

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
February 22, 2022**

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, February 22, 2022, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Sear called the meeting to order at 1:02 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, Tino Tijerina, Matt Pittelli, Chris Rahman, and Craig Hayes, Best Best & Krieger

Guests:

Hugh Curtis, Desert Cornerstone Insurance Service, Inc.

1.2 Pledge of Allegiance

1.3 New Employee Introduction

- Muhammad "Chris" Rahman, Maintenance Technician

The Board welcomed the District's newest employee, Chris Rahman, Maintenance 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.

None.

3. CONSENT CALENDAR

3.1 Approve February 8, 2022, Regular Meeting Minutes

3.2 Approve Warrants for February 2, through February 16, 2022

- 3.3 Adopt Resolution No. 2022-1155 Proclaiming a Local Emergency, Re-Ratifying the Proclamation of a State of Emergency by Governor Gavin Newsom, dated March 4, 2020, and Executive Order N-1-22 dated January 5, 2022, and Re-Authorizing Remote Teleconference Meetings of the Legislative Bodies of Valley Sanitary District for the period of February 23, 2022, through March 25, 2022, Pursuant to Brown Act Provisions
- 3.4 Monthly Financial Report for January 31, 2022
- 3.5 Approve Credit Card Report for January 31, 2022

Secretary/Treasurer Coleman requested item 3.4 be removed from the consent calendar for discussion.

ACTION TAKEN:

MOTION: Vice President Canero motioned to approve items 3.1, 3.2, 3.3, and 3.5 of the consent calendar, including Resolution 2022-1155. Director Duran seconded the motion. Motion carried unanimously.

MINUTE ORDER NO. 2022-3176

- 3.4 Monthly Financial Report for January 31, 2022

This item was removed from the consent calendar for further discussion. Jeanette Juarez, Business Services Manager, presented the monthly financial report for January 31, 2022. She explained that the revenues are over by 83.5% 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 January 31, 2022, the District has incurred \$5,245,048 in expenditures. The District's expenditures are \$1,152,460 or 18.0% under the FYTD straight line budget. Jeanette also informed the Board of \$2 million in connections fees for the new low-income housing development.

ACTION TAKEN:

MOTION: Secretary/Treasurer Coleman motioned to approve the Monthly Financial Report for January 31, 2022. Director Teague seconded the motion. Motion carried unanimously.

MINUTE ORDER NO. 2022-3177

4. NON-HEARING ITEMS

- 4.1 Approve Renewal of Environmental Pollution Liability Coverage

Hugh Curtis, Desert Cornerstone Insurance, presented the Environmental Pollution Liability Coverage renewal to the Board. He stated that the policy did not change from last year. The policy provides a \$2,000,000 limit of liability. Coverage A is for on-site Pollution Liability, and Coverage B provides off-site pollution activities. The annual premium for the coverage is \$17,758.

ACTION TAKEN:**MOTION:**

Secretary/Treasurer Coleman made a motion to approve the annual renewal of the Environmental Pollution Liability coverage. Vice President Canero seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3178

4.2 Receive and File Continuing Disclosure Annual Reports for the Fiscal Year 2020/2021

Jeanette Juarez, Business Services Manager, presented the Continuing Disclosure Annual Reports for the \$7,540,000 Wastewater Revenue Refunding Bonds, Series 2015, and the \$8,848,000 Assessment District No. 2004-VSD (Shadow Hills Interceptor) Limited Obligation Improvement Bonds, Series 2005. Governments or governmental entities (Issuers) issuing bonds must meet specific continuing disclosure standards outlined in Continuing Disclosure Agreements (CDA). Under these contractual agreements, the Issuer commits to provide certain financial information and notices of listed events to the marketplace. Pursuant to the Continuing Disclosure Certificates, the Continuing Disclosure Annual Reports are due no later than February 15 each year.

ACTION TAKEN:**MOTION:**

Secretary/Treasurer Coleman made a motion to receive and file the Continuing Disclosure Annual Reports for Fiscal Year 2020/2021. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3179

4.3 Authorize the Rehabilitation of the Sludge Spiral Heat Exchanger

Matt Pittelli, Electrical Instrumentation Technician, reported that to maintain the integrity and quality of the digester, staff recommends the replacement of the sludge spiral heat exchanger and all necessary hardware for rehabilitation. He stated that this piece of equipment was installed during the plant expansion in 2013. Alfa Laval is the only manufacturer to provide the parts needed for this project, thus this is a sole source procurement.

ACTION TAKEN:**MOTION:**

Director Teague made a motion to authorize the purchase of all recommended and necessary material for the rehabilitation of the sludge spiral heat exchanger from Alfa Laval for a not to exceed the amount of \$61,110, including the cost of tax and freight. Director Duran seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Coleman, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2022-3180

5. GENERAL MANAGER'S ITEMS

Beverli Marshall, General Manager, gave an update on the CASA DC Forum at the end of the month. She spoke with IFS, and they informed her that most of Washington will still be closed due to Covid, so many of the meetings scheduled will be through Zoom.

6. COMMITTEE REPORTS

6.1 East Valley Reclamation Authority (EVRA) – February 15, 2022

EVRA President, Dennis Coleman, informed the Board that at the EVRA Board meeting, the Board selected officers for 2022, received and filed the audited financial statements for the fiscal year 2020/21 and the fiscal year 2021/22 mid-year budget report. He also stated that Reymundo Trejo, IWA General Manager, and Beverli Marshall, VSD General Manager, gave an update on the Recycled Water Project. He noted that the project is moving forward and exploring additional alternatives to spreading and injection.

7. DIRECTOR'S ITEMS

Director Duran requested that an agenda item be brought to the Board addressing the General Manager's VSD obligations outside of the office. He would like to set a standard that can be referred to if needed.

8. INFORMATIONAL ITEMS

Staff informed the Board that the lift station tour would need to be rescheduled for March.

9. PUBLIC COMMENT

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

None.

10. CONVENE IN CLOSED SESSION

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

10.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code paragraph (2) or (3) of subdivision (d) of Section 54956.9 (one potential case – circumstances need not be disclosed pursuant to paragraph (1) of subdivision (e) of Government Code Section 54956.9

The Board adjourned to Closed Session at 2:23 p.m.

11. CONVENE IN OPEN SESSION

Report out on Closed Session items

The Board reconvened in open session at 2:47 p.m. Craig Hayes, District Counsel, reported that there was nothing to report.

12. ADJOURNMENT

There being no further business to discuss, the meeting adjourned at 2:48 p.m. The next regular Board meeting will be on March 8, 2022.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District