

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
June 11, 2013**

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 11, 2013.

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, William R. Teague, Richard Friestad, Mike Duran.

DIRECTORS ABSENT: None

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

GUESTS: Bill Nelson

MINUTES

2. Consideration of the May 28, 2013 Regular Board Meeting Minutes

ACTION TAKEN:

MOTION: DIRECTOR FRIESTAD made a motion to approve the minutes for the Regular Board Meeting held May 28, 2013. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-2167

PUBLIC COMMENTS

Bill Nelson, member of CSDA Board of Directors, Region 6, introduced himself to the Board and asked for their vote in the upcoming election.

EMPLOYEE PRESENTATION

3. Presentation of Employee Anniversary Pins
- Andy Boyd – 4 years
 - Ian Wilson – 10 years

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

PUBLIC HEARING

4. Public Hearing to adopt the Fiscal Year 2013/2014 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**

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

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 14 and 21, 2013.

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 five resolutions to be addressed. He also stated that there were a few minor changes made to the Draft Budget, most of which were cosmetic. Since the Budget study session the revenue was increased, worker's compensation was decreased and a vacant collections inspector position was reinstated after accidentally getting left off the budget. 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 1:01 p.m.

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

ACTION TAKEN:

MOTION: DIRECTOR WISEMAN made a motion to revise and adopt Resolution No. 2013-1042 amending fees and charges for District services. DIRECTOR FRIESTAD seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2013-1042

- 4.B Consideration of Resolution Establishing and Adopting the Operations & Maintenance Budget and Capital Improvement Program for the Fiscal Year 2013/2014.
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“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 2013/2014”

ACTION TAKEN:

MOTION: DIRECTOR FRIESTAD made a motion to adopt Resolution No. 2013-1043 establishing and adopting the Operations & Maintenance Budget and Capital Improvement Program for Fiscal Year 2013/2014. DIRECTOR DURAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2013-1043

- 4.C Consideration of Resolution Establishing the Annual Appropriations Limit for Fiscal Year 2013/2014.
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“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2013/2014”

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to adopt Resolution No. 2013-1044 establishing the annual Appropriations Limit for Fiscal Year 2013/2014. DIRECTOR FRIESTAD seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2013-1044

NON-HEARING ITEMS

5. Consideration of Resolution Amending the Employee Compensation Plan for Fiscal Year 2013/2014.
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“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING THE EMPLOYEE COMPENSATION PLAN FOR FISCAL YEAR 2013/2014.”

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to adopt Resolution No. 2013-1045 amending the employee compensation plan for Fiscal Year 2013/2014. DIRECTOR WISEMAN seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2013-1045

6. Consideration of Resolution Designating the Percentage of Member Contributions that the District will pay for CalPERS Retirement Benefits.
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“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 WISEMAN made a motion to adopt Resolution No. 2013-1046 designating the percentage of member contributions that the District will pay for CalPERS Retirement Benefits. DIRECTOR FRIESTAD seconded the motion. Motion carried by the following roll call vote:

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

RESOLUTION NO. 2013-1046

7. Approval of Assignment of Terra Lago Indemnity Agreement
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In 2005 the District entered into an Indemnity Agreement with the Phase I Terra Lago Homeowner Association for any expenses arising from the BOR License Agreement for the 10 inch sewer line that was installed underneath the All American Canal to serve Phase II of the Terra Lago project. Phase II has since been sold to RB Holdings and the Indemnity Agreement had to be renegotiated. District Counsel reviewed the agreement as to form and impact on the District and made appropriate revisions. The rent will remain the same as in the original agreement.

ACTION TAKEN:

MOTION: DIRECTOR WISEMAN made a motion to approve the amendment and assignment and assumption of indemnity agreement and agreement to pay rent. DIRECTOR FRIESTAD seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-2168

8. Valley Sanitary District's Wall and Entrance Improvement Project

Over the years, the exterior wall of the District has deteriorated and is no longer structurally sound due to water damage from the sprinkler system. The wall is also in the City of Indio's future right-of-way along Van Buren Street. It is recommended that the Board authorize the General Manager to enter into a consultant agreement with Fomotor Engineering for the design phase of the project.

ACTION TAKEN:

MOTION: DIRECTOR FRIESTAD made a motion to authorize the General Manager to enter into a consulting agreement with Fomotor Engineering for a cost of \$12,000. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-2169

9. Plant Upgrade Project Report No. 20

MR. GLOWITZ reported that final construction work continues on the plant upgrade project. The boiler for the Digester will not arrive until July. The installation and testing of the SCADA software and hardware is proceeding on-site by Trimax. Discussions are taking place for the procuring of seed sludge for the digester. A tour of the Yucaipa Facility to view the digester and SCADA operations will take place on June 12, 2013. There are seven potential change orders. Archer Western submitted a progress payment request for work completed to date. After this payment, the remaining project budget including contingency is \$1.7 million.

ACTION TAKEN:

MOTION: DIRECTOR WISEMAN made a motion to authorize payment of the 18th progress payment to Archer Western in the amount of \$655,151.56 and \$34,481.66 in retention to be placed in an escrow account. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-2170

10. Manager's Notes

There has been an increase in development. There will be a plant shut down on Thursday, June 13 due to construction. Interviews for the Collection Systems Maintenance Technician will be held Monday, June 17, 2013.

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.

DIRECTOR TEAGUE may have to miss a few meetings in the near future.

CONSENT ITEMS

11. Approval of Expenditures for May 22, 2013 to June 4, 2013

Check numbers 30191 to 30225 totaling \$62,292.14 were issued, as well as, two ACH payments totaling \$655,151.56. Payroll checks numbers 8553 to 8559 totaling \$5,406.40 and payroll transfers of \$71,169.99 were also issued.

ACTION TAKEN:

MOTION:

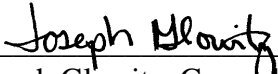
DIRECTOR WISEMAN made a motion to pay the disbursement items as presented.
DIRECTOR TEAGUE seconded the motion. The motion carried by the following vote: 5
yes

MINUTE ORDER NO. 2013-2171

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 1:42 p.m., and the next Regular Board Meeting will be held June 25, 2013.

Respectfully submitted,



Joseph Glowitz, General Manager
Valley Sanitary District