

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
June 10, 2014**

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, June 10, 2014.

CALL TO ORDER, ROLL CALL

1. PRESIDENT YORK called the meeting to order at 12:30 p.m. Those in attendance were as follows:

DIRECTORS PRESENT: Douglas A. York, Merritt Wiseman, Richard Friestad, Mike Duran, and William Teague

DIRECTORS ABSENT: None

STAFF PRESENT: Joseph Glowitz, General Manager, Holly Gould, Ron Buchwald, Joanne Padgham, Andy Boyd, and Ian Wilson

GUESTS: None

MINUTES

2. Consideration of the May 27, 2014 Regular Board Meeting Minutes

PRESIDENT YORK abstained from the vote due to his absence at the May 27, 2014 board meeting.

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to approve the minutes for the Regular Board Meeting held May 27, 2014. DIRECTOR TEAGUE seconded the motion. Motion carried by the following vote: 4 yes

MINUTE ORDER NO. 2014-2291

PUBLIC COMMENTS

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

EMPLOYEE PRESENTATION

3. Presentation of Employee Anniversary Pins
 - Ian Wilson – 11 years
 - Andy Boyd – 5 years

The Board of Directors presented Ian and Andy with their anniversary pins and thanked them for their contribution and years of service to the District.

NON-HEARING ITEMS

4. Consideration of Budget Carryovers for Fiscal Year 2014/2015

Due to many projects that were started in Fiscal Year 2013/2014 that will be completed in Fiscal Year 2014/2015 it is recommended that \$799,000 be carried over to the Fiscal Year 2014/2015 Budget.

MR. GLOWITZ reported that the Sewer Rate Study was inadvertently left off the carry over list and will be brought back before the board at the next meeting.

ACTION TAKEN:

MOTION:

DIRECTOR TEAGUE made a motion to approve the list of Budget Carryovers from Fiscal Year 2013/2014 to Fiscal Year 2014/2015. DIRECTOR FRIESTAD seconded the motion. The motion carried by the following vote: 5 yes

MINUTE ORDER NO. 2014-2292

PUBLIC HEARING

5. Public Hearing to adopt the Fiscal Year 2014/2015 Operations & Maintenance Budget and Capital Improvement Program, Fees and Charges Resolutions, and a Resolution Establishing the Appropriations Limit Pursuant to Government Code Section 6062a.

- A. General Notice and Call**
- B. President Announces Public Hearing Procedures**
- C. General Manager's Report**
- D. President Declares Public Hearing Open**
- E. Public Comments**
- F. President Declares Public Hearing Closed**
- G. Board Discussion**
- H. Consideration of Resolution**

PRESIDENT YORK asked MR. GLOWITZ to give a brief summary of the actions leading up to the Public Hearing. MR. GLOWITZ stated that a notice of the hearing was published in the Desert Sun newspaper on April 13, 2014 and April 20, 2014. PRESIDENT YORK declared the public hearing open at 12:38 p.m. after giving the procedures to be followed by any public testimony. MR. GLOWITZ explained that there were four resolutions to be addressed. He also stated that there were a few minor changes made to the draft budget. Since the budget study session the non-operating revenue, unemployment insurance, and contract services was increased, and the operating supplies, comprehensive insurance and general facilities was decreased. He reported that it is a balanced budget without an increase to either connection capacity fees or sewer use fees. Desert Valley Builder's Association was informed that connection capacity fees will not be increasing this year. PRESIDENT YORK declared the public hearing closed at 1:31 p.m.

5.A Consideration of Resolution Amending Fees and Charges for District Services

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING FEES AND CHARGES FOR DISTRICT SERVICES”

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to adopt Resolution No. 2014-1051 Amending Fees and Charges for District Services. DIRECTOR DURAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2014-1051

5B. Consideration of Resolution Establishing and Adopting the Operations & Maintenance Budget and Capital Improvement Program for the Fiscal Year 2014/2015

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ADOPTING THE OPERATIONS & MAINTENACNE BUDGET AND CAPITAL IMPROVEMENT PROGRAM FOR THE FISCAL YEAR 2014/2015”

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to adopt Resolution No. 2014-1052 Adopting the Operations & Maintenance Budget and Capital Improvement Program for the Fiscal Year 2014/2015. DIRECTOR DURAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2014-1052

5C. Consideration of Resolution Establishing the Annual Appropriations Limit for Fiscal Year 2014/2015

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2014/2015”

ACTION TAKEN:

MOTION: DIRECTOR FRIESTAD made a motion to adopt Resolution No. 2014-1053 Establishing the Annual Appropriations Limit for Fiscal Year 2014/2015. DIRECTOR DURAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2014-1053

5D. Consideration of Resolution Establishing Rates for Sewer Use

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING RATES FOR SEWER USE”

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to adopt Resolution No. 2014-1054 Establishing Rates for Sewer Use. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2014-1054

NON-HEARING ITEMS

6. Consideration of Resolution Designating the Percentage of Member Contributions that the District will pay for CalPERS Retirement Benefits.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT DESIGNATING THE PERCENTAGE OF MEMBER CONTRIBUTIONS THAT THE DISTRICT WILL PAY FOR CALPERS RETIREMENT BENEFITS”

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to adopt Resolution No. 2014-1055 Designating the Percentage of Member Contributions that the District will pay for CalPERS Retirement Benefits. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2014-1055

7. Consideration of Resolution Amending the Compensation Plan for Fiscal Year 2014/2015

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING THE COMPENSATION PLAN FOR FISCAL YEAR 2014/2015”

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to adopt Resolution No. 2014-1056 Amending the Compensation Plan for Fiscal Year 2014/2015. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2014-1056

8. Approval of Blanket Purchase Order Accounts for Fiscal Year 2014/2015

District staff has reviewed the purchases for the past fiscal year and the expenditures outlined within the Operations & Maintenance Budget for 2014/2015 and was able to identify \$2,105,550 of purchases which are done within the normal course of business as exempt goods and services. The current District purchasing policy no. 5.55 qualifies many of the vendors as exempt from approval and subject to a blanket purchase order as the purchasing mechanism.

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to approve the proposed requests for blanket purchase orders as submitted. DIRECTOR WISEMAN seconded the motion. Motion carried by the following vote: 5 yes

MINUTE ORDER NO. 2014-2292

9. Approval of New Accounts Receivable Module Purchase from Blackbaud Systems

A new module is required to automate and integrate the invoicing and cash receipts function into the District's existing accounting system, Financial Edge. The new module will improve performance as well as handle our invoicing and receipts from direct bills. It will also increase transparency, reduce cash handling risk and fraud, and provide a traceable audit trail.

ACTION TAKEN:

MOTION: DIRECTOR WISEMAN made a motion to authorize the purchase of a new Accounts Receivable module from Blackbaud, and authorize the General Manager to execute an agreement in the amount not to exceed \$5,901.10 for the purchase of software, consulting services and maintenance. DIRECTOR FRIESTAD seconded the motion. Motion carried by the following vote: 5 yes

MINUTE ORDER NO. 2014-2293

10. Set a Public Hearing Date for July 22, 2014 – Determining Certain Accounts to be Delinquent and Directing the Placement of these Accounts on the Property Tax Rolls for Collection.

Annually District staff reviews the outstanding invoices of all properties that have not paid their invoices for various fees. In order to collect the unpaid charges and to ensure adequate procedural due process is provided, a Public Hearing date is required and notice is sent to each specific property and posted on the district website. At the Public hearing the Board of Directors will be asked to adopt a resolution allowing the delinquent invoices to be placed on the property tax roll for collection.

ACTION TAKEN:

MOTION:

DIRECTOR TEAGUE made a motion to set a public hearing date for July 22, 2014 to consider placing delinquent service charges on the county tax rolls. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 5 yes

MINUTE ORDER NO. 2014-2294

11. Manager's Notes

MR. GLOWITZ reported that the District is awaiting the final response from the Coachella Valley Integrated Water Regional Working on the terms of its membership. He also stated that there are several projects in the administration department that are either underway or will begin soon. MR. GLOWITZ mentioned that the District has been in contact with CalPERS regarding paying off its pension liability side fund.

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.

CONSENT ITEMS

12. Approval of Expenditures for May 22, 2014 to June 4, 2014.

Check numbers 31398 to 31437 totaling \$110,528.43 were issued. Payroll checks numbers 8740 to 8746 totaling \$4,633.06 and payroll transfers of \$70,661.90 were also issued.

ACTION TAKEN:

MOTION:

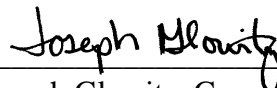
DIRECTOR WISEMAN made a motion to pay the disbursement items as presented. DIRECTOR TEAGUE seconded the motion. The motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2014-2295

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:15 p.m., and the next Regular Board Meeting will be held June 24, 2014.

Respectfully submitted,



Joseph Glowitz, General Manager
Valley Sanitary District