

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

December 12, 2023

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, December 12, 2023, at 45-500 Van Buren St., Indio, CA 92201.

**1. CALL TO ORDER**

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

**2. ROLL CALL**

Directors Present:

Debra Canero, Mike Duran, Scott Sear, William Teague

Directors Absent:

Jacky Barnum

Staff Present:

Jason Dafforn, General Manager; Ron Buchwald, District Engineer; Jeanette Juarez, Chief Financial Officer; Dave Commons, Chief Operating Officer; Holly Gould, Clerk of the Board; Tino Tijerina; James Mills, Jimmy Garcia, Ray Marroquin, Ed Luna, Nick Dean, Chris Rahman, Octavio Briones, Branden Rodriguez, Miguel Serna, Karen Hopper, Andy Boyd, Matt Pittelli, Kenny Kepley, Hector Guzman, and Craig Hayes, Best Best & Krieger

Guests:

Rebecca Cole, Ardurra

Gabriela Dow, Ardurra

Jonathan Foster, Davis Farr

**3. PLEDGE OF ALLEGIANCE**

**4. DECEMBER EMPLOYEE ANNIVERSARIES**

- James Mills, Operations Supervisor – 17 years
- Jimmy Garcia, Maintenance Technician I – 17 years
- Ron Buchwald, District Engineer – 11 years
- Karen Hopper, Accounting Analyst – 10 years
- Hector Guzman, Development Servies Tech III – 9 years
- Rebecca Salas, Laboratory Technician I – 1 year

The Board of Directors thanked James, Jimmy, Ron, Karen, Hector, and Rebecca for their years of service and dedication to the District.

## **5. PRESENTATIONS**

### **5.1 Receive and File Great Places to Work Certification for November 2023 to November 2024**

In October 2023, the District contracted with an independent third party called Great Place to Work to conduct an employee satisfaction survey. Great Place to Work is a recognized authority on workplace culture and has been in this business for 30 years. Their Certification™, lists, and global benchmarks are the industry standard, built on data from over 100 million employees surveyed worldwide. Across industries, Great Place to Work has collected data and research to demonstrate what practical leadership looks and acts like. The survey measured employee experience across five (5) focus areas: credibility, respect, fairness, pride, and camaraderie. Earning Great Place to Work Certification proves that the District has created an excellent employee experience. The Certification is good for 12 months. The Certification is a designation the District can promote publicly to achieve other benefits, including efficiently recruiting top talent, building a strong employer brand, increasing employee retention and pride, and differentiating the District from competitors.

## **6. PUBLIC COMMENT - None**

## **7. CONSENT CALENDAR**

### **7.1 Approve the Minutes for the Board of Directors Regular Meeting held November 28, 2023**

### **7.2 Approve Warrants for December 12, 2023**

### **7.3 Approve Regular Meeting Schedule and Adopt District -Observed Holiday Schedule for 2024**

---

## **ACTION TAKEN:**

**MOTION:** Director Teague motioned to approve the consent calendar as presented. Secretary/Treasurer Sear seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2023-3352**

## **8. NON-HEARING ITEMS**

### **8.1 Receive and File the Annual Comprehensive Financial Report (ACFR) for the Valley Sanitary District for the Fiscal Year Ending June 30, 2023**

In accordance with the Generally Accepted Accounting Principles (GAAP) for State and Local governments, the District prepares an Annual Comprehensive Financial Report (ACFR) for the fiscal year. The purpose of the ACFR is to provide accountability for the financial and operational information useful to the District's decision-makers. Jonathan Foster, CPA, Davis Farr LLP, presented the audit results. The District's total net position increased \$8.0 million or 7.1% for the year ended June 30, 2023. The District's total revenues increased during the fiscal year 2022/23 by \$3.2 million or 16.3%. The variance is primarily due to increased sewer service revenue and connection fees for new development. In the fiscal year 2021/22, after properly conducting a noticed public and as allowed by Proposition 218, the District adopted a rate increase schedule that will continue through the fiscal year 2025/26. The rate increase will fund capital improvement projects, repairs, and rehabilitation of the District's collection and system infrastructure and equipment. It will also fund the Recycled Water Project Phase I for indirect reuse to replenish the Coachella Valley aquifer. Due to current market trends, the increase in nonoperating income is attributed to higher returns than projected for investment income.

## 8.2 Receive an Update from Ardurra on Public Outreach

Rebecca Cole and Gabriela Dow from Ardurra gave an update to the Board on the community engagement process, accomplishments to date, and the 2024 plan and schedule. Jason Dafforn, General Manager, informed the Board of upcoming high school tours planned for early 2024.

## 8.3 Authorize the Purchase of Belt Press Rollers

In the summer of 2022, several rollers were replaced on both belt filter presses. During the rehabilitation project, it was identified that additional rollers would soon need to be replaced, and staff included costs for one of the belt filter presses in the FY 22/23 budget. To complete the rehabilitation project and to maintain the integrity and quality of the belt filter presses, staff recommends the replacement of the remaining roller assemblies and necessary hardware for rehabilitation. This is a sole source procurement from Alfa Laval, the manufacturer and supplier of the belt filter press system, for an amount not to exceed \$166,439.51.

### **ACTION TAKEN:**

#### **MOTION:**

Vice President Duran motioned to authorize the purchase of all recommended and necessary material from Alfa Laval for the rehabilitation of the Belt Press Filter in an amount not to exceed \$166,439.51. Secretary/Treasurer Sear seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2023-3353**

## 8.4 Authorize the General Manager to Approve the Rehabilitation of the Primary Clarifiers

---

The primary clarifiers have been operating without significant upgrades or rehabilitation for nearly 10 years. Staff contacted DC Frost Associates, Inc. to inspect the equipment and provide recommendations for replacement and upgrades. DC Frost Associates, Inc. provided a quote outlining the recommended components to be replaced to rehabilitate two (2) Primary Clarifiers for \$125,455.66.

**ACTION TAKEN:**

**MOTION:** Director Teague motioned to authorize the approval for the rehabilitation of two (2) Primary Clarifiers by DC Frost and Associates, Inc., for \$125,455.66. Secretary/Treasurer Sear seconded the motion. Motion carried by the following roll call vote:  
AYES: Canero, Duran, Sear, Teague  
NOES: None  
**MINUTE ORDER NO. 2023-3354**

- 8.5 Award of Contract for Security and Protective Services to Southwest Protective Services, Inc. for a One-Year Term Plus Two (2) Option Years with an Initial Cost for Year One in an Amount Not to Exceed \$117,416

---

On September 11, 2023, a Request for Proposals (RFP) was issued for Security and Protective Services. Four (4) proposals were received. The proposals were evaluated to ensure all the required information/documentation was submitted correctly. The proposals were sent to a panel for review and scoring. The proposals were assessed utilizing a 100-point scoring system, and based on the panel review and scoring, Southwest Protective Services, Inc. submitted the most complete and accurate proposal. Staff recommends the Board of Directors approve a 1-year contract plus two (2) option years to Southwest Protective Services, Inc., with an initial cost for year one not to exceed \$117,416, and authorize the General Manager to execute the agreement.

**ACTION TAKEN:**

**MOTION:** Vice President Duran motioned to award a contract for Security and Protective Services to Southwest Protective Services, Inc. for a one-year term plus two (2) option years with an initial cost for year one in an amount not to exceed \$117,416 and authorize the General Manager to execute the agreement. Secretary/Treasurer Sear seconded the motion. Motion carried by the following roll call vote:  
AYES: Canero, Duran, Sear, Teague  
NOES: None  
**MINUTE ORDER NO. 2023-3355**

- 8.6 Award of Contract for Bulk Fuel Delivery Services for Merrimac Energy Group for a One-Year Term with Two (2) Option Years with an Initial Cost for Year One in an Amount Not to Exceed \$72,100

On October 16, 2023, a Request for Proposals (RFP) was issued for Bulk Fuel Delivery Services. One proposal was received from Merrimac Energy Group. Staff reviewed the firm's qualifications and whether their proposal met the criteria outlined in the RFP. Staff also reviewed the proposed cost per gallon and found it less than what the District currently pays for fuel. Staff recommends the Board of Directors approve a 1-year contract plus two (2) option years to Merrimac Energy Group with an initial cost for year one of not more than \$72,100 and authorize the General Manager to execute the agreement.

**ACTION TAKEN:**

**MOTION:** Secretary/Treasurer Sear motioned to award a contract for Bulk Fuel Delivery Services to Merrimac Energy Group for a one-year term plus two (2) option years with an initial cost for year one in an amount not to exceed \$72,100 and authorize the General Manager to execute the agreement. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2023-3356**

**8.7 Approve the Election of Board Officers for the Calendar Year 2024**

---

Pursuant to Resolution 2018-1109, the election of officers shall be held at the first (1<sup>st</sup>) Board of Directors' meeting in December of each calendar year. Officers shall serve for a term of one (1) year. Nominations shall be made from the floor, and votes shall be in the order of President, Vice President, and Secretary/Treasurer.

Nomination of President – Director Sear made a motion to nominate Debra Canero for President of the Valley Sanitary District Board of Directors. Director Duran seconded the motion. Motioned carried by the following roll call vote:

AYES: Director(s) Canero, Duran, Sear, Teague

NOES: None

Nomination of Vice President – Director Duran made a motion to nominate Jacky Barnum for the office of Vice President of the Valley Sanitary District Board of Directors. Director Teague seconded the motion. Motioned carried by the following roll call vote:

AYES: Director(s) Canero, Duran, Sear, Teague

NOES: None

Nomination of Secretary/Treasurer – Director Duran made a motion to nominate Scott Sear for Secretary/Treasurer of the Valley Sanitary Board of Directors. Director Teague seconded the motion. Motioned carried by the following roll call vote:

AYES: Canero, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2023-3357**

8.8 Appoint Two (2) Directors and One (1) Alternate to the East Valley Reclamation Authority Board of Directors for the Calendar Year 2024

---

President Canero appointed Director William Teague, Secretary/Treasurer Scott Sear, and President Debra Canero as alternate for the East Valley Reclamation Authority Joint Powers Authority Board of Directors for 2024.

8.9 Appoint Two (2) Directors to Budget & Finance, Operations, and Community Engagement Committee for the Calendar Year 2024

---

President Canero appointed Secretary/Treasurer Scott Sear and President Debra Canero to the Budget & Finance Committee, Director William Teague and Director Jacky Barnum to the Operations Committee, and Secretary/Treasurer Sear and Vice President Mike Duran to the Community Engagement Committee for 2024.

8.10 Discuss Community Engagement and Sponsorship

---

Jason Dafforn, General Manager, informed the Board that he researched the ACWA membership, and the cost versus benefit does not align with the District at this time. He also told the Board about sponsorship opportunities. The Rotary Club of Indio is celebrating its 75<sup>th</sup> anniversary, and the District would like to donate its allocated annual event at the Coachella History Museum to them, which the Board was in favor of. The District would be a title sponsor for the event. He also informed of an opportunity for a low-level sponsorship for the Coachella Valley Community Trust Collaboration that helps disadvantaged youth. Lastly, the Board discussed the Bronze level sponsorship for the College of the Desert State of the College event. The Board is also in favor of once again sponsoring the event.

**Secretary/Treasurer Sear left the meeting at 2:47 p.m.**

**9. GENERAL MANAGER'S ITEMS**

9.1 Receive Monthly General Managers Report for November 2023

---

Mr. Dafforn reported that the Board Workshop with Martin Rausch is scheduled for January 30, 2024. He is setting up the Coachella Valley History Museum tour for early 2024. He spoke with IFS, and they are attempting to set up a tour for Congressman Ruiz's staff at the District on January 2, 2024. Mr. Dafforn was grateful for serving as the General Manager for the past six (6) months. He stated it has been a pleasure. He wished the Board a Happy Holidays and Merry Christmas.

**10. DIRECTOR'S ITEMS**

---

Director Duran informed the Board that he would not attend the CASA DC Forum Conference. Director Teague wished everyone a safe and healthy Merry Christmas and Happy Holidays.

**11. INFORMATIONAL ITEMS - None**

**12. PUBLIC COMMENT - None**

*This is the time set aside for public comment on any item to be discussed in Closed Session.*

**President Canero called for a short recess at 3:02 p.m. The Board of Directors reconvened at 3:07 p.m., and roll call was taken. Directors Canero, Duran, and Teague were present.**

**13. CONVENE IN CLOSED SESSION**

- 13.1 Conference with Legal Counsel – Anticipated Litigation – Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One (1) Potential Case

---

The Board adjourned to Closed Session at 3:07 p.m.

**14. CONVENE IN OPEN SESSION**

---

The Board reconvened in open session at 3:40 p.m. District Counsel stated that direction was given to the General Manager, and there was no reportable action.

**15. ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned at 3:41 p.m. The next regular Board meeting will be on December 26, 2023.

Respectfully submitted,

Holly Gould, Clerk of the Board  
Valley Sanitary District