

**VALLEY SANITARY DISTRICT  
MINUTES OF REGULAR BOARD MEETING  
March 27, 2018**

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, March 27, 2018.

**CALL TO ORDER, ROLL CALL**

1. VICE PRESIDENT DURAN called the meeting to order at 1:00 p.m. Those in attendance were as follows:

DIRECTORS PRESENT: Mike Duran, Merritt Wiseman, William Teague (via telephone), and Dennis Coleman

DIRECTORS ABSENT: Douglas A. York

STAFF PRESENT: Joseph Glowitz, General Manager, Holly Gould, and Joanne Padgham

GUESTS: None

**CONSENT ITEMS**

- a. Consideration of the March 13, 2018 Regular Board Meeting Minutes
- b. Approval of Summary of Cash & Investments for February, 2018
- c. Approval of Expenditures for March 8, 2018 to March 21, 2018

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Check numbers 35987 to 36035 totaling \$129,342.38 and payroll & EFT transfers of \$121,740.95 were issued. DIRECTOR TEAGUE abstained from the vote.

**ACTION TAKEN:**

**MOTION:** DIRECTOR COLEMAN made a motion to approve the minutes for the Regular Board Meeting held March 13, 2018, to approve the Summary of Cash & Investments for February, 2018 and to pay the disbursement items as presented. DIRECTOR WISEMAN seconded the motion. Motion carried by the following vote: 3 yes

**MINUTE ORDER NO. 2018-2765**

**PUBLIC COMMENTS**

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

**NON-HEARING ITEMS**

2. Carport and Shade Structure Project Pay Application (Retention Payment) to NR Development, Inc.

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This retention payment has been delayed for a couple of months due to a disagreement between NR Development and one of their subcontractors, Facility Makers. Facility Makers performed poorly on this

project and NR Development had to fix many of their errors. NR Development would not make any further payment to Facility Makers to cover the cost of the repairs Facility Makers caused. Facility Makers filed a Stop Payment Notice to prevent the release of the retention to NR Development. However, VSD's legal counsel found that Facility Makers filed the Stop Payment Notice beyond the statutory limit of the Notice of Completion and therefore is untimely and should not be considered. The Stop Payment Notice was returned to Facility Makers with a VSD letter providing an explanation of the untimely notice (letter attached for review) per legal counsel's recommendation. VSD has not received any response from Facility Makers at this time. Facility Makers did submit a Preliminary Notice early in the project. Due to their disagreement, NR Development is unable to get a release of the Preliminary Notice. NR Development was able to provide releases for the remaining Preliminary Notices and one other Stop Payment Notice.

**ACTION TAKEN:**

**MOTION:** DIRECTOR WISEMAN made a motion to approve Pay Application No. 4 (retention payment) to NR Development, Inc. in the amount of \$21,376.56. DIRECTOR COLEMAN seconded the motion. Motion carried by the following roll call vote:

**MINUTE ORDER NO. 2018-2766**

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

3. Payoff of CalPERS Unfunded Accrued Liability (UAL)

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Joanne Padgham presented the Board with information regarding the Unfunded Accrued Liability (UAL) portion of the California Public Employees' Retirement System (CalPERS) Miscellaneous Plan. CalPERS is eliminating the 30 year plan that the District is currently on. Several options of payment will reduce or eliminate the portion of the Employer's Contribution Rate attributable to the amortization of the UAL. The payoff balance as of June 30, 2018 is approximately \$2,820,718. Staff was directed to explore the 5 year plan further and bring the information back to the Board at a future meeting. DIRECTOR TEAGUE abstained from the vote.

**ACTION TAKEN:**

**MOTION:** DIRECTOR WISEMAN made a motion to have staff return with more information regarding the 5 year plan at a future meeting. DIRECTOR COLEMAN seconded the motion. Motion carried by the following vote: 3 yes

**MINUTE ORDER NO. 2018-2767**

4. Discussion of Reclaimed Water Project

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MR. GLOWITZ presented the Board with an update of the Reclaimed Water Project and provided financial information. A discussion took place on how to proceed with the East Valley Reclamation Authority JPA and the different options available for reclamation.

5. General Manager's Report

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MR. GLOWITZ informed the Board that three (3) of the solar panels stolen from Valley Sanitary District were recovered with the help of the Sheriff's Department. The budget process continues. The budget study session is

scheduled for the April 10, 2018 Board Meeting. California Water Environmental Association selected the Requa Interceptor Project as the first place recipient of the Engineering and Research – Engineering Achievement Award and Andy Calhoun as the third place recipient of the Maintenance Technician Award. MR. GLOWITZ distributed the Innovated Federal Strategies update.

**DIRECTORS' ITEMS**

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

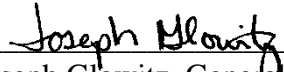
**INFORMATIONAL ITEMS**

The Board received and acknowledged the copy of the Combined Monthly Account Summary for expenses incurred by the District in February, 2018.

**ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 2:17 p.m., and the next Regular Board Meeting will be held April 10, 2018.

Respectfully submitted,

  
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Joseph Glowitz, General Manager  
Valley Sanitary District