

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
May 25, 2021**

Valley Sanitary District conducted this meeting in accordance with California Governor Newsom's Executive Orders N-29-20 and COVID-19 protocols.

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held via videoconference, on Tuesday, May 25, 2021.

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, Karen Hopper, and Robert Hargreaves, Best Best & Krieger

1.2 Pledge of Allegiance

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.

None.

3. CONSENT CALENDAR

3.1 Approve May 11, 2021 Regular Meeting Minutes

3.2 Approve Warrants for May 6 through May 19, 2021

3.3 Accept Monthly Financial Report for Period Ending April 30, 2021

3.4 Credit Card Statement for April 30, 2021

3.5 Declare Surplus Equipment and Authorize Disposition as Appropriate

ACTION TAKEN:

MOTION: Director Teague a motion to approve the consent calendar items as presented. Director Duran seconded the motion. Motion carried unanimously.

MINUTE ORDER NO. 2021-3100

4. PUBLIC HEARING

Conduct a Public Hearing to Discuss Amending Fees & Charges for District Services and Establishing the Gann Appropriations Limit for Fiscal Year 2021/22

- ✓ General Notice and Call
- ✓ President Announces Public Hearing Procedures
- ✓ General Manager's Report
- ✓ President Declares Public Hearing Open
- ✓ Public Comments
- ✓ President Declares Public Hearing Closed
- ✓ Board Discussion
- ✓ Consideration of Resolution

4.1 Adopt Resolution 2021-1143 Establishing Fees & Charges for District Services for Fiscal Year 2021/22

4.2 Adopt Resolution 2021-1144 Establishing the Gann Appropriations Limit for Fiscal Year 2021/22

President Sear asked Ms. Marshall to give a brief summary of the actions leading up to the Public Hearing. Ms. Marshall stated that in accordance with California Proposition 218, the Valley Sanitary District duly advised all customers via U.S. Mail of a Public Hearing in order to consider an increase to the Sewer Use Rate. Additionally, a notice of the Public Hearing was published in the Desert Sun newspaper on May 5, 2021 and May 12, 2021 and posted on the District's website. President Sear read the procedures to be followed during the hearing and asked Ms. Marshall to summarize any written communications regarding proposed Resolutions 2021-1143 and 2021-1144. Ms. Marshall informed the Board that no written communication had been received. President Sear declared the Public Hearing open at 1:11 p.m. and asked Ms. Marshall to give a brief staff report which would be followed by any public testimony. Being no comments from the public, President Sear declared the Public Hearing closed at 1:18 p.m. Discussion took place on amending the fees and charges for District services and establishing the Gann appropriations limits for fiscal year 2021/22. It was the consensus of the board to adopt Resolution No. 2021-1143, Establishing Fees & Charges for District Services for Fiscal Year 2021/22 and to adopt Resolution No. 2021-1144, Establishing the Gann Appropriations Limit for Fiscal Year 2021/22.

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

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021-22”

ACTION TAKEN:

MOTION: Secretary Canero made a motion to adopt Resolution 2021-1143 establishing fees and charges for District Services for Fiscal Year 2021/22. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

RESOLUTION NO. 2021-1143

ACTION TAKEN:

MOTION: Director Duran made a motion to adopt Resolution 2021-1144 establishing the Gann annual appropriations limit for Fiscal Year 2021/22. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
RESOLUTION NO. 2021-1144

5. NON-HEARING ITEMS

5.1 Recognize Staff for GFOA Certificate of Achievement for Excellence in Financial Reporting for FYE June 30, 2021

The Government Finance Officers Association Certificate of Achievement (COA) is a prestigious national award and represents the highest form of recognition in governmental accounting and financial reporting. Receiving the COA can only be accomplished upon completion of an Annual Comprehensive Financial Report (ACFR), which is a more accurate and meaningful report on the District's financial condition than the basic financial statement typically completed. The District has achieved this recognition for the past nine (9) consecutive years. In addition, these awards are presented to individuals designated by the agency as primarily responsible for its having earned the certificate. The Administration Department worked to compile the award-winning ACFR by gathering the required information and statistical data related to District operation for the past ten years, coordinating and preparing the report content, and ensuring that the report fully complied with rigorous GFOA standards. This year the COA was presented to Holly Gould, Karen Hopper, and Jeanette Juarez. The Board presented the Holly, Karen, and Jeanette with their awards and thanked them for their hard work.

5.2 Adopt Resolution Amending Employee Wages and Benefits Effective July 1, 2021 and Rescind Resolution 2021-1145

On April 20, 2021, the Board of Directors held a special meeting to review the proposed fiscal year 2021/22 comprehensive budget. During that meeting the proposed updated wage schedule was presented to the Board of Directors for review. The proposed wage change is to position the District to be more competitive with other agencies in the region and to address recruitment and retention issues. In the wage analysis that was completed in FY20, 13 comparable agencies were reviewed and examined. After receiving input from the Board of Directors at the Special Board Meeting, staff believes that the wage and benefits resolution reflects both the Board of Directors feedback as well reflecting the findings of the Compensation and Staffing Report. The estimated cost for the change in wage schedule is \$181,135. The resolution includes a realignment of wages consistent with the Compensation and Staffing Report, COLA of 1.7% effective July 1, 2021, increase in CalPERS employer contributions as established by CalPERS, and increase in VSD contributions toward medical plans based on the CalPERS required minimum employer contribution from \$139 to \$143.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING EMPLOYEE WAGES & BENEFITS EFFECTIVE JULY 1, 2021 AND RESCINDING RESOLUTION 2020-1130”

ACTION TAKEN:

MOTION: Director Duran made a motion to adopt Resolution No. 2021-1145 and rescind Resolution No. 2020-1130, effective July 1, 2021. Secretary Canero seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

RESOLUTION NO. 2021-1145

- 5.3 Modify the Business Services Manager and Facility Operations Manager Positions from FLSA Non-Exempt to Exempt Status for the Purpose of Overtime Effective July 1, 2021

The 2019 Staffing Analysis and Wage Comparison study identified that management level positions at the comparable agencies are classified as Fair Labor Standards Act (FLSA) exempt for the purpose of overtime. The FLSA requires employers to pay employees at the overtime rate (1.5 times the base hourly wage rate) for all hours worked more than 40 hours in a workweek. Certain positions (executive, administrative, professional, or highly compensated) are exempt from the FLSA overtime requirement when they meet all the following tests: salary-level test, salary-basis test, and a duties test. The Business Services Manager and Facility Operations Manager positions qualify as exempt based on meeting the salary-level, salary-basis, executive, and highly compensated employee tests. The Engineering Services Manager is already an exempt position based on meeting the salary-level, salary-basis, professional, and highly compensated employee tests. For market comparability and internal parity, all three manager positions should be designated as FLSA exempt.

ACTION TAKEN:

MOTION:

Director Teague made a motion to approve changing the Business Services Manager and Facility Operations Manager positions from FLSA non-exempt to exempt status for the purpose of overtime. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2021-3101

6. GENERAL MANAGER'S ITEMS

Ms. Marshall informed the Board the upcoming CASA conference will be held live in San Diego in August. She told them that she was invited to sit on a panel for Diversity, Equity, and Inclusion. She also informed them of the article she was asked to write about Prop 218 notices being in the language of who receives them.

7. COMMITTEE REPORTS

None.

8. DIRECTOR'S ITEMS

President Sear, Vice President Coleman, and Director Teague thanked Ian Wilson for his 18 years at the District. They extended their congratulations and well wishes on his next chapter.

9. INFORMATIONAL ITEMS

9.1 June 5, 2021, is World Environmental Day and the theme is *Ecosystem Restoration*. Find out more at: <https://www.unep.org/events/un-day/world-environment-day-2021>.

10. 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.

None.

11. CONVENE IN CLOSED SESSION

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

- 11.1 Pursuant to Government Code Section 54954.5
Public Employee Performance Evaluation
Title: General Manager
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The Board adjourned to closed session at 1:49 p.m.

12. CONVENE IN OPEN SESSION

Report out on Closed Session items

The board reconvened to open session at 2:23 p.m. President Sear stated there was nothing to report.

13. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:23 p.m. The next regular Board meeting will be held on June 8, 2021.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District