

**VALLEY SANITARY DISTRICT  
MINUTES OF REGULAR BOARD MEETING**  
January 25, 2022

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, January 25, 2022, at 45-500 Van Buren St., Indio, CA 92201.

**1. CALL TO ORDER**

President Sear called the meeting to order at 1:00 p.m.

**1.1 Roll Call**

Directors Present:

Debra Canero, Dennis Coleman, Mike Duran, Scott Sear, William Teague

Staff Present:

Beverli Marshall, General Manager, Holly Gould, Jeanette Juarez, Ron Buchwald, Dave Commons, Israel Garcia, and Bob Hargreaves, Best Best & Krieger

Guests:

Valarie Houchin, Schneider Electric

Mike Brunsman, Bank of America

**1.2 Pledge of Allegiance**

**1.3 New Employee Introduction**  
- Israel Garcia, Engineering Technician

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The Board welcomed the District's newest employee, Israel Garcia, Engineering Technician.

**2. PUBLIC COMMENT**

*This is the time set aside for public comment on any item not appearing on the agenda. Please notify the Secretary in advance of the meeting if you wish to speak on a non-hearing item.*

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None.

**3. CONSENT CALENDAR**

**3.1 Approve January 11, 2022, Regular Meeting Minutes**

**3.2 Approve Warrants for January 3, through January 24, 2022**

**3.3 Monthly Credit Card Report for December 31, 2021**

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**ACTION TAKEN:**

**MOTION:** Director Teague motioned to approve the consent calendar as presented.  
Director Duran seconded the motion. Motion carried unanimously.  
**MINUTE ORDER NO. 2022-3168**

**4. NON-HEARING ITEMS**

**4.1 Potential Financing Options for Recycled Water Project Phase 1 Discussion**

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Jeanette Juarez, Business Services Manager, and Ron Buchwald, Engineering Services Manager, presented a project update for the Recycled Water Project Phase 1. They explained Phase 1 improvements, the project's four (4) phases, and the financing needs. They explained the project is nearing 60% design and will cost approximately \$61 million. Jeanette presented the financing options for government agencies. She also gave the pros and cons of different financing opportunities available to the District. After discussion, the Board directed staff to bring back a proposal from Bank of America for review and approval .

**4.2 Adopt Resolution No. 2022-1153 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsome, dated March 4, 2020, and Executive Order N-1-22 dated January 5, 2022, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of Valley Sanitary District for the period of January 25, 2022, through February 23, 2022, according to Brown Act Provisions**

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Assembly Bill 361 (AB 361) was signed into law by the Governor on September 16, 2021, allowing remote teleconference flexibility, but only when there is a state of emergency that makes it unsafe to meet in person. The adoption of Resolution 2022-1153, under AB 361, will allow Valley Sanitary District to proclaim a local emergency due to the surge in Covid-19 cases and waive certain provisions of the Brown Act to allow the District to meet remotely. Resolution 2022-1153 will authorize the remote teleconference meetings of the legislative bodies of Valley Sanitary District for the period of January 25, 2022, through February 23, 2022, according to Brown Act provisions.

**“A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY SANITARY DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR GAVIN NEWSOM, MARCH 4, 2020, AND EXECUTIVE ORDER N-1-22, JANUARY 5, 2022, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF VALLEY SANITARY DISTRICT FOR THE PERIOD OF JANUARY 25, 2022, THROUGH FEBRUARY 23, 2022, ACCORDING TO BROWN ACT PROVISIONS”**

**ACTION TAKEN:**

**MOTION:** Director Duran made a motion to adopt Resolution No. 2022-1153, Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsome, dated March 4, 2020, and Executive Order N-1-22 dated January 5, 2022, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of Valley Sanitary District for the period of January 25, 2022, through February 23, 2022, Pursuant to Brown Act Provisions. Director Teague seconded the motion. Motion carried by the following roll call vote:  
AYES: Canero, Coleman, Duran, Sear, Teague  
NOES: None

### **RESOLUTION NO. 2022-1153**

#### **4.3 Adopt Resolution 2022-1154 Approving Employee Wages and Benefits Effective**

At the August 10, 2021 Board of Directors Meeting, staff presented the approved CalPERS Medical Premiums. The medical premiums among the offered plans increased between 5.85% and 25.14%. The dental and vision plans also increased 6.00% and 4.00%, respectively. During the meeting, it was discussed that the item would be brought to the Board for a possible increase to the cafeteria plan in January of 2022. If adopted, Resolution 2022-1154 increases the monthly cafeteria plan by \$160 or 8.87%. The 8.87% increase was determined using the Consumer Price Index for Medical Care as of December 2020. The District will utilize budget savings from the fiscal year 2021/22 budget to cover the cost.

### **“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING EMPLOYEE WAGES & BENEFITS EFFECTIVE JANUARY 1, 2022 AND RESCINDING RESOLUTION 2021-1152”**

#### **ACTION TAKEN:**

##### **MOTION:**

Vice President Canero made a motion to adopt Resolution No. 2022-1154, Amending Employee Wages & Benefits Effective January 1, 2022, and Rescinding Resolution No. 2021-1152. Director Duran seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

### **RESOLUTION NO. 2022-1154**

#### **4.4 Fiscal Year 2021/2022 Midyear Budget Update**

Jeanette Juarez, Business Services Manager, presented the midyear update for the fiscal year 2021/2022 budget. As of December 31, 2021, the District has recorded \$15,369,987 in revenue. The revenues are \$7,44,933 or 93.9% above the FYTD straight-line budget. The variance is attributed to the recording of the tax roll billing for the fiscal year 2021/22. As of December 31, 2021, the District has incurred \$4,458,103 in expenditures. The District's expenditures are \$1,025,475 or 18.7% under the FYTD straight line budget. According to the current data, revenues are expected to be \$409,689 or 3% over budget for the fiscal year. The additional revenue is attributed to higher-than-expected connection fees due to additional construction and development. Also, there is additional revenue in the annual sewer rate due to the new rate structure of 70% fixed and 30% volumetric use. There was higher than anticipated water consumption for some commercial customers. The expenditures are estimated to come in \$846,902 or 8.85% under budget for the fiscal year. The savings in expenditures are mainly attributed to savings in Wages, Fringe, Services, and Supplies. Jeanette presented the budget adjustment appropriations needed to balance accounts. Budget savings will be used to cover needed budget adjustments.

#### **ACTION TAKEN:**

##### **MOTION:**

Secretary/Treasurer Coleman made a motion to approve the Midyear budget report and associated budget adjustments. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2022-3169**

**4.5 Approve Customer Refund for Annual Sewer Rate for Fiscal Year 2021/22**

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On May 11, 2021, the Board of Directors approved Resolution 2021-1142, adopting the sewer service charges for the fiscal year 2021/22. The annual sewer rate charge changed to 70% fixed and 30% volumetric charge calculated by customer class. After receiving their annual bill, two (2) customers contacted the District disputing charges due to an anomaly in their winter water consumption. The average winter water consumption is used to determine the volumetric charge. The customers provided information regarding increased water use due to a water leak. The District was assisted by NBS consultants to examine the data and recalculate the annual sewer rate. After review, it was determined that the customers were owed a refund. The combined total of the refunds is \$1,152.48.

**ACTION TAKEN:**

**MOTION:**

Director Duran made a motion to authorize a refund of \$995.68 to Customer A and \$156.80 to Customer B. Secretary/Treasurer Coleman seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2022-3170**

**4.6 Authorize the General Manager to Amend a Contract with Harris and Associates for the Sewer Flow By-Pass of Two Lift Stations in an Amount Not to Exceed \$36,914**

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On November 9, 2021, the Board authorized staff to enter into a contract with Harris and Associates (Harris) for the conditional assessment of VSD's four lift stations. In preparation for the lift station confined space entry and condition assessment for each lift station at a future date, Harris and District staff performed a site survey on December 16, 2021. The site reconnaissance effort determined that both the Carver and Calhoun lift stations would need to have sewer flows bypassed around the lift station to enter safely and thoroughly inspect the lift station. This project is being added to the Collection System Program Rehabilitation and Replacement Project. The work will be performed by a subcontractor hired and managed by Harris. The cost of the sewer flow by-pass will be taken out of the approved CIP budget for the Collections System Program Rehabilitation and Replacement Project.

**ACTION TAKEN:**

**MOTION:**

Director Duran motioned to authorize the General Manager to amend the contract with Harris and Associates for the sewer flow by-pass of two lift stations in an amount not to exceed \$36,914. Director Teague seconded the motion.

Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2022-3171**

**5. GENERAL MANAGER'S ITEMS**

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Beverli reported that she had received a letter from the CASA Education Division thanking the District for their contribution to their scholarship program. She also received a letter from NBS congratulating staff on their recent GFOA Awards. Beverli stated that she had emailed CV Strategies a press release on the wastewater surveillance the District is participating in.

## **6. COMMITTEE REPORTS**

### **6.1 Community Engagement Committee – January 18, 2022**

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Beverli Marshall reported that the committee discussed the Implementation Plan Timeline from CV Strategies. They discussed deliverables and the online survey included in the City of Indio's February 2022 newsletter. CV Strategies is also putting together a proposal for the telenovela project. The committee discussed budget items for the fiscal year 2022/23, our current website hosting company, the need to have CV Strategies start posting on our social media, and the social media policy. The committee also discussed the proposal from the Coachella Valley History Museum regarding an outreach partnership. The committee recommended that staff negotiate a three (3) year term and request the rental waiver for one (1) event per year. The CV History Museum Proposal will be brought before the Board at the next board meeting.

## **7. DIRECTOR'S ITEMS**

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None.

## **8. INFORMATIONAL ITEMS**

### **8.1 Special District Selection Committee Election Notice and Call for Nominations for the Special District Member of the Riverside Local Agency Formation Commission.**

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## **9. PUBLIC COMMENT**

*This is the time set aside for public comment on any item to be discussed in Closed Session. Please notify the Secretary in advance of the meeting if you wish to speak on an item.*

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None.

## **10. CONVENE IN CLOSED SESSION**

*Items discussed in Closed Session comply with the Ralph M. Brown Act.*

### **10.1 Pursuant to Government Code Section 54957. Labor Negotiations: General Manager**

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The Board adjourned to closed session at 3:17 p.m.

## **11. CONVENE IN OPEN SESSION**

*Report out on Closed Session items.*

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The Board reconvened in open session at 3:35 p.m. President Sear reported that a labor negotiations ad hoc committee was created. President Scott Sear and Vice President Debra Canero will serve as members.

**12. ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 3:51 p.m. The next regular Board meeting will be held on February 8, 2022.

Respectfully submitted,

Holly Gould, Clerk of the Board  
Valley Sanitary District