

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
May 28, 2019**

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 28, 2019.

CALL TO ORDER, ROLL CALL

1. PRESIDENT MIKE DURAN called the meeting to order at 1:00 p.m. Those in attendance were as follows:

DIRECTORS PRESENT: Mike Duran, William Teague, Dennis Coleman, Debra Canero and Scott Sear

DIRECTORS ABSENT: None

STAFF PRESENT: Ron Buchwald, Interim General Manager, Holly Gould, and Joanne Padgham

GUESTS: Dr. Bruce Underwood, Healthy Futures

CONSENT ITEMS

- a. Consideration of the May 8, 2019 Special Meeting, and May 14, 2019 Regular Meeting Minutes
- b. Approval of Cash and Investments for April 2019
- c. Approval of Expenditures for May 9, 2019 to May 22, 2019

Check numbers 37215 to 37255 totaling \$114,100.00 and transfers of \$129,060.58 were issued.

ACTION TAKEN:

MOTION: SECRETARY COLEMAN made a motion to approve the minutes for the Special Meeting held May 8, 2019, and Regular Meeting held May 14, 2019, approve the Summary of Cash & Investments for April 2019, and pay the disbursement items as presented. DIRECTOR CANERO seconded the motion. Motion carried by the following vote: 5 yes

MINUTE ORDER NO. 2019-2903

PUBLIC COMMENTS

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

NON-HEARING ITEMS

2. CalPERS Unfunded Accrued Liability (UAL)

Several options of payment will reduce or eliminate the portion of the Employer's Contribution Rate attributable to the amortization of the UAL. The balance as of June 30, 2019 is \$2,147,987. In April 2018, the Board of Directors approved the five (5) year fresh start pre-payment option for Fiscal Year 2018/2019. This year CalPERS is adding new amortization layers, the largest of which is an assumption change base that is amortized over 20 years. If we let those bases come in according to the current schedule, we will have 4 large payments remaining followed by 16 small payments. If we do another 5-year fresh start, our payments for the next five (5) years are less than the current schedule. It is the consensus of the Board for Staff to bring the 5-year fresh start option back before the Board for approval at a future meeting. This is an information only item.

3. Budget Update/Review

Changes have been made to the draft budget presented to the Board of Directors on April 9, 2019 due to the proposed rate increase not being approved for fiscal year 2019/2020. The changes incorporate the current sewer use fee remaining at \$313 per EDU. The fiscal impact is a decrease of \$4,607,489 from the draft budget presented on April 9, 2019. This is an information only item.

4. Hardware Upgrade – Southwest Networks, Inc.

New computers are required to update the District to utilize Windows 365. Many of our computers are more than five (5) years old and have outlived their useful life. The Engineering Department needs more capacity to run their specialized software for GIS, AutoCAD, and sewer modeling. Laptops are also needed for the CCTV van and the Board Room. It is recommended that the Board of Directors authorize the purchase of 15 Prodesk 600 Mini computers, 1 HP EliteBook 850, 2 HP Workstation Z2 Mini computers, 6 Viewsonic 27" monitors, and 1 HP ProBook 450 from Southwest Networks, Inc., in an amount not to exceed \$23,491.24.

ACTION TAKEN:

MOTION: DIRECTOR SEAR made a motion to authorize the purchase of 15 Prodesk 600 Mini computers, 1 HP EliteBook 850, 2 HP Workstation Z2 Mini computers, 6 Viewsonic 27" monitors, and 1 HP ProBook 450 from Southwest Networks, Inc., in an amount not to exceed \$23,491. DIRECTOR CANERO seconded the motion. Motion carried by the following roll call vote:

MINUTE ORDER NO. 2019-2904

AYES:	Director(s) Canero, Coleman, Duran, Sear, Teague
NOES:	None
ABSENT:	None
ABSTAIN:	None

5. Award Contract – Healthy Futures, Inc.

Dr. Bruce Underwood started his personalized and customized approach to health-related matters for VSD in July 2007, at an annual cost of \$15,000. He has been meeting with employees on a monthly basis since that time to help improve employee's health through behavior change, fitness, and nutrition. Employee

participation is optional. Dr. Underwood stated he can make himself available more often, i.e. employee and board social functions, for a billable hourly amount to be determined. Dr. Bruce Underwood has not received an increase in payment in over 12 years. It is recommended to execute a new contract with Healthy Futures, Inc. and provide an increase in payment from \$15,000 annually to \$18,000 and to include any billable extra time for events attended outside of regularly scheduled meetings.

ACTION TAKEN:

MOTION: VICE PRESIDENT TEAGUE made a motion to authorize the Interim General Manager to execute a contract with Healthy Futures, Inc. for the on-going wellness services of Dr. Bruce Underwood, at an annual cost of \$18,000 and to include any billable time for any events outside of regularly scheduled meetings. SECRETARY COLEMAN seconded the motion. Motion carried by the following roll call vote:

MINUTE ORDER NO. 2019-2905

AYES:	Director(s) Canero, Coleman, Duran, Sear, Teague
NOES:	None
ABSENT:	None
ABSTAIN:	None

6. Staff Notes

MR. BUCHWALD informed the Board of a meeting that Staff attended with the County of Riverside for potential reimbursement of some of the cost the District incurred for the flood damage that occurred during a rain event in February 2019. The District will be hosting a BBQ to welcome Beverli Marshall on Tuesday, June 25, 2019 at 11:00 a.m. MR. BUCHWALD presented the Board with automobile options for the General Manager's use. There were three (3) Ford options and one (1) Toyota option. Since the District has a Ford fleet it is the desire of the Board to stay with Ford however, they will leave the final decision up to Ms. Marshall.

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.

PRESIDENT DURAN thanked VICE PRESIDENT TEAGUE and SECRETARY COLEMAN and presented them with engraved pens for their hard work and efforts as the negotiations committee for the General Manager. SECRETARY COLEMAN suggested offering a fiscal health consultant to come to the District periodically so staff can discuss and get advice on personal financial matters. SECRETARY COLEMAN and VICE PRESIDENT TEAGUE thanked staff for thinking on their feet and coming back to Board so quickly with a revised budget. PRESIDENT DURAN suggested to offer a different meeting space for Dr. Underwood to meet with staff or to make his current space more inviting. VICE PRESIDENT TEAGUE invited Dr. Underwood to attend the BBQ on June 25, 2019. SECRETARY COLEMAN informed the Board of the Greater Coachella Valley Chamber of Commerce Annual Awards and Installation Dinner on June 25, 2019. It was suggested the Board attend.

INFORMATIONAL ITEMS

Informational items are for information only; no action will be taken on these items.

- Combined Monthly Account Summary for Expenses for April 2019
- Monthly Income Summary for April 2019

SECRETARY COLEMAN thanked staff for their work in providing the Board with the Monthly Income Summary Report.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 1:57 p.m., and the next Regular Board Meeting will be held June 11, 2019.

Respectfully submitted,

Holly Gould

Holly Gould, Clerk of the Board
Valley Sanitary District