

**VALLEY SANITARY DISTRICT
MINUTES OF REGULAR BOARD MEETING
May 23, 2023**

A regular Board Meeting of the Governing Board of Valley Sanitary District (VSD) was held on Tuesday, May 23, 2023, at 45-500 Van Buren St., Indio, CA 92201.

1. CALL TO ORDER

President Canero called the meeting to order at 1:02 p.m.

2. ROLL CALL

Directors Present:

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

Staff Present:

Ron Buchwald, Interim General Manager, Jeanette Juarez, Chief Administrative Officer, Dave Commons, Chief Operating Officer, Holly Gould, Clerk of the Board, and Craig Hayes, Best Best & Krieger

Guests Present:

Eric O'Donnell, Townsend Public Affairs

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT – None.

5. CONSENT CALENDAR

- 5.1 Approve Board Meeting Minutes of May 9, 2023, Regular Meeting, and May 16, 2023, Special Meeting
 - 5.2 Approve Warrants for May 23, 2023
 - 5.3 Receive and File Credit Card Report for April 30, 2023
 - 5.4 Monthly Revenue & Expense Report for the Period Ending April 30, 2023
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ACTION TAKEN:

MOTION:

Director Teague motioned to approve the consent calendar as presented. Vice President Duran seconded the motion. Motion carried by the following roll call vote:

AYES: Barnum, Canero, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2023-3296

6. NON-HEARING ITEMS

- 6.1 Authorize the Interim General Manager to Execute an Amendment to the Contract between VSD and Townsend Public Affairs to Extend the Contract One Year Until June 30, 2024, at a Cost Not to Exceed \$60,000

The District's contract with Townsend Public Affairs will expire on June 30, 2023. The agreement includes two (2) one-year extensions to the contract term. An amendment to the contract will reflect the one-year extension until June 30, 2024, for \$60,000.

ACTION TAKEN:

MOTION:

Secretary/Treasurer Sear motioned to authorize the Interim General Manager to amend the contract between VSD and Townsend Public Affairs to extend the contract one year until June 30, 2024, at a cost not exceeding \$60,000. Director Teague seconded the motion. Motion carried by the following roll call vote:

AYES: Barnum, Canero, Duran, Sear, Teague

NOES: None

MINUTE ORDER NO. 2023-3297

- 6.2 Review and Discussion of Valley Sanitary District Draft Fiscal Year 2023/24 Operating and Capital Budget

Jeanette Juarez, Chief Administrative Officer, presented the Draft FY24 Operating & Maintenance (O&M) and Capital Budget to the Board. The proposed operating and capital budget for the fiscal year 2023/24 is \$18,622,984 and \$57,565,000, respectively. The operating budget encompasses personnel, California Public Employees' Retirement System (CalPERS), Unfunded Accrued Liability (UAL), debt service, insurance premiums, and other overhead costs to run day-to-day operations. The capital budget incorporates key projects to advance the District's Capital Improvement Program (CIP). There are 21 capital projects requested in the fiscal year 2023/24. The fiscal year 2023/24 CIP includes the Recycled Water Project Phase I, Amendment 1 & 2, Emergency Sewer Siphon Replacement Design and Construction, and the Collection System Sewer Main Rehabilitation and Replacement Program. Staff will bring the FY24 Budget for final approval at the June 13, 2023, Board meeting. Director Teague thanked Staff for a well-put-together budget.

6.3 Set Public Hearing for June 13, 2023, to Discuss Fees and Charges for District Services and Establish the Gann Appropriations Limit for Fiscal Year 2023/24

Pursuant to Ordinance 94-115, the Board of Directors established the authority under State law to collect fees and charges for costs reasonably borne and charges levied by the District. Each year the Board adopts a resolution amending District fees and charges. The resolution is split into four (4) sections: Administrative/Development Services Fee, Connection Capacity Charge, and Dump Station Fees, and Section 4 establishes that the General Manager is responsible for the administration and implementation of the resolution. California Voters approved Proposition 4, commonly called the Gann Limit Initiative ("Gann Limit"), as an amendment to Article XIII B of the State Constitution, Section 7910 of the Government Code, on November 6, 1979. This limit established the maximum tax proceeds spent on government services during a fiscal year. It also requires that agencies return taxpayers any tax revenue over the limit. Staff recommends that the Board of Directors approve the public hearing date set for June 13, 2023, to discuss fees & charges for District services and establish the Gann appropriations limit for the fiscal year 2023/24. A public hearing notice will be published in The Desert Sun, a newspaper of general circulation.

ACTION TAKEN:

MOTION:

Vice President Duran motioned to set a Public Hearing for June 13, 2023, to discuss fees and charges for District services and establish the Gann Appropriations Limit for the fiscal year 2023/24. 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. 2023-3298

6.4 Adopt Resolution 2023-1178 Amending Employee Wages & Benefits Effective July 1, 2023, and Rescind Resolution 2022-1171

On April 18, 2023, the Board of Directors held a special meeting to review the proposed fiscal year 2023/24 operating budget. During that meeting, proposed changes to the wage schedule and California Public Employees Retirement System (CalPERS) Plan Contributions were reviewed and discussed. The proposed Operating Budget for 2023/24 includes a 7.5% Cost of Living Adjustment (COLA) based on the Riverside Area, CA CPI-U Index. This adjustment aligns with those made by comparable agencies and ensures that the District remains competitive with other agencies in the region. The proposed operating budget includes an 8.0% increase in the monthly cafeteria plan to provide employees with medical insurance benefits. The adjustment was determined using the Medical Care index of 8.1% CPI-U Index as of December 2022 and the estimated increases to the CalPERS Medical Premiums. The public agency required employer contribution through CalPERS also increased to 14.20% for Classic members and increased to 8% for PEPPA members. Staff recommends that the Board adopt Resolution No. 2023-1178, amending employee wages and benefits effective July 1, 2023, and rescind Resolution 2022-1171.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY SANITARY DISTRICT AMENDING EMPLOYEE WAGES & BENEFITS EFFECTIVE JULY 1, 2023, AND RESCINDING RESOLUTION 2022-1171”

ACTION TAKEN:

MOTION: Director Teague motioned to adopt Resolution 2023-1178, amending employee wages & benefits effective July 1, 2023, and rescind Resolution 2022-1171. Vice President Duran seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None

RESOLUTION NO. 2023-1178

- 6.5 Award a Contract for Biosolids Disposal and Hauling Services to Synagro West and Authorize Interim General Manager to Execute the Contract

Due to several challenges, the District had to terminate its contract with the previous biosolids hauling and disposal company. The District released a Request for Proposals (RFP) in January 2023 and received one qualified proposal from Synagro West. Synagro West is a major company in the biosolids industry. It has a good reputation for meeting the needs of its customers and following regulatory requirements. Synagro West handles biosolids hauling and disposal services for other agencies in the Coachella Valley. Synagro West's proposal includes the price per ton for hauling and disposal plus the amounts for fuel surcharges, CPI, and any additional fees. The total not to exceed the cost for three years is \$1.2 million. The Staff's desired goal is to have this contract in place and ready to be implemented on July 1, 2023.

ACTION TAKEN:

MOTION: Secretary/Treasurer Sear motioned to award a contract for biosolids disposal and hauling services to Synagro West and Authorize the Interim General Manager to execute a contract for not exceeding \$1.2 million for three years. Director Teague seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None

MINUTE ORDER NO. 2023-3299

- 6.6 Authorize the Interim General Manager to Purchase Twenty-Five (25) Communications Radios from Bearcom to Replace the Current Radios for an Amount not exceeding \$25,882.50

The plant communication radios are not compliant with current OSHA Standards for communication radios used near explosive gas environments. The District radios have the potential to spark and cause an explosion. The current radios are also near the end of their useful life. Staff researched and found that BEARCOM communication radios meet the current OSHA Standards. The Motorola XPR 3300e VHF radio standard package includes batteries, chargers, antenna, and programming for \$939 each

and a total price with shipping and taxes of \$25,882.50. The 25 communication radios include spares for future lost or damaged radios.

ACTION TAKEN:

MOTION: Director Teague motioned to authorize the Interim General Manager to purchase twenty-five (25) communications radios from Bearcom to replace the current radios for an amount not exceeding \$25,882.50. Director Barnum seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None

MINUTE ORDER NO. 2023-3300

- 6.7 Approve Change Order No. 1 for the Recycled Water Project – Phase 1 for Pavement Improvements Needed to Replace Pavement Sections on the Treatment Plant for a Not to Exceed Cost of \$23,305 and Authorize the Interim General Manager to Sign the Change Order

As part of the Recycled Water Project - Phase 1, a pipeline from the North Cell to the Bar Screens was installed to convey treatment plant water needing additional treatment from the North Cell to the head of the plant. During the trenching for the pipeline, the asphalt pavement on each side of the trench deteriorated quickly. It was determined that the asphalt pavement was installed without any or minimal aggregate base below it and is most likely the cause of the quick and widespread deterioration. The contractor is responsible for repairing the asphalt pavement; however, they must replace the pavement in-kind, which would be without the aggregate base. The contractor proposes adding the aggregate base below the pavement for a longer asphalt life. The cost of the change order is \$23,305.

ACTION TAKEN:

MOTION: Vice President Duran motioned to approve Change Order No. 1 for the Recycled Water Project – Phase 1 for pavement improvements needed to replace pavement sections on the treatment plant for a not to exceed the cost of \$23,305 and authorize the Interim General Manager to sign the Change Order. Director Barnum seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None

MINUTE ORDER NO. 2023-3301

- 6.8 Adopt Resolution 2023-1179, a Resolution Authorizing the Execution, Delivery, and Submission of an Application for Grant Funding Through the U.S. Department of the Interior Bureau of Reclamation Water Smart Program for the District's Recycled Water Treatment Project

On February 28, 2023, Environmental Solution Services submitted an application on behalf of the District to the Bureau of Reclamation (BOR) Water SMART program for a planning grant for water recycling and/or desalination projects. The application has been accepted for review. The maximum funding per applicant is \$1,000,000 for projects under \$500 million in construction cost. The required

local match is 50% of the award or \$500,000. The anticipated award date is October 31, 2023. The completion date needed to complete any planning studies is October 31, 2025. Eligible projects consist of water recycling and/or desalination feasibility studies, preliminary design activities, and environmental compliance for planned projects.

“A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY SANITARY DISTRICT AUTHORIZING THE EXECUTION, DELIVERY, AND SUBMISSION OF AN APPLICATION FOR GRANT FUNDING THROUGH THE U.S. DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION WATERSMART PROGRAM FOR THE DISTRICT’S RECYCLED WATER TREATMENT PROJECT”

ACTION TAKEN:

MOTION: Vice President Duran motioned to adopt Resolution 2023-1179, a resolution authorizing the execution, delivery, and submission of an application for grant funding through the U.S. Department of the Interior Bureau of Reclamation Water Smart Program for the District's Recycled Water Treatment Project. Director Teague seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None
RESOLUTION NO. 2023-1179

6.9 Discuss Nominating a Representative from VSD to the Riverside Local Agency Formation Commission (LAFCO) Countywide Oversight Board

After discussion, it was the consensus of the Board to nominate President Debra Canero for the Riverside Local Agency Formation Commission (LAFCO) Countywide Oversight Board.

ACTION TAKEN:

MOTION: Vice President Duran motioned to nominate President Debra Canero for the Riverside Local Agency Formation Commission (LAFCO) Countywide Oversight Board. Director Teague seconded the motion. Motion carried by the following roll call vote:
AYES: Barnum, Canero, Duran, Sear, Teague
NOES: None
MINUTE ORDER NO. 2023-3302

7. GENERAL MANAGER’S ITEMS

Ron Buchwald, Interim General Manager, gave an update on the Coachella Valley History Museum project. Staff will meet with their docent coordinator to develop information for their tours. He informed the Board of the Employee Appreciation Luncheon on May 31, 2023, at the District.

8. COMMITTEE REPORTS

8.1 Draft Minutes for the Community Engagement Committee meeting – May 16, 2023

Ron Buchwald and Committee Member Mike Duran reported on the Community Engagement Committee Meeting on May 16, 2023. The committee discussed the 100-year Celebration for the District, community engagement with the school district, the production of promotional materials that can be shared with the public about the District, and the announcement of the new General Manager.

9. DIRECTOR'S ITEMS

President Canero, Secretary/Treasurer Sear, and Director Barnum gave a report on the CSDA Legislative Days Conference they attended in Sacramento, CA. They met with Assembly Member Greg Wallis, Senator Kelly Seyarto, Assembly Member Eduardo Garcia, and Senator Alex Padilla. Director Teague thanked Staff for their help with the tour of residents of Indian Palms Country Club.

10. INFORMATIONAL ITEMS

Ron Buchwald presented a letter that was received from the Desert Recreation Foundation thanking VSD for their sponsorship of their Annual Bowling Tournament.

11. PUBLIC COMMENT – CLOSED SESSION – None

President Canero called for a short recess at 2:33 p.m. The Board of Directors reconvened at 2:38 p.m. Roll call was taken. Directors Barnum, 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 Public Employment Recruitment Pursuant to Government Code Section 54957 Title: General Manager
- 12.2 Conference with Labor Negotiations Pursuant to Government Code Section 54957.9 Agency Designated Representative: Board President, Unrepresented Employee: General Manager

The Board adjourned to Closed Session at 2:38 p.m.

13. CONVENE IN OPEN SESSION

Report on Closed Session items.

The Board reconvened in open session at 2:51 p.m. District Counsel stated there was no reportable action.

14. ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:52 p.m. The next regular Board meeting will be on June 13, 2023.

Respectfully submitted,

Holly Gould, Clerk of the Board
Valley Sanitary District