

**VALLEY SANITARY DISTRICT  
MINUTES OF REGULAR BOARD MEETING  
February 9, 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, February 9, 2016.

**CALL TO ORDER, ROLL CALL**

1. PRESIDENT YORK called the meeting to order at 1:02 p.m. Those in attendance were as follows:  
  
DIRECTORS PRESENT: Douglas A. York, Mike Duran, Merritt Wiseman, William Teague, and Eric Davenport  
  
DIRECTORS ABSENT: None  
  
STAFF PRESENT: Joseph Glowitz, General Manager, Holly Gould, Joanne Padgham, Tito Moreno, Kenny Kepley, Paul Kemp and Brian Sprueill  
  
GUESTS: None

**MINUTES**

2. Consideration of the January 26, 2016 Regular Board Meeting Minutes
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**ACTION TAKEN:**

**MOTION:** DIRECTOR DURAN made a motion to approve the minutes for the Regular Board Meeting held January 26, 2016. DIRECTOR TEAGUE seconded the motion. Motion carried by the following vote: 5 yes

**MINUTE ORDER NO. 2016-2499**

**PUBLIC COMMENTS**

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

**EMPLOYEE PRESENTATION**

3. Presentation of Employee Anniversary Pins
  - Tito Moreno – 11 years
  - Kenny Kepley – 10 years
  - Paul Kemp – 6 years
  - Brian Sprueill – 4 years

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The Board presented Tito, Kenny, Paul and Brian with their anniversary pins and thanked them for their contribution and years of service to the District.

**ADJOURN TO CLOSED SESSION**

4. Employment and Personnel-Related Matters Relating to Discipline, Dismissal or Release of a Public Employee. Pursuant to Government Code Section 54957 (b)
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The Board adjourned to closed session at 1:05 p.m.

**RECONVENE TO OPEN SESSION**

The Board reconvened to open session at 1:35 p.m. PRESIDENT YORK stated that the Board gave the General Manager direction after hearing the recommendations.

**NON-HEARING ITEMS**

5. District Re-Alignment and Succession Plan
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As the District continues to evolve, it is recommended that a re-alignment and re-structuring of the organization take place to allow for continued growth, prosperity and success of the District. The organization will be realigned based on business need and will be undertaken as employees retire, or transition to other opportunities. The final organization will be included in the District's draft budget on April 12, 2016.

6. Proposed Rate Increase and Proposition 218 Notice
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It is recommended that the Board of Directors approve the publishing of the notice for the proposed rate increase of either: OPTION 1: \$313 per Equivalent Dwelling Unit (EDU) or OPTION 2: \$300 per Equivalent Dwelling Unit (EDU) and authorize staff to mail the Proposition 218 Notice for an estimated total cost of \$13,733. DIRECTOR DURAN made a motion to publish the Proposition 218 at the \$313 per EDU rate.

**ACTION TAKEN:**

**MOTION:** DIRECTOR DURAN made a motion to approve the publishing of the Proposition 218 notice at the \$313 per Equivalent Dwelling Unit (EDU) rate and authorize staff to mail the Proposition 218 notice for an estimated cost of \$13,733. 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. 2016-2500**

7. Set Public Hearing Date to Adopt Increase in Sewer Use Fees
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In accordance with California Proposition 218, notice is to be sent to the record owners and/or tenants via U.S. Mail at least 45 days before the Public Hearing in order to consider an increase to the Sewer Use rate. Additionally, notice of the Public Hearing will be advertised in the Desert Sun, a newspaper of general circulation, on February 21 and February 28, 2016.

**ACTION TAKEN:**

**MOTION:**

DIRECTOR TEAGUE made a motion to set a public hearing date of April 12, 2016 to consider the increase in the Sewer Use Fee for Fiscal Year 2016/2017 and approve the Public Hearing Notice for publishing in the Desert Sun. 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. 2016-2501**

8. Resolution Pledging Revenues and Funds for the Planning, Design, and Construction of the Requa Interceptor Project

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The Board adopted Resolution No. 2015-1081 on November 23, 2015 approving the District’s intent to dedicate and pledge from the Capital Replacement Reserve Fund – Fund 12 and the Capital Improvement Reserve Fund – Fund 13 as payment of any and all SRF loan financing. According to the SRF, the dedicated and pledged source for security must be a “revenue” fund and not a reserve fund. As with the Wastewater Revenue Refunding Bonds, Series 2015, which are secured with “Net Revenues,” SRF wants the same to be on parity with the existing bonds. Resolution No. 2016-1083 rescinds Resolution No. 2015-1081.

**ACTION TAKEN:**

**MOTION:**

DIRECTOR WISEMAN made a motion to adopt Resolution No. 2016-1083 approving the District’s intent to dedicate and pledge from the “Net Revenues” received from the operation of the Wastewater System as payment of any and all Clean Water State Revolving Fund (SRF) loan financing for the planning, design, and construction of the Requa Interceptor 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

**RESOLUTION NO. 2016-1083**

9. Manager’s Notes

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MR. GLOWITZ passed out a capital projects information sheets and updated the Board on current and upcoming projects. He also handed out the unaudited bid results for the Requa Interceptor Project. The bids are currently under evaluation. MR. GLOWITZ informed the Board of the drought penalty we are currently being charged from Indio Water Authority and stated he will be investigating how the penalty was calculated.

**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.*

PRESIDENT YORK informed the Board that the District won 5 awards at the CORBS Banquet on February 4, 2016. On behalf of the Board of Directors, DIRECTOR TEAGUE offered his condolences to Steve Shepard and his family on the passing of his father.

**CONSENT ITEMS**

10. Approval of Expenditures for January 21, 2016 to February 2, 2016

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Check numbers 33594 to 33598 totaling \$96,962.34 and a transfer of \$181,054.50 were issued. Payroll transfers of \$86,810.37 were also issued.

**ACTION TAKEN:**

**MOTION:**

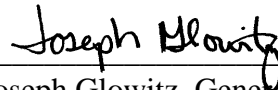
DIRECTOR WISEMAN made a motion to pay the disbursement items as presented. DIRECTOR TEAGUE seconded the motion. The motion carried by the following vote: 5 yes

**MINUTE ORDER NO. 2016-2502**

**ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 2:26 p.m., and the next Regular Board Meeting will be held February 23, 2016.

Respectfully submitted,



Joseph Glowitz, General Manager  
Valley Sanitary District