

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

July 13, 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, July 13, 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, Anna Bell, Ryan Williams, Adrian Contreras, Daniel Mills, Ivan Monroy, Ray Marroquin, Matthew Pittelli, and Robert Hargreaves, Best Best & Krieger

1.2 Pledge of Allegiance

1.3 July Employee Anniversaries

- Adrian Contreras, Assistant Engineer – 5 years
- Daniel Mills, Maintenance Technician I – 3 years
- Ivan Monroy, Environmental Compliance Tech I – 3 years
- Jeanette Juarez, Business Services Manager – 1 year

1.4 New Employee Introduction

- Ray Marroquin, Maintenance Tech Trainee
- Matthew Pittelli, Maintenance Tech Trainee

The Board congratulated Adrian, Daniel, Ivan, and Jeanette for their hard work and years of dedication to the District. The Board also welcomed the District's newest employees, Ray and Matthew.

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 June 22, 2021, Regular Meeting Minutes

3.2 Approve Warrants for June 16 through July 7, 2021

ACTION TAKEN:

MOTION: Vice President Coleman made a motion to approve the consent calendar items as presented. Director Teague seconded the motion. Motion carried unanimously.

MINUTE ORDER NO. 2021-3112

4. PUBLIC HEARING

4.1 Adopt Ordinance No. 2021-120 Setting Board Member Compensation

The Board passed a motion at the June 22, 2021 Board meeting to increase Board member compensation to \$300 for each regular or special meeting of the Board, Board Committee attended by the Director, or for each Day of Service rendered by the Director at the request of the Board. The days of service are not to exceed six (6) days in any calendar month. The Board of Directors shall review their compensation each July to determine whether it should be increased in accordance with California Health and Safety Code §6489 et seq. A five percent (5%) increase will be added to the compensation annually in September, only after review and approval from the Board of Directors. For transparency, Vice President Coleman added that the Directors also received the PEMHCA amount toward health reimbursements, which is currently \$143 per month. A Notice of Public Hearing was duly noticed in The Desert Sun, a newspaper of general circulation, on June 25, 2021, and June 30, 2021, as required by Government Code. No written communications were received. President Sear declared the public hearing open for public comment at 1:42 p.m. There being no correspondence, public comments, or additional comments from the Board, President Sear declared the Public Hearing closed at 1:44 p.m. It is recommended to adopt Ordinance No. 2021-120 Setting Board Member Compensation.

ACTION TAKEN:

MOTION: Secretary Canero made a motion to adopt Ordinance No. 2021-120 Setting Board Member Compensation. Vice President Coleman seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
ORDINANCE NO. 2021-120

5. NON-HEARING ITEMS

5.1 Adopt Resolution No. 2021-1148 Declaring Valley Sanitary District's Intention to Order the Dissolution of Certain Property from Indio Sanitary District Assessment District No. 2 (Indio Terrace) and City of Indio Assessment District No. 90-1 (Shadow Hills) and Rescind Resolution No. 2021-1147

Due to an update in the language of Resolution 2021-1147, omitting the need for a public hearing, staff recommends rescinding Resolution No. 2021-1147 and adopting Resolution 2021-1148.

“RESOLUTION OF THE VALLEY SANITARY DISTRICT DECLARING ITS INTENTION TO ORDER THE DISSOLUTION OF CERTAIN PROPERTY FROM INDIO SANITARY DISTRICT ASSESSMENT DISTRICT NO. 2 (INDIO TERRACE) AND CITY OF INDIO ASSESSMENT DISTRICT NO. 90-1 (SHADOW HILLS)”

ACTION TAKEN:

MOTION: Director Duran made a motion to adopt Resolution No. 2021-1148 declaring the District's intention to order the dissolution of certain Property from Indio Sanitary District Assessment No. 2 (Indio Terrace) and City of Indio Assessment District No. 90-1 (Shadow Hills), and rescinding Resolution No. 2021-1147. Director Canero seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
RESOLUTION NO. 2021-1148

- 5.2 Approve the Second Amendment to the Employment Agreement with Beverli A. Marshall, General Manager, Increasing the General Manager's Salary Pursuant to Section 3 of the Agreement

The current employment agreement with the General Manager includes language requiring an annual performance evaluation as well as a merit increase upon achievement of a satisfactory evaluation. The performance evaluation was completed on June 22, 2021, and the General Manager's performance was determined to be satisfactory. As authorized by the agreement, the Board authorized a 3% merit increase, to become effective as of June 26, 2021, to coincide with the start of the pay period immediately following the General Manager's employment anniversary date. The fiscal impact of the amendment is \$9,591 in salary and approximately \$5,000 in benefits, for a total increase of approximately \$15,000, which is included in the Comprehensive Budget for Fiscal Year 2021/22

ACTION TAKEN:

MOTION: Director Teague made a motion to approve the second amendment to the General Manager's employment agreement. Director Duran seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2021-3113

- 5.3 Adopt a Resolution Amending the VSD Bi-Weekly Wage Schedule for Fiscal Year 2021/22

At the May 25, 2021 meeting, the Board of Directors adopted Resolution 2021-1145 establishing the VSD Bi-Weekly Wage Schedule (Schedule) effective July 1, 2021. After the Schedule was adopted, staff identified a typographical error on the line for the Development Services Supervisor. The adopted wage did not provide at least a 10% difference between the Supervisor and the Development Services Technician III. The proposed amended Schedule addresses this error. The amendment also addresses an error in section 11 standby pay that was off by \$1 due to rounding. A table explaining the parameters of call-back pay was added to section 11. A typographical error was also identified in section 14 Safety Shoes, the rate listed was the previous rate and not the current approved rate. The amendment corrects the error. The Schedule also includes the recently adopted merit and COLA increase for the General Manager, per the employment agreement.

**"A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT
AMENDING EMPLOYEE WAGES & BENEFITS EFFECTIVE JULY 1, 2021 AND RESCINDING
RESOLUTION 2021-1145"**

ACTION TAKEN:

MOTION: Director Teague made a motion to adopt Resolution No. 2021-1149 amending the Bi-Weekly Wage Schedule effective July 1, 2021, and rescinding Resolution No. 2021-1145. Secretary Canero seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
RESOLUTION NO. 2021-1149

5.4 Select the Seat A Representative to the California Special District Association Board of Directors and Authorize the General Manager to Vote on Behalf of the District

After discussion, the Board selected to vote for Jo MacKenzie, for the Seat A representative to the California Special District Association Board of Directors, and authorize the General Manager to vote on behalf of the District.

ACTION TAKEN:

MOTION: Vice President Coleman made a motion to vote for Jo MacKenzie for the Seat A representative to the California Special District Association Board of Directors and authorize the General Manager to vote on behalf of the District. Secretary Canero seconded the motion. Motion carried by the following roll call vote:
AYES: Canero, Coleman, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2021-3114

5.5 Authorize Payment of the Annual Lump-Sum Prepayment of the Unfunded Accrued Liability (UAL)

Annual payment on the Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date. An annual lump-sum prepayment option of the Unfunded Accrued Liability (UAL) is available for employer contributions to CalPERS. The lump-sum is a discounted amount compared to the sum of the twelve-monthly installments, which include a 7% interest. The lump sum option would equal \$24,100 in savings.

ACTION TAKEN:

MOTION: Director Duran made a motion to authorize the payment of \$700,420 to CalPERS for the annual lump-sum prepayment of the UAL. 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. 2021-3115

5.6 Purchase Authorization Approval – Plug and Check Valves for the Influent Pump Station Rehabilitation Project

Part of the Influent Pump Station Rehabilitation Project is the replacement of six (6) 18" plug valves, the replacement of six (6) 18" check valves, and the installation of two (2) new 30" plug valves. Each

of these valves has a 16-week or longer lead time from the time of ordering the valves to when we can expect the valves to arrive at the district. If we follow the normal course of the project, the contractor will place the order after the next phase of the project (60% design milestone) is approved by the Board. This would greatly extend the completion time of the project, prolonging necessary repairs to the pump station. Staff proposes to have the district procure the valves with Board approval now which will allow the lead time to be concurrent with finishing the next phase of the project. Staff solicited quotes from various vendors and directly with the two manufacturers. The two main valve manufacturers are Val-matic and Dezurik. Staff compared the prices of the plug valves from both manufacturers and Val-matic are much less expensive. Staff has had success with Val-matic plug valves as well. Staff recommends using Val-matic to purchase the 8 plug valves and 6 check valves in an amount not to exceed \$174,131.

ACTION TAKEN:

MOTION: Director Duran made a motion to authorize the General Manager to purchase the 8 plug valves and 6 check valves from Val-matic, in an amount not to exceed \$174,131. 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. 2021-3116

6. GENERAL MANAGER'S ITEMS

6.1 Monthly General Manager's Report – May 2021

Vice President Coleman asked how the transition is going with Anna Bell filling in as acting Facility Operations Manager. Mr. Marshall stated that it is going well. She can rely on Lorraine Shinnette and outside labs for laboratory needs and James Mills for operational needs while the recruitment continues to fill the Facility Operations Manager vacancy. Director Canero inquired about the location of the new training building. Ms. Marshall assured her that it is still going near the Operations Building as planned.

7. COMMITTEE REPORTS

7.1 Budget & Finance Committee – July 6, 2021 Regular Meeting Minutes

Vice President Coleman gave a summary of the Budget & Finance Committee meeting held on July 6, 2021. He stated that the committee reviewed the updated Draft Investment Policy and discussed the Resolution of Notice of Intent to Proceed with the IBank loan application that will assist in funding the Training Building Project, Laboratory Building Project, and Collection System Rehabilitation Project. Both of these items will be brought before the full board at a future meeting.

8. DIRECTOR'S ITEMS

Director Canero requested that the sketch of the proposed parking lot be emailed to the directors.

9. INFORMATIONAL ITEMS

The Annual Employee Appreciation Luncheon is scheduled for Wednesday, July 28, 2021, at 11:00 a.m. and will be catered by CV BBQ.

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 a closed session at 2:40 p.m.

12. CONVENE IN OPEN SESSION

Report out on Closed Session items

The Board reconvened to open session at 3:28 p.m. President Sear stated there was nothing to report.

13. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 3:29 p.m. The next regular Board meeting will be held on July 27, 2021.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District