

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
May 14, 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, May 14, 2013.

CALL TO ORDER, ROLL CALL

1. PRESIDENT YORK called the meeting to order at 12:31 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, Augustine Tijerina and Mike Butvidas

GUESTS: Hugh Curtis

MINUTES

2. Consideration of the April 23, 2013 Regular Board Meeting Minutes

DIRECTOR WISEMAN abstained from the vote due to his absence of the April 23, 2013 Board Meeting.

ACTION TAKEN:

MOTION: DIRECTOR FRIESTAD made a motion to approve the minutes for the Regular Board Meeting held April 23, 2013. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 4 yes.

MINUTE ORDER NO. 2013-2156

PUBLIC COMMENTS

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

EMPLOYEE PRESENTATION

3. Presentation of Employee Anniversary Pins
➤ Augustine Tijerina – 23 years

The Board of Directors presented Augustine Tijerina with his anniversary pin and thanked him for his contribution and years of service to the District.

NON-HEARING ITEMS

4. Presentation of Insurance from Curtis and Harris Insurance

Hugh Curtis of Curtis & Harris Insurance Company made a presentation to the Board outlining the District's insurance coverage for the next fiscal year. Due to the plant upgrade the value of assets has increased to approximately \$40 million. Mr. Curtis informed the Board that there is the option of changing the deductible from 10% to 15% that will bring the premium down. He also stated that omitting the flood damage coverage from the earthquake policy will also save money. He will email MR. GLOWITZ with the updated totals within the next few days.

5. Purchase of Ferric Chloride Tank

MR. GLOWITZ informed the board that a tank previously used to store magnesium hydroxide was going to be retrofitted to store the ferric chloride that will now be required as part of the plant upgrade. Due to the corrosive nature of the ferric chloride in regards to the metal fitting of the existing tank, a new tank had to be purchased to store the chemical. The new tank will be arriving on May 22, 2013. An emergency purchase had to be made as not to interfere with construction. DIRECTOR DURAN asked MR. GLOWITZ to email him a copy of the MSDS for the chemical.

ACTION TAKEN:

MOTION:

DIRECTOR TEAGUE made a motion to purchase a ferric chloride tank from Harrington Industrial Plastics for a total of \$4,265.52. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-2157

6. Review the Eastern Riverside Interoperable Radio System (ERICA) Joint Powers Agreement and Authorize the General Manager to Execute an Agreement with Said Agency

It is recommended that the Board authorize an agreement with the Eastern Riverside County Interoperable Communication Authority (ERICA) and purchase of eight radios. The system would provide radio coverage in all areas of the District's boundaries as well as outside the service district and interoperability with other Indio agencies. The District's current radio system does not provide adequate coverage throughout the service district.

ACTION TAKEN:

MOTION:

DIRECTOR TEAGUE made a motion to authorize the General Manager to execute an agreement with ERICA and to authorize the purchase of eight radios at a cost of \$10,000 with an ongoing fee of \$5,000 per year. DIRECTOR DURAN seconded the motion. Motion carried by the following vote: 5 yes

MINUTES ORDER NO. 2013-1058

7. Reduce Archer Western Retention from Ten Percent to Five Percent

With the Primary Sedimentation and Facility Upgrade at approximately 90% complete, Archer Western has requested a reduction from 10 % retention to 5 % with a resulting refund of \$812,444.43 from the California

Bank and Trust retention account. This would keep a project total of 5% in the retention account until all work is completed.

ACTION TAKEN:

MOTION: DIRECTOR DURAN made a motion to reduce Archer Western's construction retention to 5% and to authorize a refund for \$812,444.43. DIRECTOR WISEMAN seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-2159

8. Plant Upgrade Project Report No. 19

MR. GLOWITZ reported that final construction work continues on the plant upgrade project, with the Digester Tank equipping being finalized. The temporary bypass line will be dis-assembled shortly. The SCADA software programming, commissioning and testing will begin shortly and the plant mechanical and electrical systems commission will commence soon. The California Regional Water Quality Control Board has been given the required 30 Day Plant Start-up Notice, effective May 24, 2013. Substantial construction completion is scheduled for June 18, 2013. Archer Western submitted a progress payment request for work completed to date. After this payment, the remaining project budget including contingency is \$2.4 million.

ACTION TAKEN:

MOTION: DIRECTOR TEAGUE made a motion to authorize payment of the 17th progress payment to Archer Western in the amount of \$639,372.98 and \$71,041.44 in retention to be placed in an escrow account. DIRECTOR FRIESTAD seconded the motion. Motion carried by the following vote: 5 yes.

MINUTE ORDER NO. 2013-1060

9. Manager's Notes

Mike Butvidas gave a brief update on current development projects. MR. GLOWITZ informed the Board of the San Diego CASA Conference on August 21-24, 2013. He also informed the Board that new hire, Anna Bell will be starting in the lab on May 20, 2013. Alfredo Vasquez will stay on with the District as a temporary employee throughout the summer.

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

10. Approval of Expenditures for April 19, 2013 to May 8, 2013

Check numbers 30078 to 30150 totaling \$244,536.05 were issued, as well as, two ACH payments totaling \$710,414.42. Payroll checks numbers 8539 to 8544 totaling \$4,427.42 and payroll transfers of \$71,730.85 were also issued.

ACTION TAKEN:

MOTION:

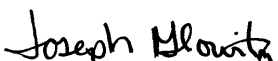
DIRECTOR TEAGUE made a motion to pay the disbursement items as presented.
DIRECTOR WISEMAN seconded the motion. The motion carried by the following vote:
5 yes

MINUTE ORDER NO. 2013-2161

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 1:46 p.m., and the next Regular Board Meeting will be held May 28, 2013.

Respectfully submitted,



Joseph Glowitz, General Manager
Valley Sanitary District