasting, and chasing down internal customers - ultimately creating more adversarial situations.



Engage Vendors in a Modern, Social Online World

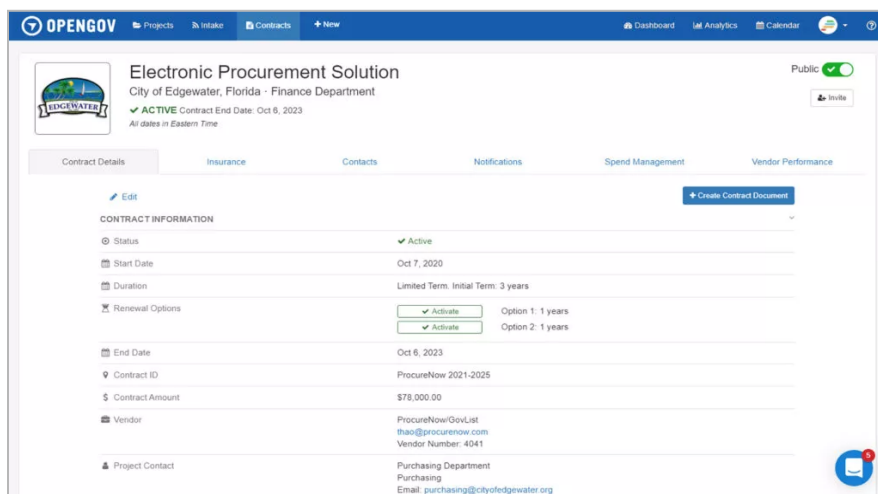
From sharable public project links, vendor analytics, and funnel tracking to a simple, one-click vendor submission process, OpenGov Procurement does it all. Suppliers delight in the guided online proposal submissions with one-click submit.



Say Goodbye to Excel Scorecards

[No more excel](#) and paper scorecards, OpenGov Procurement can help you manage it all online. Whether you evaluate vendor proposals as Best Value using a scoring committee, Lowest Cost through bid tabulation, or anywhere in between, we can support your process.

Automate Contract Management



Never miss an upcoming expiration deadline again. OpenGov Procurement lets you set reminders and notifications to stakeholders, and gives you a birds-eye view into all your active and historical contracts across the organization.

OpenGov Procurement Use Cases

- Achieve End-to-End Strategic Procurement
- Modernize Solicitation Development
- Streamlined Implementation
- “Wow” Your Supplier Community

Key Differentiators of OpenGov Procurement



Intuitive guided designs that promote equity and help suppliers read, understand, and respond to bids and RFPs better

Solicitation and Contract Design and Proposal Evaluation Tools that promote better collaboration, productivity, objectivity, and efficiency between Procurement and their internal departmental customers



In-context training and integrated live support because procurement processes aren't easy + staff and suppliers aren't working on procurements every day.



“I am amazed at what OpenGov Procurement has done for us. I’ve never had an implementation go as well as this has in such a short time. I had staff who weren't thrilled with the idea [of a new system] but now that we use it, they [absolutely love it..](#)”

Michelle Hamilton

Director of Purchasing | Mesa Public Schools, AZ

Mission-Driven Expertise

[The OpenGov Team](#) has over 500 years of combined Government experience. Check out just a few of our star players, and their specific experience in the public sector below...



ZAC BOOKMAN
CEO

Former Special Advisor for Rule of Law and Governance with the International Security Assistance Forces



ART TORRES
Implementation Consultant

Former President of the California State University Procurement and Support Services Association



CHARITY HOLMAN
Application Support Lead

Former Deputy City Secretary at City of Westworth Village, Texas



MIKE MCCANN
VP of Government Finance Solutions

Former Assistant Finance Director at City of Monterey, California



BOBBY WILLIAMS
Implementation Analyst

Former Purchasing Director at the Arizona Association of School Business Officials



SCOTT COBLE
Director, Solutions Engineering - Budgeting

Former Technology and Process Manager, OMB, at Montgomery County, Maryland



SHILOH ROGERS
Implementation Consultant

Former Purchasing Manager at the City of Banning, California



MILLIE CROSSLAND
Project Manager

Former City Clerk at Kansas City, Missouri



JAMIE CASTELLANOS
Integrations Engineer

Former Application Analyst at City of Berkeley, California



MICAH INTERMILL
Solutions Engineer

Former Budget Director at Minneapolis, Minnesota



ALMIS UDRYS
Director of Professional Services

Former Assistant Chief Operating Officer at San Diego, California



JENNIFER NORDIN
Technical Account Manager

Former Budget and Performance Analyst at Montgomery County, Maryland

Awards & Credentials

As mentioned above, OpenGov employees have over 500 years of collective government employment experience, and many of our key personnel are members of government-focused organizations like [GFOA](#) and [ICMA](#). OpenGov has consistently appeared on the [GovTech 100 list](#) for several years, was named to the [2021 Top Workplaces USA](#) and most recently was named to the [Forbes 2022 list of America's Best Startup Employers](#). We focus our hiring on top-tier talent pools for individuals with proven track records in government and/or the government technology SaaS industry.



Company History

After witnessing the City of Palo Alto spend over \$10 million on an ERP system that was delivered on 20 discs and had green screens, OpenGov's founders learned that governments across the country were similarly hamstrung by outdated technology. The public sector has been underserved by its vendors for decades, while the digital era has transformed consumer experiences and private sector organizations.

State and local governments deserve access to modern cloud software suited for their increasingly complex needs. Citizens deserve to know that their tax dollars are being spent by effective and accountable organizations. Our public sector leaders deserve to be supported by companies who act as true partners. In order to address these needs, OpenGov was born in 2012.

Today we have over 1,100 government customers using our cloud-based suites. Below are the stories of just a few of our customers who have adopted OpenGov Procurement to transform their communities...

How Mesa Public Schools Adopted a Fully Digital Purchasing Workflow with OpenGov

When the pandemic first hit, the largest school district in Arizona, Mesa Public Schools, did what most organizations did – sent everyone home to work remotely for the foreseeable future. Managing a high volume of bids every month, with each bid amounting up to 80+ responses, Purchasing Director Michelle Hamilton knew it was time to go digital to adjust to this new normal.

Hamilton decided to try out OpenGov Procurement, and the impact was immediately clear. After their first solicitation using the new system, the District’s Assistant Superintendent called OpenGov Procurement the “easiest software I’ve ever used.” Mesa Public Schools was able to implement OpenGov across the District with minimal friction due and quickly reap the benefits OpenGov procurement offered.

Key Results for Mesa Public Schools

- **Reduce Bid Developing Times by 50%**
- **100% Paper-Based Purchasing → 100% Paperless Purchasing in just 30 Days**
- **Entirely Virtual Purchasing to support Work From Home lifestyle**
- **Vendor Questionnaire Feature led to more Objective and Focused Decision Making**

For the full story, [click here](#) to read about how Mesa Public Schools adopted fully digital workflows with OpenGov.



“I’ve been doing this for 25 years, and I have never worked with a company like OpenGov. It has made a world of difference in how we do our daily work. It’s changed my professional life.”

Michelle Hamilton
Purchasing Director | Mesa Public Schools

Banning, CA Streamlines Purchasing to Keep Pace with Growth

Before implementing OpenGov procurement, the City of Banning relied on emails, word processors, and an outdated legacy system for all procurement processes. Due to this, Banning City staff spent two-thirds of their time downloading, printing, interoffice mail, and moving giant stacks of paper around. With OpenGov Procurement, the purchasing team in Banning was able to simplify and bring efficiencies to cumbersome and time consuming processes for the whole team, including new staff members and those who aren't day-to-day users of the software.

Purchasing manager Shiloh Rogers reports that her favorite OpenGov Procurement capabilities are: built-in templates that make changes to vendor submission requirements simple, vendor questionnaires that save time by creating uniform responses, and validation tools that enable quick review for minimum qualifications. These features paved the way to notable results for the City, such as a **500% increase in bid submissions**, and **decrease in processing times from hours to a few seconds**.

Rogers has worked with other e-procurement platforms during her career, but the support she received from OpenGov stood out among the rest. The features and functionality have helped her streamline Banning's procurement experience. But more importantly for Rogers, the company listens to her feedback and is responsive to her needs.

For the full story, [click here](#) to read about how Banning, CA streamlines purchasing with OpenGov.



“OpenGov Procurement empowers my team – it doesn't tell us how to do our jobs, it enables us to do them better and faster.”

Shilo Rogers
Purchasing Manager | City of Banning, CA

For more customer stories on how OpenGov's solutions are driving success in communities around the country, please visit: <https://opengov.com/customers/>

OpenGov Support Overview

Every OpenGov customer has the benefit of OpenGov Standard Support. Standard Support provides a host of options, from a 24/7 Resource Center with documentation and case access to live business day phone support. Our support processes are designed to support you throughout your journey with OpenGov.

We have three main components to our philosophy for ensuring every customer is successful and happy:



Access to our team of Government Solution Experts: This team, composed of former government finance directors, chief information officers, budget and performance analysts, and others, provides insight and expertise, best practices, and context to the people that use OpenGov's suites driving efficiency and outcomes for your agency.



Customer Success: Our Customer Success team supports you from deployment through adoption and beyond. You will get up and running quickly and receive the training and support that you need to maximize the value of your investment in OpenGov.

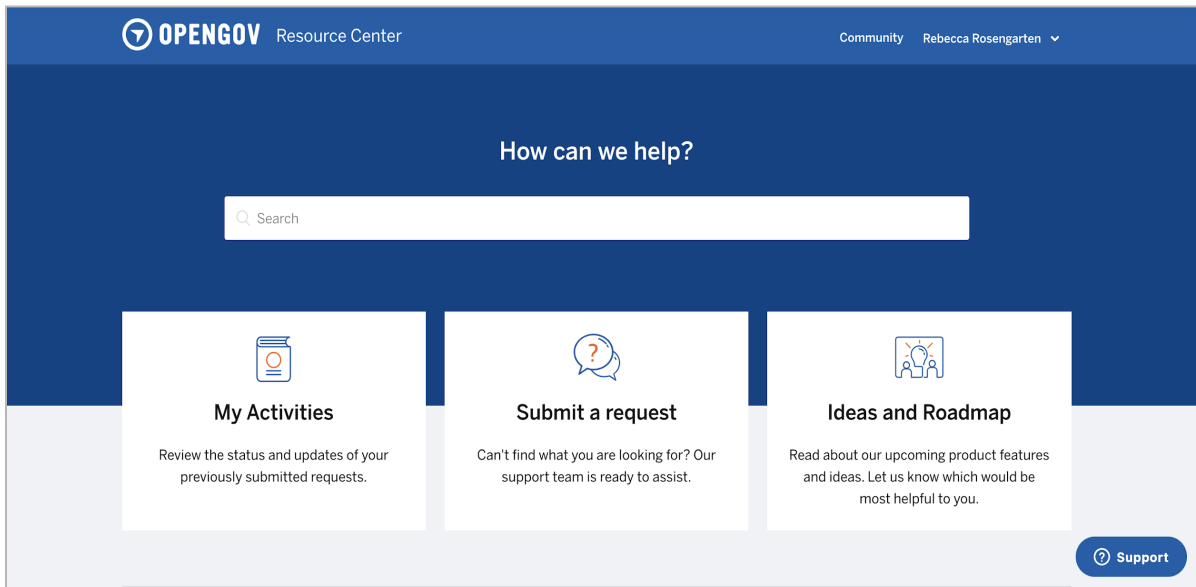


Customer Support: OpenGov Support is staffed by a veteran team with over 95 years of combined government experience. Our highly trained support analysts are available to solve any issues that you encounter within OpenGov's suites. We are committed to resolving your issues in a timely fashion and to your satisfaction.

Resources and Support

As an OpenGov customer, you are supported by our Customer Success team from deployment through adoption and beyond. When you contact OpenGov, your first point of contact will be a real, live person. OpenGov provides best-in-class standard support resources such as telephone, email, chat, and an online portal as well as additional engagement channels like webinars, user groups, and a resource center.

- **User Groups:** Our subject matter experts host regular user groups online and in person. Learn from the pros and your peers!
- **Resource Center:** We provide you with articles and videos to enhance your learning and education of OpenGov.
- **Free Webinars:** As a customer, you can look forward to engaging and informative webinars. Get a crash course in performance management or learn about the latest features of your OpenGov software.



If you are interested in additional support options, such as access to support outside of our standard business hours, improved SLAs, and a named Designated Contact, we also offer a Premium Support service. Premium support is recommended for customers who view their OpenGov solution as mission-critical and therefore require faster response times and a designated OpenGov contact.



“During this pandemic, we went from information gathering to live implementation in one week. The system is user friendly, and the staff makes you and your agency feel valued. Partnering with OpenGov has been a wonderful experience, and I would highly recommend other agencies to utilize their platform.”

Kerrie P. Koopman CPPB, CPPO
 Purchasing Manager | Frederick County Public Schools, MD

OpenGov Premium Support Overview

Every OpenGov customer has the benefit of OpenGov Standard Support. Standard Support provides a host of options, from a 24/7 Resource Center with documentation and case access to live business day phone support. Our processes are designed to support you at every step of your journey toward a more effective and accountable government.

OpenGov Premium Support provides customers a level of support above and beyond our Standard Support. Premium Support is intended for customers who view their OpenGov solution as mission-critical and therefore require expedited response times and a designated OpenGov contact.

Offering	Standard	Premium
Unlimited Number of Support Cases per Year*	✓	✓
Unlimited Access to OpenGov Resource Center	✓	✓
Unlimited Online access to the Support Request Portal	✓	✓
Access to Phone/Chat Support 4:00 AM PT to 7:00 PM PT Monday through Friday, excluding OpenGov holidays	✓	✓
Designated OpenGov Contact	-	✓
Increased Response Times	-	✓

* Support Cases are defined as issues related to the OpenGov Software Services.

We have three main components to our philosophy for ensuring every customer is successful and happy:



Access to our team of Government Solution Experts: This team, comprised of former government finance directors, chief information officers, procurement directors, budget and performance analysts, and others, provides insight and expertise, best practices, and context to the people that use OpenGov’s suites driving efficiency and outcomes for your agency.



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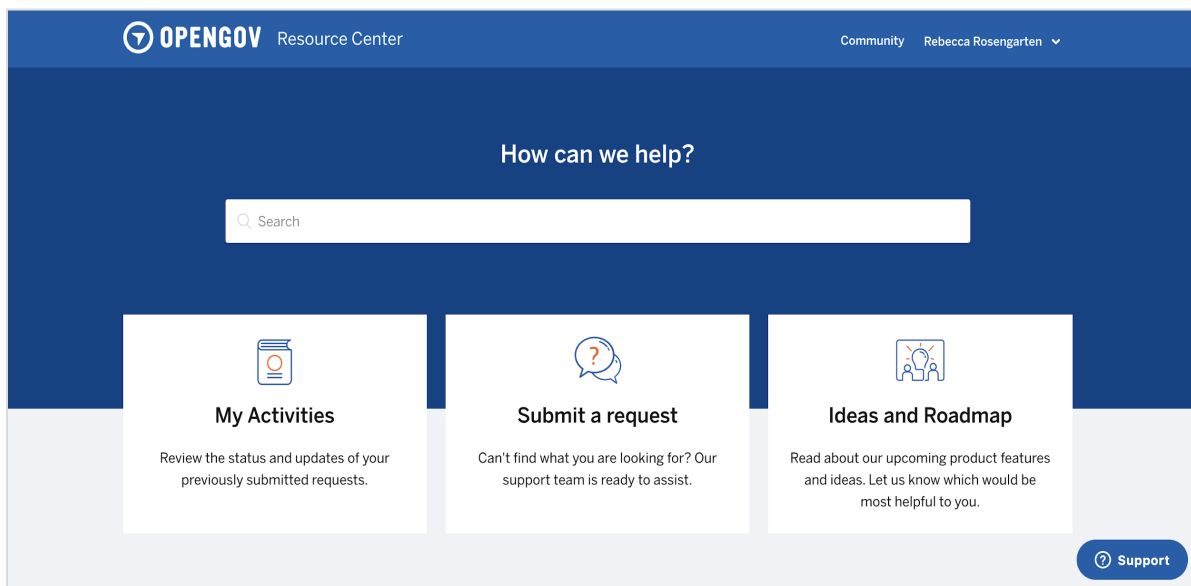


Customer Support: OpenGov Support is staffed by a veteran team with over 95 years of combined government experience. Our highly trained support analysts are available to solve any issues that you encounter within OpenGov's suites. We are committed to resolving your issues in a timely fashion and to your satisfaction.

Resources and Support

As an OpenGov customer, you are supported by our Customer Success team from deployment through adoption and beyond. When you contact OpenGov, your first point of contact will be a real, live person. OpenGov provides best-in-class standard support resources such as telephone, email, chat, and an online portal as well as additional engagement channels like webinars, user groups, and a resource center.

- **User Groups:** Our subject matter experts host regular user groups online and in person. Learn from the pros and your peers!
- **Resource Center:** We provide you with articles and videos to enhance your learning and education of OpenGov.



- **Free Webinars:** As a customer, you can look forward to engaging and informative webinars. Get a crash course in performance management or learn about the latest features of your OpenGov software.

Premium Support

Furthermore, OpenGov offers Premium Support to help organizations on their journey to successfully adopt OpenGov’s solution suites. With Premium Support, increased Service Level Agreement (SLAs) mean that we start working on urgent requests even on weekends. In the spirit of addressing problems quickly, Premium Support’s designated OpenGov contact builds a relationship with you and understands your organization and the nuances of your OpenGov application setup.

OpenGov’s Support Philosophy is simple: You invest in us. We invest in you. We are driven by customer success. If you ever need help or have questions about your system, we want to make sure you get well-informed, proactive support from the OpenGov team. Our goal is 100% satisfaction.



“During this pandemic, we went from information gathering to live implementation in one week. The system is user friendly, and the staff makes you and your agency feel valued. Partnering with OpenGov has been a wonderful experience, and I would highly recommend other agencies to utilize their platform.”

Kerrie P. Koopman CPPB, CPPO

Purchasing Manager | Frederick County Public Schools, MD

OpenGov University & Training

OpenGov is the leader in modern cloud software for our nation's cities, counties, and state agencies. On a mission to power more effective and accountable government, OpenGov serves more than 1,100 agencies across the U.S.

OpenGov University helps your government staff become power-users of our software. With unlimited access to the tools below, your staff can easily adopt new features and ensure that best practices are followed when business processes are enhanced with our technology solutions. Access to OpenGov University includes:



Training from OpenGov Experts

Walk through core functionality with your OpenGov deployment team as defined in the Statement of Work.



OpenGov Resource Center

Read help articles, review company announcements, or chat with Support.



Self-paced learning modules

Learn OpenGov product suites with on demand training in our learning management system.



In-app guidance

Master your software with instructions and helpful hints offered while using the software.



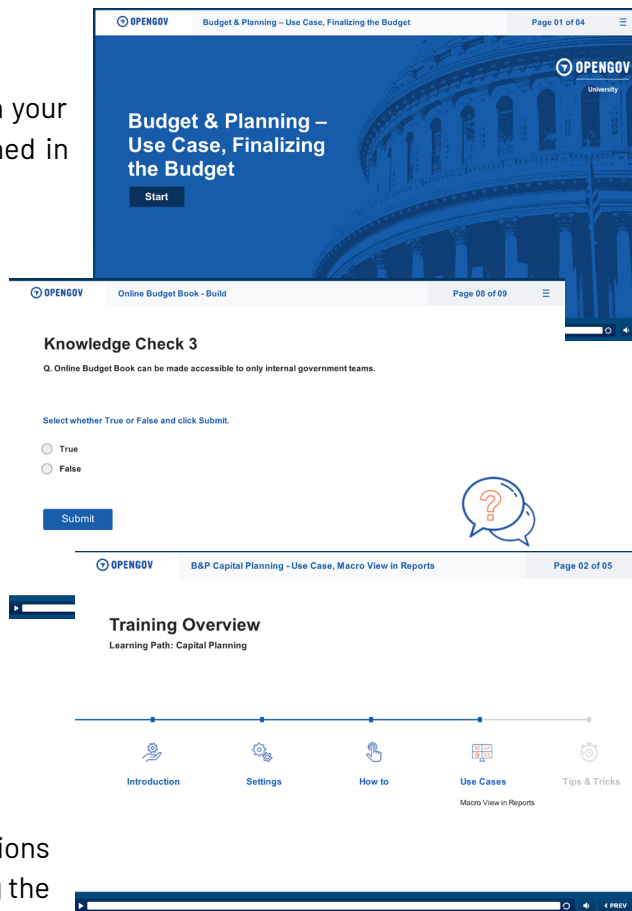
Training Workshops

Access our recurring, virtual training series on product best practices.



Live Training Events

Join OpenGov's hybrid or live trainings around the country.



Benefits of OpenGov University

Maximize your investment

Save time by accelerating your team's knowledge and confidence to apply the software and best practices to your government.

Successful Change Management

Shorten the time for a new team member to provide value to your department.

Empower your teams

Develop confidence in working with OpenGov by understanding how to use our tools to best improve your team's effectiveness.

Training that grows with you

Ensure that new employees have easily accessible training as both your team grows and as your future-proof technology investment evolves.

Available on your schedule

On-demand training when you need it, to help get the entire team on the same page.

Deliver modern software to your government

Leading governments are deploying modern software to improve their process, reduce their costs and deliver more to their communities.



"I understand so much more about what we can do with the system after completing the OpenGov University classes, I am just so excited about the ways we are using all the features this year."

Amelia Cruver
Budget Director | City of Minneapolis, MN

Partnership Investment Summary

OpenGov’s pricing model consists of a fixed fee annual subscription for the associated software and professional services components. Our Professional Services cost includes all phases of implementation: Initiation, Best Practices, Configuration, Validation, Deployment, and Project Completion. **OpenGov offers an unlimited user, unlimited usage pricing model, meaning customers are not limited to the number of users, logins, dashboards, reports or usage of data.** Rather, we charge an annually recurring subscription fee to encourage our customers to utilize the platform, increase adoption throughout their organization, get valuable unlimited usage, and have a predictable annual cost.

Products & Services	Description
Procurement Suite Unlimited Users	<p>Solicitation Development: RFx & Bid Management, Workflow Automation, Template & Scope Library</p> <p>Supplier Engagement: Supplier Self-Service, Guided Bidding, Social Engagement</p> <p>Evaluations & Awards: Multi-Phased Evaluations, Line Item Awarding, Lowest Responsive</p> <p>Contract Management: Spend Tracking, Searchable Repository, Contract Development</p>
Software Implementation	Deployment of Software Services, including project management, implementation, configuration, testing, report development, interface development, and go-live.
Premium Support	OpenGov Premium Support provides customers a level of support above and beyond our Standard Support. Premium Support Customers receive increased response times and a designated OpenGov contact.
OpenGov University (OGU)	Training from OpenGov experts, OpenGov Resource Center, self-paced learning modules, training workshops, live training events.

OpenGov Proposal for Valley Sanitary District			
Subscription Year	Software	Professional Services	Total
1	\$14,846	\$14,060	\$28,906
2	\$15,588		\$15,588
3	\$16,367		\$16,367
4	\$17,186		\$17,186
5	\$18,045		\$18,045

Please note that the Professional Services cost includes project management, implementation, configuration, testing, data migration, report development, interface development, and go-live. Deployment pricing is subject to change based on the opportunity for OpenGov to scope Customer's full solution needs.

Implementation services pricing is subject to change based on the opportunity for OpenGov to scope your full solution needs.

**Discount of ~10% if multiple years paid up front*

All OpenGov contracts include an Annual Software Maintenance Price Adjustment. OpenGov shall increase the Fees payable for the Software Services during any Renewal Term by 5% each year of the Renewal Term.

**In Person Training is available at an additional cost.*