

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, JUNE 19, 2019, AT 5:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Regular meeting to order at the hour of 5:00 p.m.

Finance Manager Owen led the pledge of allegiance.

Present: Director Elitharp  
Director Evans  
Director Sannella  
Director Martin

Absent: Director Hernandez

Staff Present: General Manager Pruim  
Legal Counsel Gilpin  
District Engineer Gumpel  
Finance Manager Owen  
Public Information/Conservation Supervisor Robbins  
Executive Secretary Posvar

Others Present: Chris Palmer, California Special Districts Association (CSDA)

ADOPT AGENDA FOR THE REGULAR MEETING OF JUNE 19, 2019

19-06-07 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Regular Board Meeting of June 19, 2019.

PUBLIC COMMENT

None.

PRESENTATION

Chris Palmer, CSDA Field Coordinator for the Southern Network, presented the District with Director Hernandez's certificate for recognition in Special District Governance.

CONSENT CALENDAR

19-06-08 MOTION WAS MADE by Director Sannella, seconded by Director Elitharp, and carried unanimously, with Director Hernandez absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Board Workshop Meeting – May 29, 2019
- B. Engineering/Equipment Committee Meeting – May 30, 2019

1.2 Warrant List through June 19, 2019 - \$6,831,572.61

1.3 Financial Reports

- A. Water Meter Count – May 31, 2019
- B. Water Production/Sales Report – 2018/2019
- C. Per Capita Water Consumption – May 31, 2019
- D. Water Revenue and Expense Report – May 31, 2019
- E. Sewer Revenue and Expense Report – May 31, 2019
- F. Reserve Funds Activity – May 31, 2019
- G. Investment Report – May 31, 2019
- H. Legal Fees Summary – May 31, 2019

1.4 Summer 2019 Between the Pipes – Vallecitos Water District Quarterly Newsletter

1.5 Resolution Placing in Nomination Betty Evans as a Member of the Association of California Water Agencies (ACWA) Region 10 Board of Directors

ACTION ITEMS

RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT "A" FOR FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020 COLLECTED ON THE TAX ROLL

Finance Manager Owen stated Improvement District "A" is a special service area where Vallecitos provides sewer collection services and another water agency provides domestic water service and fire protection. Vallecitos elects to have the sewer service fees for Improvement District "A" collected on the tax roll in the same manner and at the same time together with the general property taxes. The State Health Code requires Vallecitos to specify on an annual basis the method it will use to collect sewer service fees for Improvement District "A" and hold a public hearing acknowledging this method of collection.

Staff recommends the Board adopt the resolution to set the public hearing for the Regular Board meeting on July 17, 2019.

19-06-09 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, with Director Hernandez absent, to adopt the resolution.

Resolution No. 1554 - The roll call vote was as follows:

AYES: Elitharp, Evans, Sannella, Martin

NOES:

ABSTAIN:

ABSENT: Hernandez

ADOPT THE MEMORANDUM OF UNDERSTANDING WITH THE EMPLOYEES' ASSOCIATION FOR FISCAL YEARS 2019/20, 20/21, 21/22, 22/23; ESTABLISH TERMS AND CONDITIONS OF EMPLOYMENT FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES; AND APPROVE THE PAY SCHEDULE

General Manager Pruim stated the main items during the labor negotiations for the new Memorandum of Understanding (MOU) with the VWD Employees' Association included the Cost of Living Adjustments (COLA), base medical cost contributions, an increase in deferred compensation matching by the District, adjustments to vacation caps, accruals and sellbacks, the exclusion of management and confidential employees from the VWD Employees' Association, and limitations on sick leave accrual. Completion of the labor agreement process requires adoption of the resolution to:

- Adopt the MOU with the VWD Employees' Association covering the general employees' unit of representation;
- Establish terms and conditions of employment for management and confidential employees, the same as in the Employee Handbook and MOU; and
- Approve the revised District pay schedule which reflects the COLA provisions of the MOU and includes retitling two positions and the addition of one new full-time position of Asset Management Supervisor which are included in the fiscal year 2019/2020 budget, and reclassification of the Purchasing and Warehouse Supervisor to Senior Purchasing Specialist.

General Manager Pruim stated the negotiations began in February. The employees voted to accept the District's second offer on June 4. He thanked the Board and the VWD Employees' Association for their hard work and reasoned approach throughout the negotiation process. The Board thanked all involved in the process as well.

Staff recommended the Board approve the resolution to adopt the MOU, establish terms and conditions of employment for management and confidential employees, reclassify the Purchasing and Warehouse Supervisor position to a Senior Purchasing Specialist, and approve the District pay schedule.

19-06-10 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to adopt the resolution.

Resolution No. 1555 - The roll call vote was as follows:

AYES: Elitharp, Evans, Sannella, Martin

NOES:

ABSTAIN:

ABSENT: Hernandez

## REPORTS

### GENERAL MANAGER

General Manager Pruim stated the District will be hosting an Open House on Saturday, June 22 beginning at 8:30 a.m. Approximately 72 attendees are expected.

At General Manager Pruim's request, District Engineer Gumpel provided a brief update on the District-wide solar study.

District Engineer Gumpel stated the Request For Proposals (RFP) for the Twin Oaks and Lake San Marcos sites for power purchase agreements are being finalized. He anticipates RFPs will be sent out in mid-July, the Mitigated Negative Declaration will be circulated at the August 7 Board meeting and certified at the first Board meeting in September. The process will take approximately two months. Recommendations on whether to move forward based on proposals received will be presented to the Board at the end of September or early October.

General Manager Pruim reported the following:

- After the slip lining project on Stargaze Court was completed the street needed repaving. Staff worked with the neighborhood and the City of San Marcos on this. The final paving was completed today.
- Repair of a damaged section of the sewer bypass line from Rancho Santa Fe to Melrose was completed last week. The line allows flows to be diverted from Lake San Marcos to the Outfall. Another section of that pipeline needs a point repair as well. Eventually the entire line may need to be slip lined.
- The Rock Springs Road sewer project is nearing completion.
- Staff will be conducting smoke testing on June 26 in a neighborhood near Paloma Elementary School.
- President Martin was appointed to the City of San Marcos' General Plan Advisory Committee. District Engineer Gumpel will serve as alternate. The first meeting will be held on Tuesday, July 23 at 6:00 p.m. at City Hall.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin referenced a report the Little Hoover Commission issued which contained 20 recommendations to improve special district oversight. The California Special Districts Association and the Institute for Local Governments have been working on a response to some of the recommendations. Recommendation 11 relates to raising awareness of local governing boards. The Institute for Local Governments is seeking input to create a tip sheet for local governments on best practices concerning topics such as outreach and securing candidates for local elections.

Legal Counsel Gilpin stated that there is an additional work issue pertaining to 1090 which prohibits public officials and employees from making public contracts that benefit themselves. In 2017 it was extended to some independent contractor situations where the independent contractor has influence on the governing board relative to entering into a second contract such as hiring a consultant to provide advice and then entering into a second contract with the consultant to perform the work.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the next SDCWA Board meeting is scheduled for June 27.

ENCINA WASTEWATER AUTHORITY

President Martin stated he attended the Capital Improvement Committee meeting this morning on behalf of Director Hernandez who was unable to attend. The Committee discussed the Sediment Tank No. 1 wall replacement project and leaks that were found in the wall of the Digester.

STANDING COMMITTEES

Director Sannella stated the Finance/Investment Committee met on June 17. Shannon Ayala of DavisFarr LLP, the District's auditing firm, provided a presentation on the upcoming audit for the fiscal year ending June 30, 2019. The Committee also received an update on the Cost of Service Study RFP process.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Sannella and Martin reported on their attendance to the Council of Water Utilities meeting on June 18.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

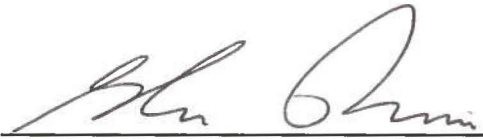
ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 5:36 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, July 3, 2019, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

  
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Hal J. Martin, President  
Board of Directors  
Vallecitos Water District

ATTEST:

  
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Glenn Pruim, Secretary  
Board of Directors  
Vallecitos Water District