

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

September 13, 2016

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held at the District offices, 45-500 Van Buren Street, Indio, California, on Tuesday, September 13, 2016.

CALL TO ORDER, ROLL CALL

1. PRESIDENT YORK called the meeting to order at 1:35 p.m. Those in attendance were as follows:

DIRECTORS PRESENT: Douglas A. York, Mike Duran, Merritt Wiseman, Eric Davenport, and William Teague

DIRECTORS ABSENT: None

STAFF PRESENT: Joseph Glowitz, General Manager, Holly Gould, Ron Buchwald, and Scott Graham

GUESTS: None

CONSENT ITEMS

a. Consideration of the August 23, 2016 Regular Board Meeting Minutes

b. Approval of Expenditures for August 18, 2016 to September 7, 2016

Check numbers 34204 to 34252 totaling \$189,484.88 and a transfer of \$730,835.48 were issued, as well as \$84,786.54 in payroll transfers.

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to approve the minutes for the Regular Board Meeting held August 23, 2016, and to pay the disbursement items as presented. DIRECTOR DURAN seconded the motion. Motions carried by the following vote: 5 yes

MINUTE ORDER NO. 2016-2586

PUBLIC COMMENTS

There were no public comments or correspondence items to present to the Board.

EMPLOYEE PRESENTATION

2. Presentation of Employee Anniversary Pin
➤ Scott Graham – 26 years

The Board presented Scott with his anniversary pin and thanked him for his contribution and years of service to the District.

NON-HEARING ITEMS

3. Requa Interceptor Project Number 4

Work is continuing west. Most of the work within the Mulligan Dog Park has been completed, except the replacement of the turf, trees and some fence. This work should be completed by the week of September 12, 2016. The work will continue onto Citrus Avenue before heading towards the Golf Center Parkway Bridge. The bore and jack underneath the UPRR railroad is also complete. The pipeline has been installed within the casing pipe and air tested. Mr. Buchwald briefed the Board on Change Order No. 3 for additional potholing, realignment of two manholes, removal of a manhole in the dog park for a credit, and damage to an unmarked water line. The total amount of Change Order No. 3 is \$124,704.07. DCI, Inc. submitted a progress payment request for work completed to date.

ACTION TAKEN:

MOTION:

DIRECTOR DURAN made a motion to approve a progress payment to DCI, Inc. for \$678,378.84 and \$67,837.88 to be placed in a retention account and to approve Change Order No.3 for \$124,704.07. DIRECTOR TEAGUE seconded the motion. Motion carried by the following roll call vote:

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York
NOES: None
ABSENT: None
ABSTAIN: None

MINUTE ORDER NO. 2016-2587

4. Requa Interceptor Project – Additional Environmental Services

It has been recommended by the State Historic Preservation Office to monitor a much larger portion of the Requa alignment due to the potential occurrence of cultural findings within undisturbed sediments. There are several areas of undisturbed sediments along the eastern third of the Requa alignment. Birdseye Planning Group has prepared a quote for a not to exceed total of \$74,000 for the additional work.

ACTION TAKEN:

MOTION:

DIRECTOR TEAGUE made a motion to authorize the General Manager to execute an addendum to the Requa Interceptor Contract with Birdseye Planning Group for a not to exceed amount of \$74,000. DIRECTOR DURAN seconded the motion. Motion carried by the following roll call vote:

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York
NOES: None
ABSENT: None
ABSTAIN: None

MINUTE ORDER NO. 2016-2588

5. Temporary Increase of the General Manager's Spending Authority

Due to the linear nature of the Requa Interceptor Project it is recommended to increase the General Manager's spending authority from \$15,000 to \$50,000 for this Project, to avoid halting construction.

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to approve the temporary increase of the General Manager's spending authority to \$50,000 to facilitate the construction of the Requa Interceptor Sewer Project. DIRECTOR DAVENPORT seconded the motion. Motion carried by the following roll call vote:

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York
NOES: None
ABSENT: None
ABSTAIN: None

MINUTE ORDER NO. 2016-2589

6. Purchase Additional Asset Management User Licenses and Support

Due to an increase in staff it is recommended to purchase additional asset management licenses and support from Lucity, Inc.

ACTION TAKEN:

MOTION: DIRECTOR DAVENPORT made a motion to authorize the General Manager to purchase additional asset management licenses and support from Lucity, Inc. for \$12,625. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York
NOES: None
ABSENT: None
ABSTAIN: None

MINUTE ORDER NO. 2016-2590

7. Authorization to Purchase Two Encore Pumps and Two Pump Controllers

The District budgeted to replace both sodium bisulfite metering pumps this fiscal year. The pumps are used to control the dosage of sodium bisulfite into the effluent. The Encore pumping system is approximately 15 years old and was retrofitted to the new bisulfite system. This system has proven to be very reliable. This is sole source procurement from D & H Water Systems for a cost of \$19,728.56.

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to authorize the purchase of two (2) Encore pumps and two (2) pump controllers for a total cost of \$19,728.56. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York
NOES: None
ABSENT: None
ABSTAIN: None

MINUTE ORDER NO. 2016-2591

8. Requa Interceptor Project Request for Reimbursement

The Installment Sale Agreement was executed by the District on August 9, 2016 to finance the cost of the Requa Interceptor from the proceeds of a loan from the Clean Water State Revolving Fund (SRF). The eligible start date is May 31, 2016. The Final Budget Approval (FBA) will take place in about eight (8) weeks. Once the FBA is approved, VSD can request reimbursement of construction costs. Prior to that, we can only request reimbursement of Planning and Design costs up to the amount specified in the initial agreement (\$609,000). This is an informational item only.

9. CalPERS Health Insurance Options

The District contracts with the California Public Employees Retirement System (CalPERS) for the purpose of providing employees with medical insurance benefits. Last year the District implemented a new policy whereby the District chose a middle priced HMO plan and paid 100% for any employee who chose that plan or a less expensive plan. If an employee chose a higher priced plan, the employee paid the difference. For the 2017 calendar year, the rates for the middle priced HMO plan have increased almost 19% over calendar year 2016. Going forward, the District would like to set a formula in place to compensate for increased (or decreased) insurance premiums. It is recommended to adopt option two to add the percentage of increase in all plans offered by CalPERS and divide by number of plans. This percentage is 5.18% for 2017. VSD could offer 4 of the current 20 employees who subscribe to CalPERS health insurance to keep their current plan without any added expense. This plan will increase the District contribution by approximately \$13,461.48 annually if all employees remain in their current plan.

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to adopt Option 2 for the CalPERS medical insurance coverage and put a formula in place to compensate for increases and decreases in insurance premiums going forward. DIRECTOR DAVENPORT seconded the motion. Motion carried by the following roll call vote:

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York
NOES: None
ABSENT: None
ABSTAIN: None

MINUTE ORDER NO. 2016-2592

10. Recommendation of Subcommittee on Federal Representation by Advocate

DIRECTOR TEAGUE and DIRECTOR WISEMAN reviewed the proposals for Federal Advocacy Services. They have recommended bringing the Innovative Federal Strategies proposal to the Board for approval. This is an informational item only.

11. General Manager's Report

The auditors are finishing up the Districts annual audit and work for the CAFR will begin soon. Construction going through the dog park for the Requa Project is complete, and now continues on to Citrus Avenue. Construction for the Solar Project will be completed by the end of September. A dedication ceremony for the Solar Project will take place on October 19, 2016.

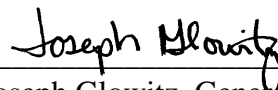
DIRECTOR'S ITEMS

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

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:48 p.m., and the next Regular Board Meeting will be held September 27, 2016.

Respectfully submitted,



Joseph Glowitz, General Manager
Valley Sanitary District