

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

June 13, 2017

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 13, 2017.

CALL TO ORDER, ROLL CALL

1. PRESIDENT YORK called the meeting to order at 1:00 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, Joanne Padgham, Karen Hopper, and Ron Buchwald
- GUESTS: None

CONSENT ITEMS

- a. Consideration of the May 23, 2017 Regular Board Meeting Minutes
- b. Approval of Expenditures for May 18, 2017 to June 7, 2017

Check numbers 35025 to 35094 totaling \$407,492.75 and a transfer of \$418,478.06 were issued, as well as \$180,190.94 in payroll transfers.

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to approve the minutes for the Regular Board Meeting held May 23, 2017, and to pay the disbursement items as presented. DIRECTOR DAVENPORT seconded the motion. Motions carried by the following vote: 5 yes

MINUTE ORDER NO. 2017-2676

PUBLIC COMMENTS

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

NON-HEARING ITEMS

2. Consideration of Budget Carryovers

The District has many projects that were started in fiscal year 2016/2017 that will be completed in fiscal year 2017/2018. The estimated amount to be carried over to fiscal year 2017/2018 is \$2,093,900.

ACTION TAKEN:

MOTION: DIRECTOR DAVENPORT made a motion to authorize the attached list of Budget Carryovers from fiscal year 2016/2017 to fiscal year 2017/2018.

DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

MINUTE ORDER NO. 2017-2677

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

PUBLIC HEARING

3. Public Hearing to adopt the Fiscal Year 2017/2018 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 30, 2017 and May 14, 2017. PRESIDENT YORK declared the public hearing open at 1:16 p.m. after giving the procedures to be followed by any public testimony. MR. GLOWITZ explained that there were five resolutions to be addressed, and that there was no written communication by the public. The following changes have been made to the draft budget; decreased Comprehensive Insurance by \$5,500, increased General Facilities-Fund 11 by \$20,000, decreased General Facilities-Fund 11 by \$20,000, increased Operations-Fund 12 by \$20,000, and increased Engineering & Maintenance-Fund 12 by \$32,000. Due to the above changes, General Fund 11 has been decreased by \$5,500, while Capital Replacement Fund 12 has been increased by \$52,000. PRESIDENT YORK declared the public hearing closed at 1:18 p.m.

3A. Consideration of Resolution Establishing Rates for Sewer Use for Fiscal Year 2017/2018

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

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to adopt Resolution No. 2017-1092. DIRECTOR TEAGUE seconded the motion. Motion carried by the following roll call vote:

RESOLUTION NO. 2017-1092

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

ABSENT: None

ABSTAIN: None

- 3B. Consideration of Resolution Establishing Rates and Adopting the Operations & Maintenance Budget and Capital Improvement Program for the Fiscal Year 2017/2018

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING AND ADOPTING THE OPERATIONS & MAINTENANCE BUDGET AND CAPITAL IMPROVEMENT PROGRAM FOR THE FISCAL YEAR 2017/2018”

ACTION TAKEN:

MOTION:

DIRECTOR DAVENPORT made a motion to adopt Resolution No. 2017-1093. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

RESOLUTION NO. 2017-1093

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York

NOES: None

ABSENT: None

ABSTAIN: None

- 3C. Consideration of Resolution Amending Fees and Charges for District Services for Fiscal Year 2017/2018

“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. 2017-1094. DIRECTOR DAVENPORT seconded the motion. Motion carried by the following roll call vote:

RESOLUTION NO. 2017-1094

AYES: Director(s) Davenport, Duran, Teague, Wiseman, York

NOES: None

ABSENT: None

ABSTAIN: None

- 3D. Consideration of Resolution Amending the Compensation Plan for Fiscal Year 2017/2018

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING THE EMPLOYEE COMPENSATION PLAN FOR FISCAL YEAR 2017/2018”

ACTION TAKEN:

MOTION:

DIRECTOR DURAN made a motion to adopt Resolution No. 2017-1095. DIRECTOR DAVENPORT seconded the motion. Motion carried by the following roll call vote:

RESOLUTION NO. 2017-1095

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

3E. Consideration of Resolution Establishing the Annual Appropriations Limit for Fiscal Year 2017/2018

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2017/2018”

ACTION TAKEN:

MOTION: DIRECTOR DAVENPORT made a motion to adopt Resolution No. 2017-1092.
DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

RESOLUTION NO. 2017-1096

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

NON-HEARING ITEMS

4. Requa Interceptor Project Report Number 13

Construction is now complete from the VSD plant to the intersection of Shadow Palms Avenue and Aladdin Street including final paving and striping. Sewer main installation is complete on Aladdin Street just north of Avenue 46 as well as a portion within Madison Street. Sewage flows have now been intercepted at all interties along this same reach except the Monroe Street intertie. Construction began on May 3, 2017, just south of Mary Lane on Madison Street. Construction work should be complete across Highway 111 by June 13, 2017. Starting June 5, 2017, the construction crew switched to night work due to the high traffic volumes north of and across Highway 111. Several utilities including water mains, high pressure gas mains, fiber optic conduits and loose sandy soils have slowed the progress of construction. On May 23, 2017, the State Water Board visited Golden State Labor Compliance, the consultant helping us with federal and state labor compliance issues, to perform an audit on the Requa Interceptor project. On May 24, the State Water Board visited VSD’s office to perform an audit on the American Iron and Steel regulations, signs, labor compliance posters and a site visit. The State Water Board staff stated that they were pleased with their findings at both the Golden State Labor Compliance office and the visit here. They were also satisfied with the direction VSD is taking with the replacement of manhole frames and covers. The State Water Board will present a letter report of their findings to VSD in the near future. Change Order No. 11 contains PCO numbers 83 thru 86 for an amount of \$38,038.47. PCO 27, in the amount of \$202,874.93, is a potential change order that is required due to the change in the Requa Interceptor alignment along Avenue 46 east and west of the All American Canal. The change in alignment is required due to the finding of fiber optic conduits belonging to Frontier (formerly Verizon). DCI, Inc. submitted a progress payment request for work completed to date.

ACTION TAKEN:

MOTION:

DIRECTOR TEAGUE made a motion to approve a progress payment to DCI, Inc. in the amount of \$379,299.53 and \$19,963.14 to be placed in a retention account, to approve Change Order No.11 for \$38,038.47 and Potential Change Order 27 for \$202,874.93. DIRECTOR DURAN seconded the motion. Motion carried by the following roll call vote:

MINUTE ORDER NO. 2017-2678

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

5. Approval of Blanket Purchase Orders by Vendor

District staff has reviewed the purchases for the past fiscal year and the expenditures outlined within the Operations & Maintenance Budget for 2017/2018. Staff was able to identify \$2,053,195 of purchases which are done within the normal course of business as exempt goods and services. The current District purchasing policy no. 5.55 adopted March 26, 2013 qualifies many of the vendors as exempt from approval and subject to a blanket purchase order as the purchasing mechanism.

ACTION TAKEN:

MOTION:

DIRECTOR WISEMAN made a motion to approve the proposed request for blanket purchase orders as submitted. 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. 2017-2679

6. Award of Contract – Wrought Iron Wall Topper Project to Tremblay Iron Works

Staff is working on the design of the next phase of the new fence extension along the north and east sides of the District's property. This is the most likely access point for thieves and vandals to enter the property. As part of the block wall project, a wall topper will be constructed along the top of the wall to further deter entry to District Property. This is the initial phase of an upgraded anti-climb, anti-cut fence, improved lighting, and extension of the closed circuit television systems. In order to expedite this project, Staff solicited a quote from a known vendor that previously provided the wrought iron fence at the front of our property. The quote from Tremblay Iron Works is attached for review.

ACTION TAKEN:

MOTION:

DIRECTOR DAVENPORT made a motion to award the Wrought Iron Wall Topper Project to Tremblay Iron Works and authorize the General Manager to execute a construction contract not to exceed \$53,845. 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. 2017-2680

7. Set a Public Hearing Date for July 25, 2017 – 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. At this time, there are no delinquencies. The Board took this time to recognize Karen Hopper for her outstanding efforts. Mr. Glowitz also thanked the Administration & Finance Department for their hard work.

ACTION TAKEN:

MOTION:

DIRECTOR WISEMAN made a motion to set a public hearing date for July 25, 2017 to consider placing delinquent service charges on the county tax rolls. 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. 2017-2681

8. General Manager's Report

Joanne Padgham gave an update on the election calendar for the November 7, 2017 election. Mr. Glowitz stated that the Shade Structure and Carport Project is moving forward and work should start soon. The Block Wall Project is progressing nicely. The District got concurrence from the EPA to abandon in place the Wetlands System.

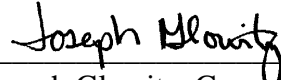
DIRECTOR'S ITEMS

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 2:07 p.m., and the next Regular Board Meeting will be held June 27, 2017.

Respectfully submitted,

A handwritten signature in black ink that reads "Joseph Glowitz". The signature is written in a cursive style and is positioned above a horizontal line.

Joseph Glowitz, General Manager
Valley Sanitary District