

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

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

**1. CALL TO ORDER**

President Sear called the meeting to order at 1:01 p.m.

**2. ROLL CALL**

Directors Present:

Debra Canero, Mike Duran, Scott Sear, William Teague

Directors Absent:

Dennis Coleman

Staff Present:

Beverli Marshall, Holly Gould, Jeanette Juarez, Ron Buchwald, Dave Commons, Mark Wiseman, Miguel Serna, and Craig Hayes, Best Best & Krieger

Guests Present:

Dr. Bruce Underwood, Healthy Futures

**3. PLEDGE OF ALLEGIANCE**

**4. PUBLIC COMMENT**

*Please notify the Secretary in advance of the meeting if you wish to speak on a non-hearing item or any item not appearing on the agenda.*

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Dr. Bruce Underwood, Healthy Futures, Inc., gave public comment.

**5. CONSENT CALENDAR**

5.1 Approve Meeting Minutes of November 8, 2022

5.2 Approve Warrants for November 22, 2022

5.3 Approve Monthly Revenue & Expense Report for the Period Ending October 31, 2022

#### 5.4 Receive and File Credit Card Report for October 31, 2022

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**ACTION TAKEN:**

**MOTION:** Director Teague motioned to approve the consent calendar as presented. Director Duran seconded the motion. Motion carried by the following roll call vote:  
AYES: Canero, Duran, Sear, Teague  
NOES: None  
**MINUTE ORDER NO. 2022-3253**

#### 6. NON-HEARING ITEMS

##### 6.1 Receive and File the Annual Comprehensive Financial Report (ACFR) for the Valley Sanitary District for the Fiscal Year Ending June 30, 2022

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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 both the financial and operational information that is useful to the decision-makers of the District. Jonathan Foster, CPA, Davis Farr LLP, presented the audit results. The District's total net position increased \$9.4 million or 9.2% for the year ended June 30, 2022, from \$103.0 million to \$112.5 million. The variance is primarily due to an increase in sewer service revenue. In the fiscal year 2020/21, 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.

**ACTION TAKEN:**

**MOTION:** Director Duran motioned to receive and file the Annual Comprehensive Financial Report (ACFR) for the Valley Sanitary District for the fiscal year ending June 30, 2022. Vice President Canero seconded the motion. Motion carried by the following roll call vote:  
AYES: Canero, Duran, Sear, Teague  
NOES: None  
**MINUTE ORDER NO. 2022-3254**

##### 6.2 Authorize the General Manager to Execute a Professional Services Contract with Leighton Consulting, Inc. for Third-Party Inspection Services for the Recycled Water Project – Phase I in an Amount Not to Exceed \$152,000

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The Recycled Water Project - Phase 1 requires geotechnical and materials testing and special inspection services. This is to confirm that all earthwork and compaction efforts are met and that concrete, steel rebars, welding, anchoring, etc., all meet the design specifications. On September 27, 2022, staff released a Request for Proposal (RFP) to provide the required testing and special

inspections for the Recycled Water Project - Phase 1. On November 3, VSD received six proposals from consultants specializing in this work. A committee reviewed the six proposals and scored them per the scoring criteria in the RFP. Leighton Consulting scored the highest of the six proposals. Leighton Consulting has several offices in southern California, including one in Palm Desert. Leighton Consulting also provided the geotechnical work needed to design this project, so they are familiar with VSD's plant and this project. Leighton Consulting also offered a competitive price for this three-year project. However, not all consultants provided a total cost because it is based on assumptions of the actual work needed and not on anything quantifiable. Leighton Consulting's proposal (as are the other five proposals) is based on assumptions of the required testing and inspection work throughout the three-year project. The amount of work needed is not quantifiable, and cannot anticipate changes in work or if additional testing is necessary. Leighton Consulting's proposed cost is \$126,800. Staff recommends adding a 20% contingency to cover unanticipated costs and to account for the increase in prevailing wages during the contract term. If additional fees are needed to complete the testing and inspection work, staff will seek authorization from the Board. Director Duran was concerned that this did not go before the Operations Committee. The Board discussed the CEQA process.

**ACTION TAKEN:**

**MOTION:**

Director Teague motioned to authorize the General Manager to execute a Professional Services Contract with Leighton Consulting, Inc. for Third-Party Inspection Services for the Recycled Water Project – Phase I in an amount not to exceed \$152,000. Vice President Canero seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Sear, Teague

NOES: Duran

**MINUTE ORDER NO. 2022-3255**

**6.3 Adopt Resolution No. 2022-1172 Honoring Director Dennis Coleman for His Dedication and Service to Valley Sanitary District**

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Due to Secretary/Treasurer Coleman's absence, President Sear directed staff to move this item to the Board Meeting on December 13, 2022.

**6.4 Adopt Valley Sanitary District Legislative Advocacy Guidelines**

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Townsend Public Affairs recommends that the District discuss and adopt Legislative Advocacy Guidelines that can be used as a guide for the Board, staff, and consultants regarding taking positions on current or future legislative issues that could impact the District's operations. Based on the water and wastewater industry, District projects, and local issues, the consultant has created Guidelines for the Board's consideration. The document was presented to the Community Engagement Committee. The Committee agreed with the draft language. Legislative Guidelines are an essential advocacy tool to offer and deliver to elected officials who represent the VSD service area locally, in Sacramento and Washington D.C. Sharing policy statements and positions on common legislative, and regulatory issues

with elected officials help to shape elected official's policy decisions and positions VSD to be a leader in the community for legislative and regulatory topics.

**ACTION TAKEN:**

**MOTION:** Vice President Canero motioned to adopt Valley Sanitary District Legislative Advocacy Guidelines. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2022-3256**

**6.5 Discuss the Annual Employee Performance Bonus, Approve Amount, and Authorize the General Manager to Implement the Program for 2022**

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It has been a long-standing tradition of the District to award an annual employee performance bonus via gift cards to all employees in December of each year for \$200 each. The annual employee performance bonus aims to engage employees, increase collaboration, and motivate employees to increase overall productivity. This year Valley Sanitary District employees continued to emulate what it means to be an essential worker. The staff's commitment and continued ability to deliver high-quality results allow the District to progress and succeed. This team understands the critical nature of the service it provides and the community it serves. The District's mission is clear, to serve the City of Indio and the surrounding communities by collecting, treating, and recycling wastewater to ensure a healthy environment and sustainable water supply. The continued dedication and forethought of this team are commendable.

**ACTION TAKEN:**

**MOTION:** Vice President Canero motioned to approve the amount and authorize the General Manager to implement the Employee Performance Bonus Program for 2022. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Canero, Duran, Sear, Teague

NOES: None

**MINUTE ORDER NO. 2022-3257**

**7. GENERAL MANAGER'S ITEMS**

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Beverli Marshall, General Manager, informed the Board that the plant is on complete bypass. During this, the maintenance staff will be on standby. The Annual Holiday Luncheon will be on December 7, 2022, and will be catered by CV BBQ.

## **8. COMMITTEE REPORTS**

- 8.1 Discuss Draft Minutes of November 15, 2022, Regular Community Engagement Committee Meeting

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Chairperson Scott Sear reported in the Community Engagement Committee meeting on November 15, 2022. They discussed the proposals for the Communication and Outreach Services Request for Proposals, the District's participation in the Annual Tamale Festival, and the final update from CV Strategies.

## **9. DIRECTOR'S ITEMS**

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Director Duran requested an update on Fantasy Springs. Ms. Marshall stated that she had received the signed agreement. Ms. Marshall also noted that the project at CV History Museum is nearly complete. Staff is just waiting on the delivery of the signage. Vice President Canero suggested offering the museum docents a tour of the VSD facilities. Director Teague thanked Dr. Underwood for his interest in the community. President Sear and Director Teague thanked Secretary/Treasurer Coleman for his years of service to the District and his guidance and financial expertise. President Sear presented the fourth-grade teacher and her class with a \$500 gift card for winning the Water Bear Naming contest. President Sear thanked District staff members Scott Graham and Ed Luna for the opportunity to shadow them.

## **10. INFORMATIONAL ITEMS**

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The CASA Winter Conference will be held in Palm Springs from January 25 -27, 2023.

## **11. PUBLIC COMMENT**

Please notify the Clerk of the Board in advance of the meeting if you wish to speak on an item to be discussed in Closed Session.

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None.

**President Sear called for a short recess at 2:08 p.m. The Board of Directors reconvened at 2:14 p.m. Roll call was taken. Directors Canero, Duran, Sear, and Teague were present.**

## **12. CONVENE IN CLOSED SESSION**

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

- 12.1 Conference with Legal Counsel – Discussion to Consider Initiation of Litigation Pursuant Government Code Section 54956.9 (d)(2) Under existing facts and circumstances, legal counsel believes that there is significant exposure to litigation.
- 12.2 Public Employment Recruitment  
Pursuant to Government Code Section 54957

Title: General Manager

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The Board adjourned to Closed Session at 2:14 p.m.

**13. CONVENE IN OPEN SESSION**

Report out on Closed Session items

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The Board reconvened in open session at 2:47 p.m. President Sear stated there was nothing to report.

**14. ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 2:46 p.m. The next regular Board meeting will be on December 13, 2022.

Respectfully submitted,

Holly Gould, Clerk of the Board  
Valley Sanitary District