

VENTURA REGIONAL SANITATION DISTRICT
Minutes of the Regular Meeting of September 6, 2018
1001 Partridge Drive, Ventura, California

Chairman Monahan called the meeting to order at 8:32 a.m.

1. Roll Call: The Clerk of the Board called the roll. The following Board Members were present:

Jenny Crosswhite, City of Santa Paula
Jack Curtis, Special Districts
Kevin Kildee, City of Camarillo
James Monahan, City of San Buenaventura
Bert Perello, City of Oxnard
Joel Price, City of Thousand Oaks
Jonathan Sharkey, City of Port Hueneme (*arrived at 8:37 a.m.*)
William Weirick, City of Ojai

Absent: Mark Austin, City of Fillmore

Staff Present: Chris Theisen, General Manager; Robert Kwong, Legal Counsel; Mary McMaster, Special Counsel; Regina Williams, Interim Director of Finance; Melissa Grisales, Human Resources Manager; Matthew Baumgardner, Director of Operations; Michael Castro, Senior Management Analyst; Sandy Warren, Management Analyst; Richard Jones, Water/Wastewater Operations Superintendent; and Juliet Rodriguez, Clerk of the Board.

2. Pledge of Allegiance: The Pledge was led by Director Weirick.
3. Agenda Review: (none)
4. Public Comment: (none)

CONSENT AGENDA (Item 5 only)

5. Approval of Minutes: August 16, 2018 Special Meeting

It was moved by Director Weirick, seconded by Director Perello, to approve the consent agenda. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, and Weirick were in favor; the motion carried 7-0.

PRESENTATION (Items 6 only)

6. Receive and File PFM Asset Management, LLC – 2nd Quarter Review of VRSD Investment Portfolio

Regina Williams, Interim Director of Finance, introduced Richard Babbe, Senior Managing Consultant, PFM Asset Management, LLC, who gave the presentation and responded to Board Members' questions.

It was moved by Director Price, seconded by Director Weirick, to receive and file the presentation. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

REGULAR AGENDA (Items 7 through 12)

7. Approval of a New Central Administrative Indirect Cost Allocation Methodology Beginning in FY2019-20

Chris Theisen, General Manager, gave the presentation.

Director Weirick reported that he and Director Perello had attended the Triunfo Sanitation District (TSD) Regular Board meeting on August 27, 2018 and that the TSD Board appeared to be satisfied with the cost allocation methodology option being recommended by VRSD's Personnel & Finance (P&F) Committee. Director Weirick praised VRSD staff's work in the process and was optimistic about the new cost allocation methodology. Director Perello reported that the clarity given in the P&F Committee presentations gave interested parties the understanding needed to accept a new methodology and reported that the TSD Board gave unanimous support to the new methodology.

Director Price, P&F Committee Chair, appreciated that all interested parties were included in the process. He concurred that the process gave stakeholders clarity they might not otherwise have had and showed the fairness for all parties. He also commended staff on all the work done to reach a recommended option.

It was moved by Vice Chair Kildee, seconded by Director Price, to receive and file the report from the P&F Committee on the issue of Central Administration indirect cost allocation; and approve, and direct staff to implement, a new indirect cost allocation methodology for Central Administration cost based on VRSD expenses beginning in FY 2019-20. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

At 9:30 a.m., Robert Kwong, Legal Counsel, gave his seat to Mary McMaster, Special Counsel, for the next agenda item.

8. Proposed Amendments to:

1. VRSD Contract No. 17-011 Between VRSD and Mark S. Norris Consulting, LLC; and
2. VRSD Contract No. 15-014 Between VRSD and Triunfo Sanitation District

Director William Weirick, member of the Ad Hoc VRSD/TSD Committee to Review Contracts, and Mary McMaster, Special Counsel, gave the report about the context and the outcome of the meetings between the respective ad hoc committees and their special legal counsel. Mr. Weirick and Ms. McMaster responded to the Board's questions about the substance and effect of the proposed contractual changes.

It was moved by Vice Chair Kildee, seconded by Director Sharkey, to Approve, and authorize the Board Chair to execute, proposed contract amendments to VRSD Contract No. 17-011 with Mark S. Norris Consulting, LLC and VRSD Contract No. 15-014 with the Triunfo Sanitation District. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

Ms. McMaster left the table at 10:00 a.m. and Robert Kwong, Legal Counsel, returned to his seat.

9. Biennial Review of Ventura Regional Sanitation District Conflict of Interest Code; Proposed Minor Amendment

Juliet Rodriguez, Clerk of the Board, gave the report.

It was moved by Director Weirick, seconded by Director Perello, to approve and adopt VRSD Resolution 18-03, establishing the 2018 conflict of Interest Code, direct District staff to file the VRSD 2018 Conflict of Interest Code proposed amendment with the Ventura County Board of Supervisors for approval, and direct staff, upon approval of the Ventura County Board of Supervisors, to promulgate the 2018 Conflict of Interest Code and ensure that Form 700 Statements of Economic Interests are filed appropriately by the designated staff person. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

10. Approval of Chairman Monahan's Selection of the VRSD Alternate to the Ventura County Regional Energy Alliance Board of Directors.

Chairman Monahan recommended Director Jenny Crosswhite as the VRSD Alternate to the Ventura Regional Energy Alliance (VCREA) Board of Directors.

It was moved by Director Weirick, seconded by Vice Chair Kildee, to Approve Chairman Monahan's selection of Director Crosswhite for appointment as the Alternate to the (VCREA) Board of Directors VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

11. Approval of a Proposed Purchase Order to Bell Trucks America, Inc. for a New Bell B30E Off Road Rock Truck for Use at the Toland Road Landfill

Matt Baumgardner, Director of Operations, gave the report and responded to the Board's questions.

It was moved by Vice Chair Kildee, seconded by Director Weirick, to approve issuance of Purchase Order No. 2697 to Bell Trucks America, Inc. for a new Bell B30E off-road rock truck in an amount not to exceed \$393,055. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

12. Proposed Revisions to the Personnel & Salary (P&S) Ordinance (No, VRSD-97 as Amended)

Melissa Grisales, Human Resources Manager, gave the report.

It was moved by Vice Chair Kildee, seconded by Director Curtis to revise Section 404 of the P&S Ordinance to give the General Manager the discretionary authority to offer and grant an increase to the initial accrual rate of Comprehensive Annual Leave (CAL) up to the maximum rate for newly hired employees; and revise Section 404 of the P&S Ordinance to give the General Manager the discretionary authority to offer and grant a loan of CAL for newly hired employees, in the form of allowing a negative CAL balance to exist, in an amount not to exceed 80 hours. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

INFORMATION ITEMS (Items 13 through 16)

13. Revenue and Expense Report: July 2018

14. Disbursement Report: (none)

15. Investment Report: July 2018

16. Future Meetings: Seminars and Conferences

- ♦ Sept. 12-14, 2018 – League of California Cities Annual Conference, Long Beach
- ♦ Sept. 20, 2018, 8:30 a.m. – Regular Board Meeting (VRSD Board Room)
- ♦ Sept. 24-27, 2018. – CSDA Annual Conference, Indian Wells
- ♦ Oct. 2, 2018, 8:30 a.m. – P&F Committee (VRSD Board Room)
- ♦ Oct. 4, 2018, 8:30 a.m. – Regular Board Meeting (VRSD Board Room)
- ♦ Oct. 18, 2018, 8:30 a.m. – Regular Board Meeting (VRSD Board Room)

Directors Weirick and Price announced that they will be attending the League of California Cities Annual Conference in Long Beach as representatives for their Cities.

It was moved by Director Sharkey, seconded by Director Weirick, to receive and file the information items. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Price, Sharkey, and Weirick were in favor; the motion carried 8-0.

ORAL REPORTS (Items 17 through 20)

17. Regulatory Compliance Report (none)

18. Committee Reports (none)

19. Board Member Comments

Chair Monahan announced that there is a surge of Valley Fever since the Thomas Fire in Ventura County.

Chair Monahan also noted that soon VRSD will have some sludge-hauling trailers to sell and asked that other agencies be notified of their availability before any sale. Mr. Theisen thanked the Chair and reminded the Board that the District's Purchasing Ordinance covers the disposition of surplus District property.

Director Perello stated that children in the City of Oxnard have been exposed to Tuberculosis and cautioned others to be aware of the potential for exposure.

20. General Manager Comments (none)

CLOSED SESSION (Items 21 and 22)

At 10:27 a.m., Legal Counsel Robert Kwong made the following closed session announcement:

It is the intention of the Ventura Regional Sanitation District Board of Directors to meet in closed session to consider the following items:

21. CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code, § 54957.6)

DISTRICT DESIGNATED REPRESENTATIVES:

Melissa Grisales and Michael Castro

EMPLOYEE ORGANIZATIONS:

Service Employees International Union (SEIU), Local 721
International Union of Operating Engineers (IUOE), Local 501
Non-represented Positions

22. PUBLIC EMPLOYMENT (Gov. Code, § 54957): Legal Counsel

At 10:53 a.m., the Board of Directors reconvened into Open Session with no reportable actions on the closed session matters.

Director Price left at some time during the Closed Session and did not return to the Open Session.

REGULAR AGENDA (Item 23 only)

23. Approval of Proposed Contract No. 18-018 with Arnold LaRochelle Mathews VanConas & Zirbel, LLP ("A to Z Law") for General Counsel Legal Services

It was moved by Vice Chair Kildee, seconded by Director Sharkey to approve and authorize the Board Chair to sign, Contract No. 18-018 by and between VRSD and Arnold LaRochelle Mathews VanConas & Zirbel, LLP ("A to Z Law") for General Counsel Legal Services. VOTE: Directors Crosswhite, Curtis, Kildee, Monahan, Perello, Sharkey, and Weirick were in favor; the motion carried 7-0.

ADJOURNMENT: With no further business, the meeting was adjourned at 10:54 a.m. to the next Regular Meeting to be held October 4, 2018, 8:30 a.m. at the Ventura Regional Sanitation District office.

Prepared by:

Approved:

Juliet Rodriguez
Clerk of the Board

James Monahan, Chairman
Ventura Regional Sanitation District