

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

April 11, 2023

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, April 11, 2023, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Canero called the meeting to order at 1:00 p.m.

2. ROLL CALL

Directors Present:

Jacky Barnum, Debra Canero, Mike Duran, Scott Sear, William Teague

Staff Present:

Ron Buchwald, Holly Gould, Jeanette Juarez, Dave Commons and Craig Hayes, Best Best & Krieger

Guests Present:

Leticia White, Innovative Federal Strategies

Jim Wolynski, Indio Resident

Sergio Corbo, Indio Resident

3. PLEDGE OF ALLEGIANCE

4. APRIL EMPLOYEE ANNIVERSARIES

- Andrew Sorensen, Wastewater Operator III – 2 years

The Board of Directors thanked Andrew for his hard work and years of service.

5. PUBLIC COMMENT

Jim Wolynski and Sergio Corbo gave public comment on their opposition to the proposed sewer rate increase.

6. CONSENT CALENDAR

6.1 Approve Board Meeting Minutes of March 28, 2023, Regular Meeting

- 6.2 Approve Warrants for April 11, 2023
- 6.3 Accept Sewer Main Improvements and Authorize the Interim General Manager to Sign a Certificate for K. Hovnanian's Four Seasons at Terra Lago Tracts
- 6.4 Accept Sewer Main Improvements and Authorize the Interim General Manager to Sign a Certificate of Acceptance for Spectrum Sewer Extension
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ACTION TAKEN:

MOTION: Director Teague motioned to approve the consent calendar as presented. Secretary/Treasurer Sear seconded the motion. Motion carried by the following roll call vote:

AYES: Barnum, Canero, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2023-3286

7. NON-HEARING ITEMS

- 7.1 Presentation by Innovative Federal Strategies

Leticia White of Innovative Federal Strategies gave an update on Washington, D.C., including the President's budget, domestic appropriations, raising the debt ceiling, and PFAS.

- 7.2 Approve Budget Adjustment for Rotary Thickener in the Amount of \$505,000

On February 14, 2023, the Board approved Amendment #2 to the Schneider Electric Contract, which approved the Guaranteed Maximum Price for the Rotary Screw Thickener (RST), which authorized Schneider Electric to proceed with acquiring the Performance and Payment Bonds and insurance for the project. The cost to secure bonds and insurance is \$243,312. The next step is completing the 100% design plans, which will cost \$260,235. The total initial cost for the RST is \$503,547. Staff requests to pay for the initial costs for the RST using CIP funds from the Collection System Rehab and Replacement Construction fund. The construction of the RST will be paid through financing if the rate increase is approved or through the Collection System Rehab and Replacement Fund if the rate increase is not approved.

ACTION TAKEN:

MOTION: Secretary/Treasurer Sear motioned to approve the consent calendar as presented. Director Barnum seconded the motion. Motion carried by the following roll call vote:

AYES: Barnum, Canero, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2023-3287

7.3 Approve Resolutions 2023-1176 and 2023-1177 Allowing Valley Sanitary District to Apply for Grant Funding from the State Water Board

The District is applying for a construction grant through the State of California's Water Recycling Funding Program. To complete the application process for the construction grant, the District must adopt Resolution No. 2023-1176 authorizing staff to apply for the grant and Resolution No. 2023-1177 stating the reimbursement requirements of the grant.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY SANITARY DISTRICT AUTHORIZING THE SUBMISSION OF A FINANCIAL ASSISTANCE APPLICATION TO THE STATE WATER RESOURCES CONTROL BOARD FOR A RECYCLED WATER CONSTRUCTION GRANT”

“A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY SANITARY DISTRICT DECLARING ITS INTENT TO ISSUE AND/OR OBTAIN TAX-EXEMPT OBLIGATIONS TO BE USED TO REIMBURSE THE VALLEY SANITARY DISTRICT FOR EXPENDITURES TO BE MADE PRIOR TO THE ISSUANCE OF SUCH OBLIGATIONS”

ACTION TAKEN:

MOTION: Director Teague motioned to adopt Resolution No. 2023-1176 authorizing the submission of a financial assistance application to the State Water Resources Control Board for a Recycled Water Construction Grant and Resolution No. 2023-1177 declaring its intent to issue and/or obtain tax-exempt obligations to be used to reimburse the Valley Sanitary District for expenditures to be made prior to the issuance of such obligations. Vice President Duran seconded the motion. Motioned carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None
RESOLUTION NO. 2023-1176
RESOLUTION NO. 2023-1177

7.4 Discussion of Proposed Updates to the Valley Sanitary District Procurement Policy

Jeanette Juarez, Chief Administrative Officer, presented the Draft Purchasing Policy for review and discussion. She also presented a comparison of spending limits from similar agencies. The Board discussed changing the spending limits of managers and General Manager. There was also discussion on the hindrance of conducting daily business should the limits be lowered. The Board directed staff to bring back the draft policy for further discussion at the meeting on April 25, 2023.

- 7.5 Approve the Interim General Manager to Accept Conditional Settlement Offer No. R7-2023-0021: Offer to Participate in the Expedited Payment Relating to Alleged Violations of Order No. R7-2020-0007, NPDES No. CA104477

On March 30, 2023, the Valley Sanitary District's Interim General Manager, Ron Buchwald, received a certified letter from the Colorado River Basin Regional Water Quality Control Board concerning a conditional settlement offer to the District for alleged exceedances of effluent requirements to the District's RWQCB's Order No. R7-2020-0007, NPDES permit No. CA0104477. From June 2022 until December 2022, the District had five alleged effluent exceedances of the regulatory requirements of its NPDES permit, three Ecoli exceedances, and two Total Cyanide exceedances. The District was only charged for the two Cyanide exceedances. After extensive evaluation and analysis, the District staff believes that these two Cyanide results are false positives caused by the sampling technique and extensive holdings times under high pH conditions used to obtain the effluent samples and not the results of actual Cyanide in the facility effluent. To avoid the possibility of future Cyanide false positives, the District's laboratory is working on obtaining all the equipment and materials necessary to do the Cyanide testing in-house and getting certified to perform the testing by the State of California. In the meantime, staff will be using a different outside laboratory that uses a different approved testing method which should eliminate the potential for false positives in our Cyanide test results. Other Districts and Municipalities have experienced this Cyanide false positive test results, and the Regional Board is aware of this. Staff recommends to the Board of Directors that it would be fair and prudent for the District to accept this conditional statement offer from the Regional Board.

ACTION TAKEN:

MOTION:

Vice President Duran motioned to accept Conditional Settlement Offer No. R7-2023-0021: Offer to Participate in the Expedited Payment Relating to Alleged Violations of Order No. R7-2020-0007, NPDES No. CA104477 for \$6,000. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Barnum, Canero, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2023-3288

8. GENERAL MANAGER'S ITEMS

- 8.1 Receive Monthly General Managers Report – March 2023
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9. COMMITTEE REPORTS

- 9.1 Draft Minutes of the Operations Committee Meeting – April 4, 2023
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The Operations Committee received an update on the Capital Improvement Projects (CIP). They also took a tour of the CIP projects currently under construction at the treatment plant. They were able to see the Influent Pump Station and Recycled Water Phase I projects.

10. DIRECTOR'S ITEMS

Secretary/Treasurer Sear read aloud a letter he received from Assemblyman Eduardo Garcia thanking him for attending his open house. President Canero reported on the CWEA CORBS Annual Awards Banquet. She informed the Board that Kenneth Kepley received the Operator of the Year Award, Ed Luna received the Maintenance Person of the Year Award, Nick Castaneda received the Collections Systems Person of the Year Award, and Nick Dean received the Electrical Instrumentation Person of the Year Award. The Board congratulated all of the employees. President Canero stated that all the Directors should have received the VSD Policy Binder. Policies will be distributed to the Board as they are updated. She asked the Board to keep their binders up to date. President Canero extended her appreciation to KESQ News for the interview regarding the proposed rate increase. They had a chance to talk with her and the Interim General Manager and got a plant tour.

11. INFORMATIONAL ITEMS

Ron informed the Board that he would be off on April 17, 2023.

12. PUBLIC COMMENT – CLOSED SESSION – None

President Canero called for a short recess at 2:37 p.m. The Board of Directors reconvened at 2:50 p.m. Roll call was taken. Directors Barnum, Canero, Duran, Sear, and Teague were present.

13. CONVENE IN CLOSED SESSION

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

- 13.1 Public Employment Recruitment Pursuant to Government Code Section 54957
Title: General Manager

The Board adjourned to Closed Session at 2:50 p.m.

13. CONVENE IN OPEN SESSION

Report out on Closed Session items

The Board reconvened in open session at 4:04 p.m. President Canero stated there was nothing to report.

14. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 4:05 p.m. The next regular Board meeting will be on April 25, 2023.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District