

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, OCTOBER 2, 2019, AT 5:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT MARTIN

PLEDGE OF ALLEGIANCE

ROLL CALL

In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity which severely imperils public health, safety, or both. Also, items which arise after the posting of the Agenda may be added by a two-thirds vote of the Board of Directors.

ADOPT AGENDA FOR THE REGULAR MEETING OF OCTOBER 2, 2019

PUBLIC COMMENT

Persons wishing to address a matter not on the Agenda may be heard at this time; however, no action will be taken until the matter is placed on a future agenda in accordance with Board policy. Public comments are limited to three minutes. A Request to Speak form is required to be submitted to the Executive Secretary prior to the start of the meeting, if possible. Public comment should start by stating name, address and topic. The Board is not permitted during this time to enter into a dialogue with the speaker.

NOTICE TO THE PUBLIC

All matters listed under the Consent Calendar will be voted upon by one motion. There will be no separate discussion of these items, unless a Board member or member of the public requests that a particular item(s) be removed from the Consent Calendar, in which case it will be considered separately under Action Items.

CONSENT CALENDAR

1.1 APPROVAL OF MINUTES (pp. 5-17)

- A. REGULAR BOARD MEETING – SEPTEMBER 4, 2019
- B. CLOSED SESSION BOARD MEETING – SEPTEMBER 18, 2019
- C. REGULAR BOARD MEETING – SEPTEMBER 18, 2019

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

- 1.2 WARRANT LIST THROUGH OCTOBER 2, 2019 – \$5,405,501.86 (pp. 18-19)

Recommendation: Approve Warrant List

- 1.3 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR RANCHO CORONADO MU-4 SITE PHASE 1, APN(S) 222-170-36, 222-170-37 & 222-190-17 (BROOKFIELD HOMES RANCHO CORONADO, LLC) (pp. 20-22)

Installation of water and sewer facilities has been completed.

Recommendation: 1) Accept Project Improvements; 2) Approve the Filing of a Notice of Completion

- 1.4 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR RANCHO CORONADO MU-4 SITE PHASE 2, APN(S) 222-170-36, 222-170-37 & 222-190-17 (BROOKFIELD HOMES RANCHO CORONADO, LLC) (pp. 23-25)

Installation of water and sewer facilities has been completed.

Recommendation: 1) Accept Project Improvements; 2) Approve the Filing of a Notice of Completion

- 1.5 POSITION RECLASSIFICATION OF CAPITAL FACILITIES COORDINATOR TO CAPITAL FACILITIES ASSISTANT ENGINEER (pp. 26-29)

The reclassification will allow the District to utilize the position more effectively and efficiently.

Recommendation: 1) Approve Reclassification; 2) Adopt the Pay Schedule with Retitled Classification

*****END OF CONSENT CALENDAR*****

ACTION ITEMS

- 2.1 MODIFICATION OF WATER AND WASTEWATER CAPITAL FACILITY FEES (pp. 30-41)

The District Water and Wastewater Capital Facilities Fees are scheduled for an update.

Recommendation: Adopt Ordinance

- 2.2 EMERGENCY REPAIR OF 12-INCH WATER MAIN ON CAMPUS WAY AND BARHAM DRIVE (pp. 42-45)

On August 10 staff responded to a water main break at the intersection of Campus Way and Barham Drive.

Recommendation: Approve payment to Cass Arrieta

2.3 SURPLUS PERSONAL PROPERTY LISTING (pp. 46)

Resolution No. 1312 authorizes staff to accumulate and dispose of surplus property items through a publicly noticed sale.

Recommendation: Approve items for disposal through a public auction

*******END OF ACTION ITEMS*******

REPORTS

3.1 GENERAL MANAGER

3.2 DISTRICT LEGAL COUNSEL

3.3 SAN DIEGO COUNTY WATER AUTHORITY

3.4 ENCINA WASTEWATER AUTHORITY
- *Capital Improvement Committee*
- *Policy and Finance Committee*

3.5 STANDING COMMITTEES

3.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS
ATTENDED

*******END OF REPORTS*******

OTHER BUSINESS

4.1 MEETINGS

*******END OF OTHER BUSINESS*******

5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

*******END OF DIRECTORS COMMENTS/FUTURE AGENDA ITEMS*******

6.1 ADJOURNMENT

*******END OF AGENDA*******

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the Executive Secretary at 760.744.0460 ext. 264 at least 48 hours prior to the meeting.

Audio and video recordings of all Board meetings are available to the public at the District website www.vwd.org

AFFIDAVIT OF POSTING

I, Diane Posvar, Executive Secretary of the Vallecitos Water District, hereby certify that I caused the posting of this Agenda in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California by 5:00 p.m., Friday, September 27, 2019.

Diane Posvar

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, SEPTEMBER 4, 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.

Public Information/Conservation Supervisor Robbins led the pledge of allegiance.

Present: Director Elitharp
Director Hernandez
Director Sannella
Director Martin

Absent: Director Evans

Staff Present: General Manager Pruim
Legal Counsel Gilpin
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Development Services Senior Engineer Scholl
Public Information/Conservation Supervisor Robbins
Administrative Secretary Johnson

ADOPT AGENDA FOR THE REGULAR MEETING OF SEPTEMBER 4, 2019

19-09-03 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Director Evans absent, to adopt the agenda for the Regular Board Meeting of September 4, 2019.

PUBLIC COMMENT

None.

CONSENT CALENDAR

President Martin commented on Item 1.3, Fall 2019 Between the Pipes – Vallecitos Quarterly Newsletter, regarding the article about the upcoming pipeline shutdown by the San Diego County Water Authority (SDCWA). He doesn't believe the District's message is clear that it is the SDCWA's broken pipe that the SDCWA will be repairing and that the shutdown will affect other districts as well as Vallecitos. He requested the article be revised. Director Sannella concurred with President Martin.

19-09-04 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, with Director Evans absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Regular Board Meeting – August 7, 2019
- B. Regular Board Meeting – August 21, 2019

1.2 Warrant List through September 4, 2019 - \$4,174,459.29

1.3 Fall 2019 Between the Pipes – Vallecitos Water District Quarterly Newsletter

PUBLIC HEARING

PUBLIC HEARING REGARDING A REPORT ON DISTRICT WATER QUALITY
RELATIVE TO PUBLIC HEALTH GOALS

President Martin opened the hearing as duly noted and posted. The hearing was opened at 5:04 p.m.

General Manager Pruim stated that information on the purpose and findings of the Public Health Goals Report was presented to the Board at the August 7 Board meeting. The law requires a public hearing to be held for the purpose of accepting and responding to public comment on the report.

There being no persons wishing to address the Board, President Martin closed the hearing at 5:05 p.m.

19-09-05 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to accept the Public Health Goals Report.

ACTION ITEMS

REQUEST FOR APPROVAL OF A PURCHASE ORDER TO INFRASTRUCTURE
ENGINEERING CORPORATION FOR PIPE ASSESSMENT SERVICES AT HIGH POINT
SUBDIVISION

District Engineer Gumpel stated construction of water and sewer facilities for the High Point Subdivision began in 2007 and was nearly complete in 2008 when the developer went bankrupt. The facilities were dormant for over 10 years. Cal/West and TrueLife Communities are interested in developing the project now; however, the District must be satisfied that the facilities are in good condition prior to accepting those facilities. A pipe condition assessment is necessary to determine the condition of the existing ductile iron water main. All costs for the pipe assessment as well as staff time for inspection and engineering review will be paid by the developer.

District Engineer Gumpel further stated Cal/West and TrueLife Communities have paid a deposit in the amount of \$135,027 to the District for the pipe assessment to be performed by PICA, a subcontractor for Infrastructure Engineering Corporation (IEC).

Staff recommended the Board approve a purchase order in the amount of \$102,685 to Infrastructure Engineering Corporation for their portion of the work.

General discussion took place.

19-09-06 MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez, and carried unanimously, with Director Evans absent, to approve the purchase order to Infrastructure Engineering Corporation in the amount of \$102,685.

EMERGENCY REPAIR OF 8" WATER MAIN ON STEPHANIE COURT AND SAN ELIJO ROAD

District Engineer Gumpel stated an 8-inch water main break occurred on May 16 at the intersection of Stephanie Court and San Elijo Road. Staff was able to isolate the main on Stephanie Court which limited the impacted customers to 84 town homes. Due to the extent of the roadway damage, school traffic and location of the main break, it was appropriate to bring in outside help, Cass Arrieta, to perform the emergency repairs. Cass Arrieta was able to make the repairs on the same day the main break was discovered and customers were back in service at 8:00 p.m. that evening.

Staff recommended the Board approve payment to Cass Arrieta in the amount of \$160,985.15.

General discussion took place.

19-09-07 MOTION WAS MADE by President Martin, seconded by Director Elitharp, and carried unanimously, with Director Evans absent, to approve payment to Cass Arrieta in the amount of \$160,985.15.

CONSIDERATION OF THE DEVELOPMENT OF A POLICY REGARDING THE ELIMINATION OF THE USE OF SINGLE-USE PLASTICS

General Manager Pruim stated that on June 25, 2019, the Public Awareness/Personnel/Policy (PAPP) Committee discussed whether the District should consider eliminating the use of single-use plastics such as straws, utensils and beverage containers, and in particular, bottled water. The Committee recommended this item be brought to the full Board to consider the development of a policy regarding single-use plastics.

General Manager Pruim further stated that plastic utensils, cups, and bottled water are used by District staff in the lunchroom and coffee stations as well as provided to customers during public outreach events or during water outages. One of the biggest concerns with

single-use plastic is the impact on the environment. There are alternatives such as compostable utensils, paper cups and cardboard water cartons; however, their cost is significantly higher. During the last fiscal year, the District spent approximately \$1,350 on bottled water. Based on research, it would cost approximately \$14,700 to obtain the same amount of water in similar sized containers, a 990% cost increase.

General discussion took place during which General Manager Pruim noted that several water bottle filling stations are currently being installed through the District offices and at the District's Meadowlark Reclamation Facility. Grant money is being used to pay for the filling stations.

The consensus of the Board was to direct staff and the PAPP Committee to develop a policy focusing on eliminating plastic water bottles, cups and utensils at the District office including information regarding the costs involved.

OVERNIGHT HOTEL STAYS WITHIN SAN DIEGO COUNTY

General Manager Pruim stated that on June 25, 2019, the Public Awareness/Personnel/Policy (PAPP) Committee discussed whether overnight hotel stays should be compensable for District-authorized events within San Diego County. The District does not have a formal policy addressing this; however, current practice does not compensate for overnight hotel stays in San Diego County for Board members or staff. The Committee recommended this item be presented to the full Board to consider developing a policy to clarify this issue. Staff has reviewed other district's policies and found that most other districts do not compensate for overnight stays in the County.

General Manager Pruim further stated the PAPP Committee discussed issues to be considered such as geographical or mileage limits, early morning or late evening events, multi-day conferences, and factoring costs for mileage and tolls. He suggested if a policy is to be developed that it would be advisable to develop a broader policy regarding District-related travel beyond overnight stays in San Diego County, including lodging, meal reimbursement, transportation and miscellaneous expenses. The current policy does not specify specific limits on meals, for example, only that costs must be reasonable.

General discussion took place. Director Hernandez recommended staff and the PAPP Committee develop a comprehensive travel policy. Director Sannella commented that many government entities compensate travel expenses utilizing the General Services Administration per diem guidelines.

19-09-08 MOTION WAS MADE by Director Hernandez, seconded by President Martin, and carried unanimously, with Director Evans absent, to direct staff and the PAPP Committee to develop a travel policy and bring it back to the Board for consideration.

RESOLUTION CONCURRING IN NOMINATION OF ACWA STATE-WIDE ELECTION FOR PRESIDENT AND VICE PRESIDENT

General Manager Pruim stated two candidates running for Vice President on the Association of California Water Agencies (ACWA) Board of Directors are seeking the Board's support.

Director Elitharp suggested the Board take no action at this time and wait for ACWA's Nominating Committee to announce their slate of candidates on September 27.

The Board took no action.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- SDCWA's Pipeline 4 is scheduled to be shutdown September 9 – 18 for repairs. The District is preparing as much as possible placing message boards on Mission Road, San Marcos Boulevard and San Elijo Road, filling reservoirs, and replacing a 60-year old valve on the District's Val 2 connection.
- The deadline for proposals for the District-wide solar project was August 30. Staff will be reviewing the proposals received with the Engineering/Equipment Committee on October 1.

General discussion took place regarding messaging and preparation for the SDCWA Pipeline 4 shutdown. The text on the message boards asks customers to restrict outdoor irrigation September 9 – 18. Operations & Maintenance Manager Pedrazzi stated water from the desal connection, the first aqueduct, and Olivenhain Municipal Water District will be available to Vallecitos during the shutdown. At this point, customers are being asked to do the best they can. Staff has prepared for the worst-case scenario during which voluntary conservation would be requested.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin commented on a recent podcast he heard regarding the development of reusable plastic cups for use during sporting events.

SAN DIEGO COUNTY WATER AUTHORITY

None.

ENCINA WASTEWATER AUTHORITY

None.

STANDING COMMITTEES

Finance Manager Owen stated the Finance/Investment Committee met on August 28. The Committee discussed reserve levels as of June 30, 2019, smart metering pilot programs, and reclaimed water sales.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Hernandez and Martin reported on their attendance to the Urban Water Institute Conference and the California Association of Sanitation Agencies (CASA) Annual Conference.

President Elitharp reported on his attendance to the CASA Annual Conference.

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 6:26 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, September 18, 2019, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A CLOSED SESSION MEETING
OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, SEPTEMBER 18, 2019, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Closed Session meeting to order at the hour of 4:00 p.m.

Director Elitharp led the pledge of allegiance.

Present: Director Elitharp
Director Hernandez
Director Martin

Absent: Director Evans
Director Sannella

Staff Present: General Manager Pruum
Legal Counsel Gilpin
Executive Secretary Posvar

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF SEPTEMBER 18, 2019

19-09-09 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Directors Evans and Sannella absent, to adopt the agenda for the Closed Session Meeting of September 18, 2019.

PUBLIC COMMENT

None.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One (1) potential case.

19-09-10 MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez, and carried unanimously, with Directors Evans and Sannella absent, to move into Closed Session pursuant to Government Code Section 54956.9.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at 4:57 p.m. There was no reportable action from the Closed Session Meeting.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Closed Session Meeting of the Board of Directors at the hour of 4:58p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, September 18, 2019 at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

Glenn Pruiam, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, SEPTEMBER 18, 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.

Director Hernandez led the pledge of allegiance.

Present: Director Elitharp
Director Hernandez
Director Martin

Absent: Director Evans
Director Sannella

Staff Present: General Manager Pruim
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Morgan
Public Information/Conservation Supervisor Robbins
Human Resources Analyst Anderson
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF SEPTEMBER 18, 2019

19-09-11 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Directors Evans and Sannella absent, to adopt the agenda for the Regular Board Meeting of September 18, 2019.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board stating that a month ago he had requested documents pertaining to reimbursement agreements with various developers and that he hadn't received a response. The agreements concern payments that must be paid in the future and seem to be a liability that needs to be included in the financial reports at least annually. He further stated the District has large reserves for wastewater and water, yet it appears they are being used for something other than wastewater and water, namely making a big payment to CalPERS. He asked if the reserves are really for the stated purposes or is this one big slush fund? He stated the District should make arrangements to pay this ahead since it accumulates at a hefty interest rate.

INTRODUCTION

Human Resources Analyst Bridget Anderson introduced new employee Ryan Morgan, Capital Facilities Senior Engineer.

PRESENTATION

Public Information/Conservation Supervisor Chris Robbins presented a new "Work We Do" video focusing on the Construction Department and valve replacement.

General discussion took place regarding the recent San Diego County Water Authority pipeline shutdown. President Martin requested a Public Awareness/Personnel/Policy Committee meeting be scheduled to discuss the frequency of the District's Between The Pipes quarterly newsletter as the Fall edition was mailed out after the shutdown was completed.

CONSENT CALENDAR

19-09-12 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Directors Evans and Sannella absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Finance/Investment Committee Meeting – August 28, 2019
- B. Board Workshop Meeting – August 29, 2019
- C. Closed Session Board Meeting – September 4, 2019

1.2 Warrant List through September 18, 2019 - \$1,062,217.15

1.3 Financial Reports

- A. Water Meter Count – August 31, 2019
- B. Water Production/Sales Report – 2019/2020
- C. Per Capita Water Consumption – August 31, 2019
- D. Water Revenue and Expense Report – August 31, 2019
- E. Sewer Revenue and Expense Report – August 31, 2019
- F. Reserve Funds Activity – August 31, 2019
- G. Investment Report – August 31, 2019
- H. Legal Fees Summary – August 31, 2019

ACTION ITEMS

REQUEST FOR DETACHMENT OF CERTAIN PROPERTY DESIGNATED AS "GUALTIERI DETACHMENT" FROM VALLECITOS WATER DISTRICT; APN 178-040-45 (ROBERT AND THERESA GUALTIERI)

District Engineer Gumpel stated Robert and Theresa Gualtieri own two parcels located east of Catalina Avenue on Catalina Heights Way. The County of San Diego is allowing them to build a single-family home on one of the parcels and use the other parcel for their septic system. One of the parcels is within the District's service area. The property owners currently

receive their water service from Vista Irrigation District and have requested detachment from Vallecitos. The Gualtieris must complete the detachment process from Vallecitos' water service area including payment of detachment fees, currently \$1,362 per acre, a total of \$1,756.98 for 1.29 acres.

Staff recommended the Board approve the detachment of APN 178-040-45 from Vallecitos' water service area with conditions as presented in the Board packet.

General discussion took place.

19-09-13 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Directors Evans and Sannella absent, to approve the detachment of APN 178-040-45 from the Vallecitos Water District's water service area with conditions.

CONSTRUCTION CONTRACT ACCEPTANCE OF THE SEWER BYPASS REPAIRS

District Engineer Gumpel stated the existing Emergency Bypass pipeline diverts sewer away from the District's Meadowlark Reclamation Facility (MRF) directly to the land outfall during operational shutdowns or emergencies at MRF. A leak developed on the bypass pipeline north of Brighton Glen Road in January 2018. As this pipeline is not used all of the time, it was determined that the break was not an emergency and the cost of the repair was included in the Fiscal Year 2018/19 budget. The project went out to bid, General Manager Pruim approved a purchase order to Shaw Equipment Rentals (Shaw) in the amount of \$36,005.50, and Shaw completed the repair on June 16, 2019.

District Engineer Gumpel further stated that during a heavy rain event on February 3, 2019, another break occurred on the bypass pipeline near Carillo Way. At that time staff initiated and negotiated a change order in the amount of \$41,700 with Shaw to have Shaw repair the second break as they were still under contract with the District. The Board approved the change order on July 17, 2019, as District Ordinance No. 146 requires Board approval for change orders exceeding 10% of the original contract value. All repairs have been completed coming in at almost \$60,000 under budget with three change orders.

Staff recommended the Board accept the project and authorize the filing of a Notice of Completion and release of retention funds to the contractor following the 60-day notice period, provided no claims are filed.

General discussion took place.

19-09-14 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Directors Evans and Sannella absent, to accept the project and authorize the filing of a Notice of Completion and release of retention funds following the 60-day notice period, provided no claims are filed.

Mike Hunsaker, member of the public, addressed the Board stating he believes the entire line is made of late 1960's Techite material which is known for its serious quality control problems and catastrophic failures. It appears the most appropriate measure is to replace this line. He doesn't think relining was included in the CIP, particularly for the corroded pipe section. The BIA has mentioned that the Encina outfall has been overloaded for years. It appears more aggressive repairs are needed.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- The pipeline shutdown is over. Operations were restored on Monday. During the shutdown, the San Diego County Water Authority (SDCWA) crews and contractors installed bulkheads on either side of the damaged section and were able to restore service. Interim pipe repairs are currently in process. More comprehensive repairs needed on Pipelines 4 and 5 may be several years away. The SDCWA anticipates another shutdown in late October or early November to remove the bulkheads after the pipe has been repaired.
- The District's auditors will be on site beginning Monday, September 23.
- The District's Water Academy Tour is scheduled for Thursday, October 10 from 8:30 a.m. to 4:30 p.m. Informational presentations and lunch will be provided as well as a bus tour of District facilities. Information can be found on the District's website.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin reported that on Friday Western prevailed on its budget-based tier challenge under Proposition 218 which is at the District Court level. Assembly Bill 1184 which applies to the Public Records Act is on the Governor's desk. If signed, AB 1184 would require public entities to start retaining records that are transmitted via electronic mail for two years.

SAN DIEGO COUNTY WATER AUTHORITY

President Martin stated that at the Council of Water Utilities meeting, SDCWA representatives discussed the need for all of their partners to support their proposed canal.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Capital Improvement Committee this morning at which discussion took place regarding the digester improvement design and the recoating of digesters 4, 5, and 6 at a cost of approximately \$687,000. The project is about 61% complete. The network improvement final design is 27% complete with a budget of

\$264,000. Structural repairs to the cogeneration building will require removing an entire wall and extensive repairs.

President Martin reported on his attendance to the Policy and Finance Committee on September 10 at which the cost of the repairs to the cogeneration building was discussed.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

President Martin reported on his attendance to the 34th Annual WaterReuse Symposium September 8 – 11 and the Council of Water Utilities meeting on September 17.

Director Hernandez reported on his attendance to the 34th Annual WaterReuse Symposium.

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 5:37 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, October 2, 2019, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

Glenn Pruijm, Secretary
Board of Directors
Vallecitos Water District

VALLECITOS WATER DISTRICT
WARRANTS LIST
October 2, 2019

| PAYEE | DESCRIPTION | CHECK# | AMOUNT |
|---|---|--------|------------|
| CHECKS | | | |
| VWD Employee Association | Check 117073 Reissue | 117297 | 564.00 |
| ACWA/Joint Powers Insurance | Group Insurance - Oct | 117298 | 204,572.22 |
| Adkins Bees | Bee Removals - 4 | 117299 | 600.00 |
| Air Pollution Control District | Permit Application - Palos Vista Pump Station Prj 20181-6 | 117300 | 743.75 |
| Allied Universal | Weekly Deposit Svc - Jul | 117301 | 90.10 |
| Ambius | Plant Maintenance - Sep | 117302 | 263.00 |
| Archway Systems, Inc | Water GEMS Training 7/30 - 8/1 | 117303 | 6,816.91 |
| AT&T | Internet Svc - Sep | 117304 | 75.00 |
| AT&T | Phone Svc - Aug | 117305 | 3,748.05 |
| Automated Water Treatment | Calcium Hypochlorite Tablets | 117306 | 3,600.16 |
| Barbara A Teasley | Closed Account Refund | 117307 | 206.04 |
| Boncor Water Systems | Soft & Drinking Water Svc - Sep | 117308 | 1,726.00 |
| Boot Barn | Safety Boots | 117309 | 150.00 |
| Brian Fonseca | CWEA Membership & Cert Renewal | 117310 | 280.00 |
| Cameron Murphy | Closed Account Refund | 117311 | 245.27 |
| Cass Construction Inc | 8 Inch Water Main Repair - San Elijo Rd x Stephanie Ct | 117312 | 160,985.88 |
| Craig Elitharp | CASA Conference 8-21-19 | 117313 | 270.39 |
| CSUSM | "Because I Care" Resource Fair Booth - Community Outreach Event Prj 20201-40 | 117314 | 25.00 |
| DirecTV Inc | Satellite Svc - Sep | 117315 | 78.79 |
| EDCO Waste & Recycling Serv | Trash Svc - Aug | 117316 | 1,460.58 |
| Escondido Metal Supply | 6 Inch Iron Pipes 3 Prj 20171-5 | 117317 | 1,858.69 |
| George & Krogh Welding Inc | Valve Key Fabrication - MRF | 117318 | 942.82 |
| Glenn Pruim | WaterReuse Symposium 9-9-19 | 117319 | 128.41 |
| James R Hernandez | CASA Conference 8-21-19 | 117320 | 158.77 |
| Home Depot Credit Services | Hardware Supplies - Aug | 117321 | 1,421.65 |
| HUB Construction Specialties | Hardware Supplies Prj 20181-9 | 117322 | 188.78 |
| Infosend Inc | Support, Postage, Printing, Door Hangers, Programming - Aug | 117323 | 19,836.65 |
| Inland Kenworth Us Inc | Fuel Master & Light Installations - New Crew Trucks Prj 20191-20 | 117324 | 1,550.97 |
| Interstate Batteries | Batteries 6 - Fire Suppression System Panels | 117325 | 116.05 |
| JCI Jones Chemicals Inc | Chlorine | 117326 | 2,043.21 |
| Jorge Aceves | AWWA Seminar 8-21-19 | 117327 | 60.32 |
| Ken Grody Ford | F250 Truck Prj 20201-30 | 117328 | 28,422.80 |
| Ken Grody Ford | Spare Key & Fob Remote Veh 190 | 117329 | 217.60 |
| Knight Security & Fire Systems | Answering, Patrol & Monitoring Svc - Sep | 117330 | 588.19 |
| Lawnmowers Plus Inc | Trimmer Repair, Hardware Supplies | 117331 | 451.04 |
| Left Coast Window Cleaning | Janitorial Svcs Sep - MRF | 117332 | 553.13 |
| Lloyd Pest Control | Pest Control - Aug | 117333 | 685.00 |
| Hal Martin | COWU 7-16-19, Urban Water Inst 8-14-19, CSDA 8-15-19, CASA Conference 8-21-19 | 117334 | 331.36 |
| New Horizons Computer Learning Center | Windows Server Training - J Todd | 117335 | 1,190.00 |
| O.G. Supply Inc | Hardware Supplies | 117336 | 248.25 |
| One Source Distributors LLC | Networking Devices 7 For Power Monitors - MRF, Fall Protection Harness 2 | 117337 | 2,462.94 |
| Patriot Portable Restroom Inc | Portable Restroom Rental - Mahr | 117338 | 256.61 |
| Penceco, Inc. | Sulfend RT | 117339 | 24,306.54 |
| Plumbers Depot Inc | Transporter Assembly & Wheel Kits 4 - CCTV | 117340 | 34,510.95 |
| Recycled Aggregate Materials Co Inc | Concrete Recycling | 117341 | 300.00 |
| Redback USA | Safety Boots | 117342 | 132.54 |
| Rely Environmental | Plant Maintenance - Sep | 117343 | 199.50 |
| RIN-I Production | Lamps 2 - Training Room | 117344 | 1,241.32 |
| SDG&E | Power - Aug | 117345 | 36,340.56 |
| San Marcos Trophy | Name Plate Engravings - 3 | 117346 | 24.00 |
| Scada Integrations | SCADA Upgrade MRF Prj 20201-4 | 117347 | 2,720.00 |
| Smart & Final | Employee Event | 117348 | 54.86 |
| Terra Verde Energy LLC | District Wide Solar Project | 117349 | 3,103.50 |
| Thomas Beier | SSCP Cert Renewal | 117350 | 125.00 |
| Twin Oaks Valley Equestrian Association | Festival Booth - Horse Heritage Festival Prj 20201-40 | 117351 | 25.00 |
| Union Bank FKA 1st Bank Card | Meetings & Travel - Aug | 117352 | 2,327.15 |
| Union Bank FKA 1st Bank Card | Meetings & Travel - Aug | 117353 | 2,234.84 |
| Union Bank FKA 1st Bank Card | Meetings & Travel - Aug | 117354 | 5,896.26 |
| Univar USA Inc | Sodium Hypo Liquichlor | 117355 | 1,650.25 |
| UPS | Shipping Svcs - Aug | 117356 | 51.04 |
| V & A Consulting Engineers Inc | Pipeline Condition Assessment Prj 20141-4 | 117357 | 4,010.00 |
| Verizon Wireless | Ipad Svc - Aug | 117358 | 375.20 |
| WaterReuse Association | Annual Symposium Registration - H Martin | 117359 | 1,095.00 |

VALLECITOS WATER DISTRICT
WARRANTS LIST
October 2, 2019

| PAYEE | DESCRIPTION | CHECK# | AMOUNT |
|--|--|-----------------------|---------------------|
| Weck Analytical Environmental Services, Inc. | Water Sampling | 117360 | 690.00 |
| Xerox Corporation | Copier Lease - Jul | 117361 | 4,795.61 |
| Environmental Resource Associates | Water Sampling | 117362 | 609.50 |
| Airgas USA LLC | Cylinder Rentals | 117363 | 125.92 |
| Aqua-Metric Sales Co | Meters 2 | 117364 | 2,360.06 |
| Backflow Solutions, Inc. | Backflow Testing Qty 259 | 117365 | 3,354.05 |
| Chandler Asset Management, Inc. | Investment Management Svcs - Aug | 117366 | 3,807.91 |
| Core Logic Information Solutions Inc | Real Quest Svc - Engineering Maps - Aug | 117367 | 106.00 |
| Core-Rosion Products | Float Gauges 3 - MRF Bleach Tank | 117368 | 2,001.75 |
| Crane Works Southwest, Inc | Supplies - Auto Crane Repair Veh 269 | 117369 | 5,402.86 |
| Doane & Hartwig Water Systems Inc | Injection Pump - Mahr, Chlorine Regulator Cleaning | 117370 | 1,006.25 |
| Electrical Sales Inc | Svc & Inspection - Auto Transfer Switch - MRF | 117371 | 1,346.88 |
| ESRI Inc | GIS Mapping Software & Maintenance 19-20 | 117372 | 25,000.00 |
| Ferguson Enterprises, Inc | Couplings 13, Gate Valve | 117373 | 11,462.37 |
| Fisher Scientific LLC | Test Strips, Lab Supplies - MRF | 117374 | 506.89 |
| Gallade Chemical Inc. | Phosphoric Acid, Sodium Hypochlorite | 117375 | 823.61 |
| Hach Company | Supplies Toxic Gas Monitor, Lab Supplies | 117376 | 1,174.34 |
| Harrington Industrial | Hardware Supplies | 117377 | 106.13 |
| Matheson Tri-Gas Inc | Cylinder Rental | 117378 | 56.74 |
| Mission Resource Conservation District | Water Use Evaluations 6 Prj 20201-43 | 117379 | 206.26 |
| North County Auto Parts | Fleet Supplies - Aug | 117380 | 2,194.27 |
| Olivenhain MWD | Treated Water - Aug | 117381 | 63,775.72 |
| Ostari Inc | Data Storage Upgrade & Maintenance 19-20 | 117382 | 4,059.69 |
| Pacific Pipeline Supply | Angle Meter Stops 4 | 117383 | 1,450.28 |
| Ryan Herco Products Corp. | Transducer For Filter #5 - MRF | 117384 | 699.00 |
| Total Resource Mgt Inc | Maximo Support - Aug | 117385 | 2,975.00 |
| Underground Service Alert | Dig Alert Svc & CA State Fee/Regulatory Costs - Aug | 117386 | 680.47 |
| Unifirst Corporation | Uniform Delivery | 117387 | 1,624.54 |
| V & A Consulting Engineers Inc | Ductile Iron Pipe Assessment Prj 20141-4 | 117388 | 5,540.00 |
| Versatile Systems Inc. | Water Tank Fall Protection Prj 20191-4, Lanyards 13 New Fall Protection System | 117389 | 13,456.91 |
| Visser Construction Inc | Installation of 6 District Water Bottle Fill Stations | 117390 | 7,356.00 |
| E.H. Wachs Company | Valve Operator With Data Logger Prj 20201-31 | 117391 | 21,020.73 |
| Walters Wholesale Electric | Power Monitoring Equipment Supplies - MRF, Hardware Supplies | 117392 | 1,437.60 |
| West Coast Industrial Coatings Inc. (WCIC) | School House Tank Prj 20181-3 | 117393 | 138,939.99 |
| Garnishments | Payroll Garnishments | 117394 through 117396 | - |
| Total Disbursements (97 Checks) | | | <u>900,527.22</u> |
| WIRES | | | |
| San Diego County Water Authority | August Water Bill | Wire | 3,067,150.54 |
| Public Employees Retirement System | Retirement Contribution - September 25, 2019 Payroll | Wire | 74,908.66 |
| Bank of America | Bank of America loan payment - Principal | Wire | 725,000.00 |
| Bank of America | Bank of America loan payment - Interest | Wire | 29,610.90 |
| Union Bank | Union Bank debt payment - Principal | Wire | 200,000.00 |
| Union Bank | Union Bank debt payment - Interest | Wire | 24,860.82 |
| Total Wires | | | <u>4,121,530.92</u> |
| PAYROLL | | | |
| Total direct deposits | | Wire | 242,582.56 |
| VWD Employee Association | | 117394 | 584.00 |
| Payroll & Garnishments | | 117395 through 117396 | 1,058.76 |
| IRS | Federal payroll tax deposits | Wire | 92,048.23 |
| Employment Development Department | California payroll tax deposit | Wire | 18,453.19 |
| CalPERS | Deferred compensation withheld | Wire | 21,384.66 |
| VOYA | Deferred compensation withheld | Wire | 7,332.32 |
| Total September 25, 2019 Payroll Disbursements | | | <u>383,443.72</u> |
| TOTAL DISBURSEMENTS | | | <u>5,405,501.86</u> |

DATE: OCTOBER 2, 2019
TO: BOARD OF DIRECTORS
SUBJECT: FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR RANCHO CORONADO MU-4 SITE PHASE 1 APN(S) 222-170-36, 222-170-37 & 222-190-17 (BROOKFIELD HOMES RANCHO CORONADO, LLC)

BACKGROUND:

Brookfield Homes – Rancho Coronado LLC, owner of the project, has completed the installation of water and sewer facilities for their residential subdivision located on the west side of Twin Oaks Valley Road at Santa Barbara Drive.

DISCUSSION:

Water and/or sewer facilities for private land development projects are constructed by a developer. When completed to the satisfaction of the District, those facilities are accepted by the Board of Directors and become District property.

The project constructed approximately 1,745 feet of 8-inch diameter water main and 1,409 feet of 8-inch diameter sewer main.

Upon final acceptance of the project, water and sewer service will be available to 164 multi-family units and recreation park.

The owner has provided the District with the required security to guarantee repairs due to failure of materials or workmanship for a period of one year. All current fees and charges have been paid to date.

Along with the water and sewer mains, assorted appurtenances were installed such as water meters, fire hydrants, gate valves, sewer laterals and manholes.

The owner has paid a total of \$230,761.26 in water capital facility fees and has paid a total of \$149,046.48 in wastewater capital facility fees for the release of models and onsite irrigation. Upon completion the owner will have a remainder of \$724,887.68 in water capital facility fees and \$838,555.82 in wastewater capital facility fees due prior to occupancy for remainder units.

FISCAL IMPACT:

None. Future water and sewer revenues will offset costs of service.

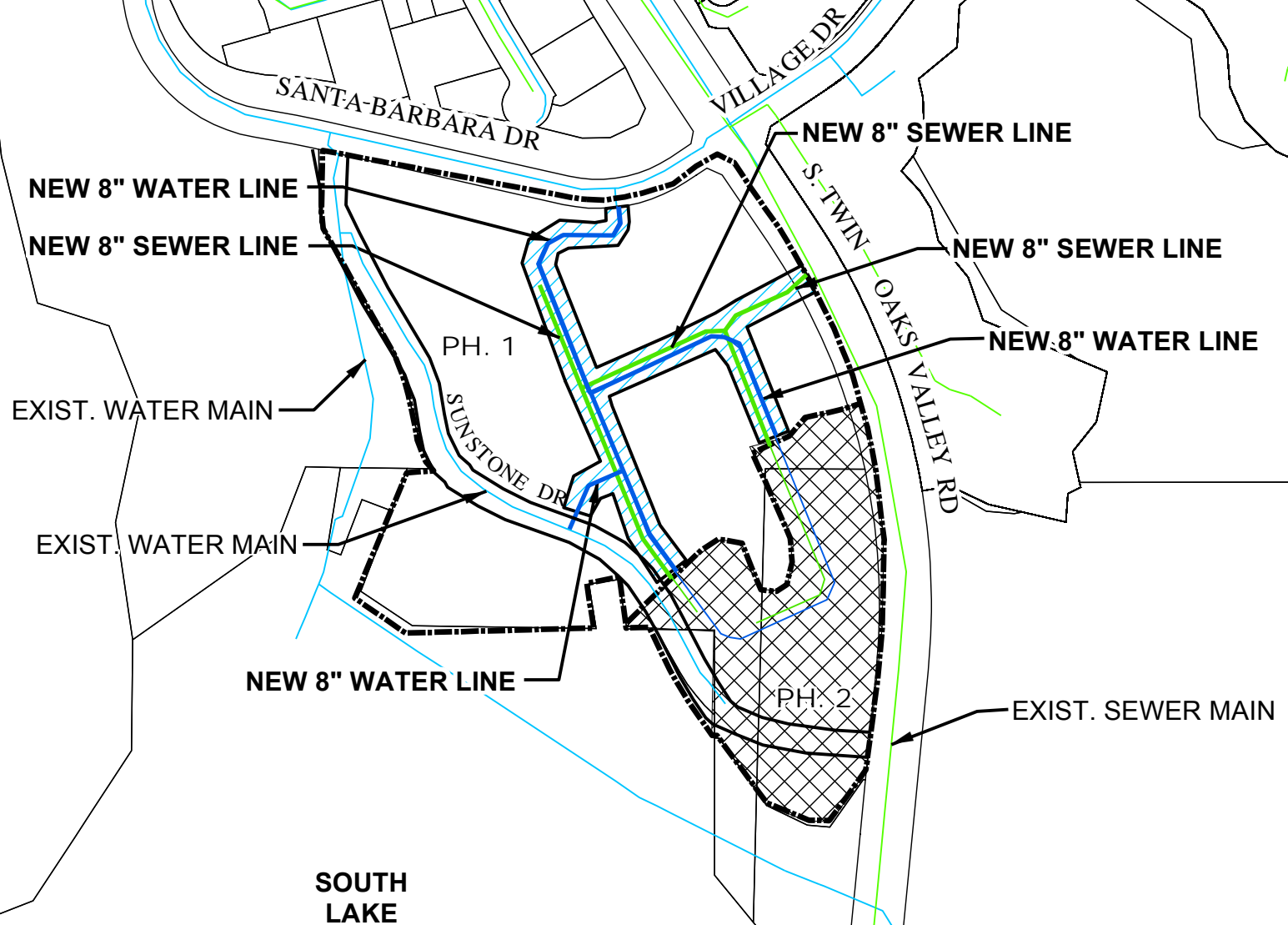
RECOMMENDATION:

Accept the project improvements and approve the filing of a Notice of Completion for Rancho Coronado MU-4 Site Phase 1 Improvements.

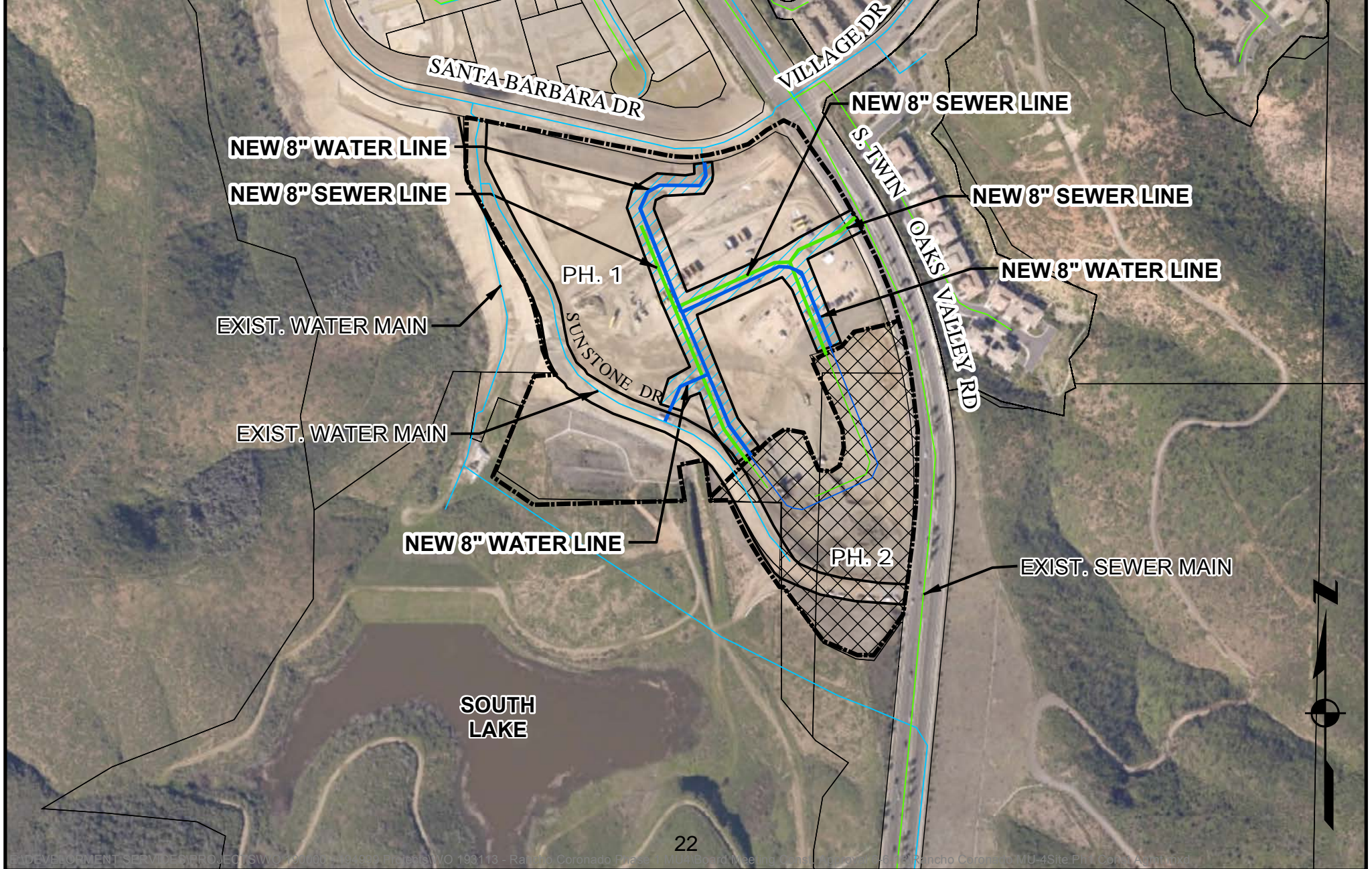
ATTACHMENTS:

2 Map Exhibits – 1 Plat Map & 1 Aerial

**FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR RANCHO
CORONADO MU-4 SITE PHASE 1, APN(S) 222-170-36, 222-170-37
& 222-190-17
(BROOKFIELD HOMES RANCHO CORONADO, LLC)**



**FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR RANCHO
CORONADO MU-4 SITE PHASE 1, APN(S) 222-170-36, 222-170-37
& 222-190-17
(BROOKFIELD HOMES RANCHO CORONADO, LLC)**



DATE: OCTOBER 2, 2019
TO: BOARD OF DIRECTORS
SUBJECT: FINAL ACCEPTANCE FOR WATER AND SEWER IMPROVEMENTS FOR RANCHO CORONADO MU-4 SITE PHASE 2 APN(S) 222-170-36, 222-170-37 & 222-190-17 (BROOKFIELD HOMES RANCHO CORONADO, LLC.)

BACKGROUND:

Brookfield Homes – Rancho Coronado LLC, owner of the project, has completed the installation of water and sewer facilities for their residential subdivision located on the west side of Twin Oaks Valley Road at Santa Barbara Drive.

DISCUSSION:

Water and/or sewer facilities for private land development projects are constructed by a developer. When completed to the satisfaction of the District, those facilities are accepted by the Board of Directors and become District property.

The project constructed approximately 686 feet of 8-inch diameter water main and 500 feet of 8-inch diameter sewer main.

Upon final acceptance of the project, water and sewer service will be available to 56 multi-family units.

The owner has provided the District with the required security to guarantee repairs due to failure of materials or workmanship for a period of one year. All current fees and charges have been paid to date.

Along with the water and sewer mains, assorted appurtenances were installed such as water meters, fire hydrants, gate valves, sewer laterals and manholes.

The owner will need to pay a total of \$441,042.00 in water capital facility fees and \$330,751.66 in wastewater capital facility fees for release of units prior to occupancy.

FISCAL IMPACT:

None. Future water and sewer revenues will offset costs of service.

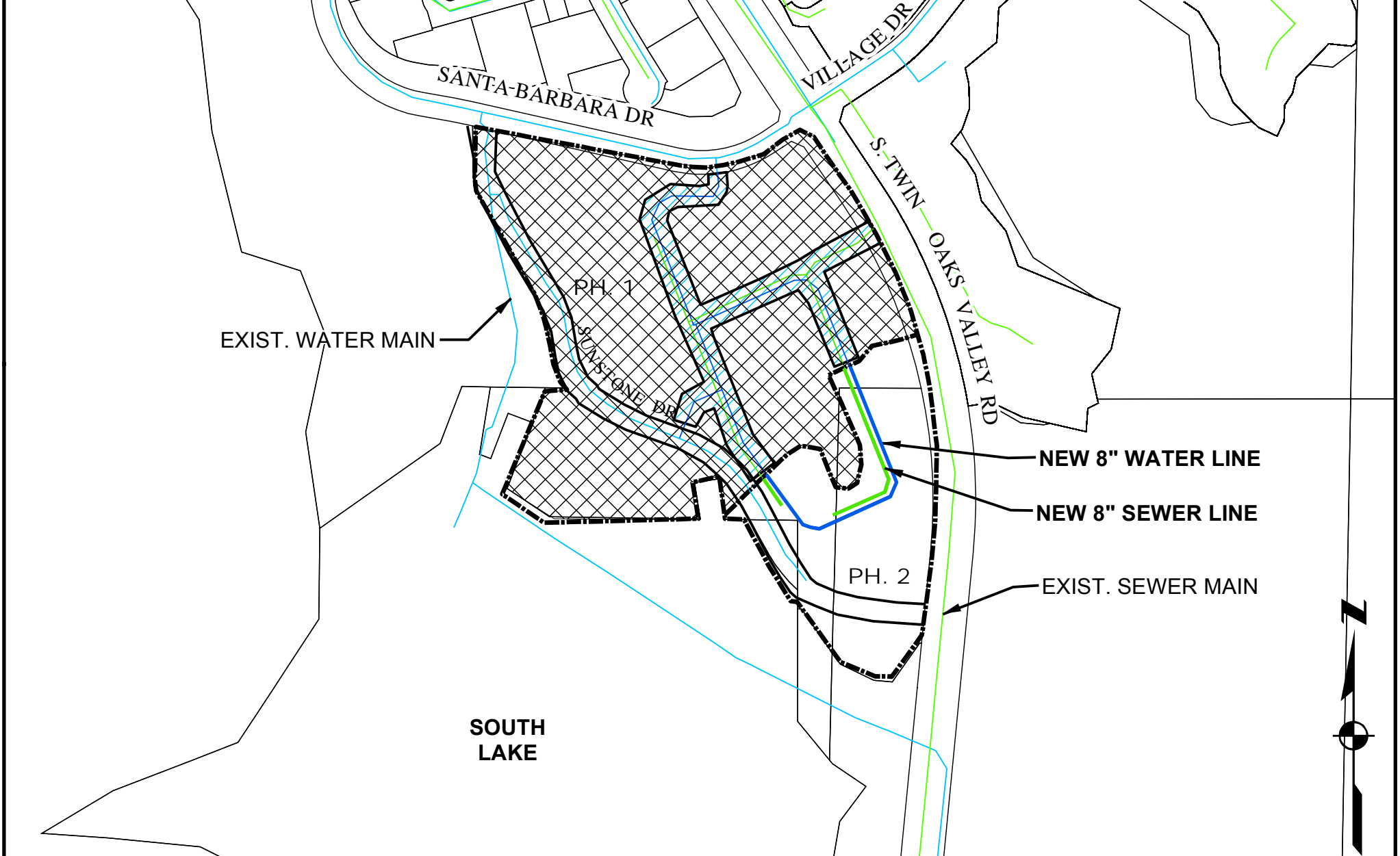
RECOMMENDATION:

Accept the project improvements and approve the filing of a Notice of Completion for Rancho Coronado MU-4 Site Phase 2 Improvements.

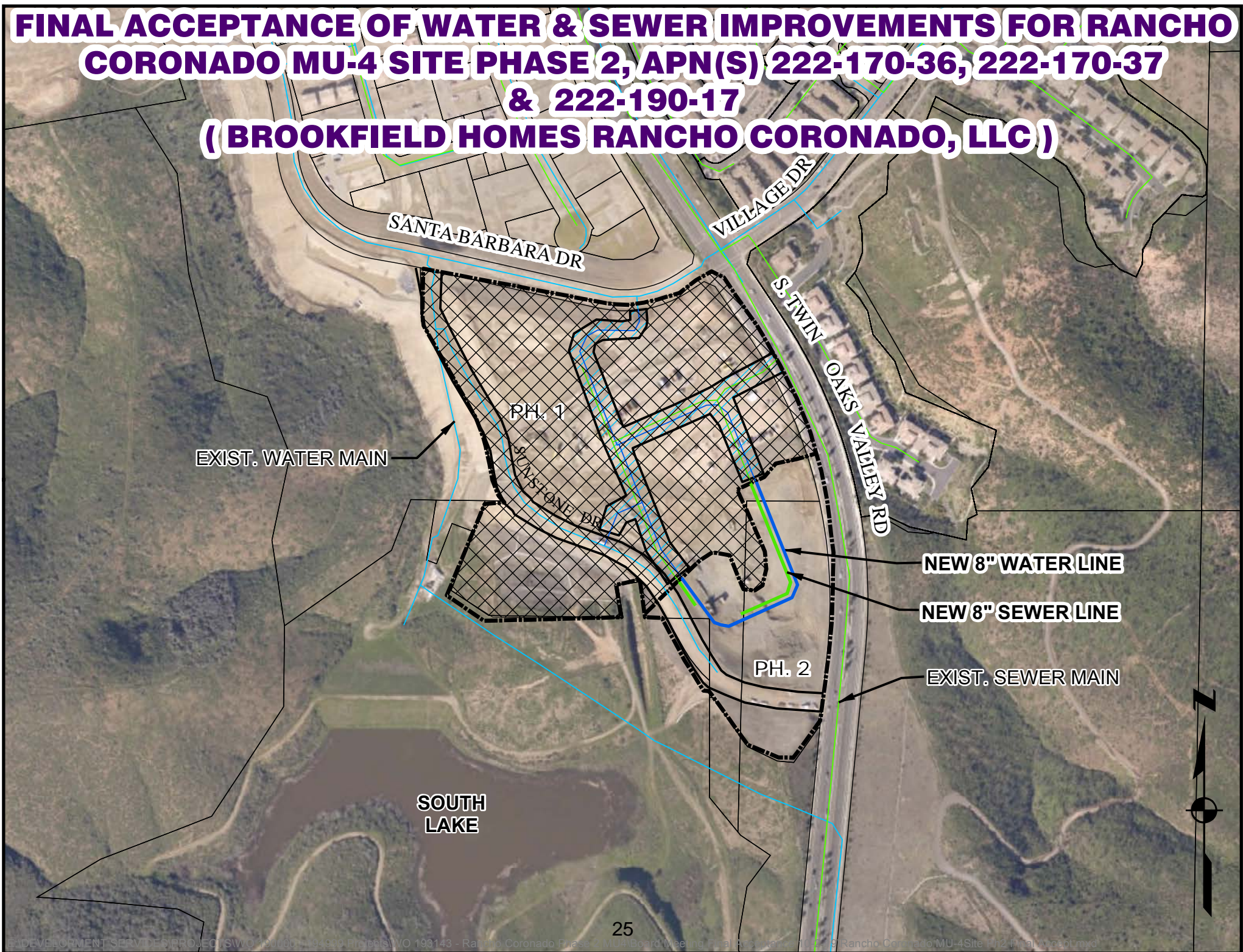
ATTACHMENTS:

2 Map Exhibits – 1 Plat Map & 1 Aerial

**FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR RANCHO
CORONADO MU-4 SITE PHASE 2, APN(S) 222-170-36, 222-170-37
& 222-190-17
(BROOKFIELD HOMES RANCHO CORONADO, LLC)**



**FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR RANCHO
CORONADO MU-4 SITE PHASE 2, APN(S) 222-170-36, 222-170-37
& 222-190-17
(BROOKFIELD HOMES RANCHO CORONADO, LLC)**



DATE: OCTOBER 2, 2019
TO: BOARD OF DIRECTORS
SUBJECT: POSITION RECLASSIFICATION OF CAPITAL FACILITIES COORDINATOR TO CAPITAL FACILITIES ASSISTANT ENGINEER

BACKGROUND:

The District's Employee Handbook, Section V – Compensation and Classification, provides for reclassification of positions due to significant changes in the job duties and responsibilities, taking into consideration the needs of the District and the best use of available resources. Position reclassifications require Board approval.

DISCUSSION:

This position reclassification is requested in preparation for a recruitment to fill the position due to the incumbent's pending retirement. As shown on the attached organizational chart, currently Capital Facilities has two engineer positions, a Capital Facilities Senior Engineer, the supervisor, and a Capital Facilities Engineer, an associate-level position. The Capital Facilities Coordinator performs responsible technical and administrative engineering support and analysis duties, compared to the Capital Facilities Engineer which requires a valid California Professional Engineer's (PE) license to independently perform technical engineering work, oversee large capital facility projects and administer contracts.

The reclassification from Capital Facilities Coordinator to Capital Facilities Assistant Engineer will allow the District to utilize the position more effectively and efficiently by freeing up time for the supervisor to focus on other higher priority assignments. In addition, the job title is more in line with industry norms and comparable positions in other organizations, which will help attract qualified candidates during the recruitment process. The title change will also provide a career path for incumbents to gain knowledge and experience, obtain their PE, and possibly advance to the Capital Facilities Engineer position if an opportunity becomes available in the future.

The proposed action is a change in job title only. The title change requires updating the District's salary schedule; however, reclassifying the Capital Facilities Coordinator position will not increase the number of full-time equivalents for the District or increase costs of salaries or benefits.

FISCAL IMPACT:

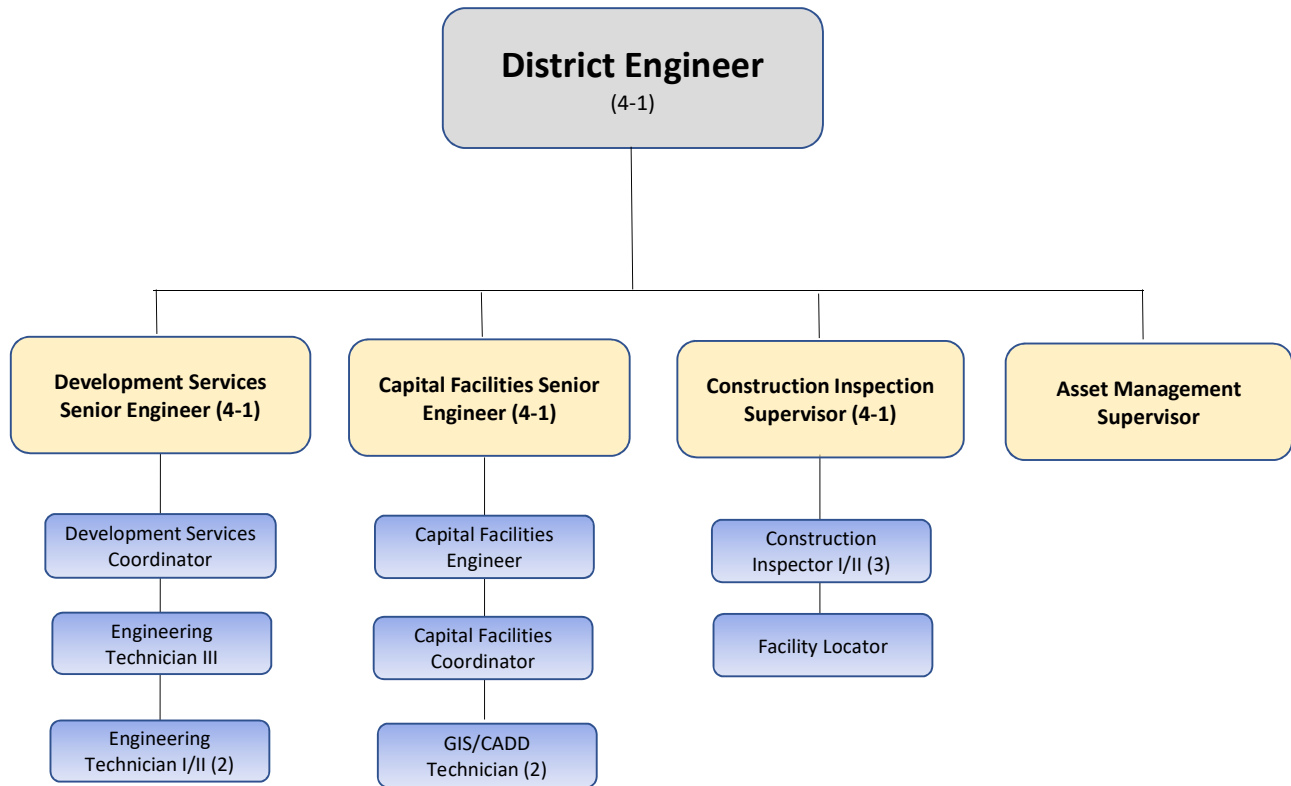
None; the reclassified position will not have a change in the salary range.

RECOMMENDATIONS:

Approve the request to: 1) reclassify Capital Facilities Coordinator to Capital Facilities Assistant Engineer; and, 2) adopt the pay schedule with the retitled classification.

ATTACHMENTS:

- 1) Organizational Chart for Engineering
- 2) Pay Schedule effective October 2, 2019



VALLECITOS WATER DISTRICT PERSONNEL CLASSIFICATION AND ANNUAL PAY SCHEDULE

Effective at noon on October 2, 2019

| POSITION/TITLE | EXPERIENCE STEPS | | | | | | | LONGEVITY | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| | A | B | C | D | E | F | G | H | I |
| Accounting Supervisor | 94,416 | 99,137 | 104,094 | 109,298 | 114,763 | 120,501 | 126,528 | 132,864 | 139,500 |
| Accounting Technician | 57,972 | 60,871 | 63,914 | 67,110 | 70,465 | 73,989 | 77,676 | 81,564 | 85,644 |
| Administrative Secretary | 65,484 | 68,758 | 72,196 | 75,806 | 79,596 | 83,576 | 87,756 | 92,148 | 96,756 |
| Administrative Services Manager | 142,944 | 150,091 | 157,596 | 165,476 | 173,749 | 182,437 | 191,568 | 201,144 | 211,200 |
| Applications Specialist I | 75,804 | 79,594 | 83,574 | 87,753 | 92,140 | 96,747 | 101,592 | 106,668 | 112,008 |
| Applications Specialist II | 89,928 | 94,424 | 99,146 | 104,103 | 109,308 | 114,773 | 120,504 | 126,528 | 132,864 |
| Asset Management Supervisor | 96,756 | 101,594 | 106,673 | 112,007 | 117,608 | 123,488 | 129,660 | 136,140 | 142,944 |
| Assistant General Manager | 165,480 | 173,754 | 182,442 | 191,564 | 201,142 | 211,199 | 221,760 | 232,848 | 244,488 |
| Building and Grounds Worker | 40,200 | 42,210 | 44,321 | 46,537 | 48,863 | 51,307 | 53,880 | 56,568 | 59,400 |
| Capital Facilities Assistant Engineer | 73,980 | 77,679 | 81,563 | 85,641 | 89,923 | 94,419 | 99,144 | 104,100 | 109,308 |
| Capital Facilities Coordinator | 73,980 | 77,679 | 81,563 | 85,641 | 89,923 | 94,419 | 99,144 | 104,100 | 109,308 |
| Capital Facilities Engineer | 92,148 | 96,755 | 101,593 | 106,673 | 112,006 | 117,607 | 123,480 | 129,660 | 136,140 |
| Capital Facilities Senior Engineer | 106,668 | 112,001 | 117,601 | 123,482 | 129,656 | 136,138 | 142,944 | 150,096 | 157,596 |
| Cashier / Receptionist | 46,536 | 48,863 | 51,306 | 53,871 | 56,565 | 59,393 | 62,364 | 65,484 | 68,760 |
| CMMS Planner | 68,760 | 72,198 | 75,808 | 79,598 | 83,578 | 87,757 | 92,148 | 96,756 | 101,592 |
| Construction Inspection Supervisor | 81,564 | 85,642 | 89,924 | 94,421 | 99,142 | 104,099 | 109,308 | 114,768 | 120,504 |
| Construction Inspector I | 60,864 | 63,907 | 67,103 | 70,458 | 73,981 | 77,680 | 81,564 | 85,644 | 89,928 |
| Construction Inspector II | 70,464 | 73,987 | 77,687 | 81,571 | 85,649 | 89,932 | 94,416 | 99,144 | 104,100 |
| Construction Supervisor | 81,564 | 85,642 | 89,924 | 94,421 | 99,142 | 104,099 | 109,308 | 114,768 | 120,504 |
| Construction Worker I | 47,688 | 50,072 | 52,576 | 55,205 | 57,965 | 60,863 | 63,912 | 67,104 | 70,464 |
| Construction Worker II | 55,212 | 57,973 | 60,871 | 63,915 | 67,111 | 70,466 | 73,980 | 77,676 | 81,564 |
| Control Systems Specialist | 75,804 | 79,594 | 83,574 | 87,753 | 92,140 | 96,747 | 101,592 | 106,668 | 112,008 |
| Customer Service Representative I | 45,420 | 47,691 | 50,076 | 52,579 | 55,208 | 57,969 | 60,864 | 63,912 | 67,104 |
| Customer Service Representative II | 51,312 | 53,878 | 56,571 | 59,400 | 62,370 | 65,489 | 68,760 | 72,204 | 75,804 |
| Customer Service Representative III | 53,880 | 56,574 | 59,403 | 62,373 | 65,491 | 68,766 | 72,204 | 75,804 | 79,596 |
| Customer Service Supervisor | 75,804 | 79,594 | 83,574 | 87,753 | 92,140 | 96,747 | 101,592 | 106,668 | 112,008 |
| Development Services Coordinator | 75,804 | 79,594 | 83,574 | 87,753 | 92,140 | 96,747 | 101,592 | 106,668 | 112,008 |
| Development Services Senior Engineer | 106,668 | 112,001 | 117,601 | 123,482 | 129,656 | 136,138 | 142,944 | 150,096 | 157,596 |
| District Engineer | 146,484 | 153,808 | 161,499 | 169,574 | 178,052 | 186,955 | 196,296 | 206,112 | 216,420 |
| Electrical/Instrumentation Technician | 72,204 | 75,814 | 79,605 | 83,585 | 87,764 | 92,153 | 96,756 | 101,592 | 106,668 |
| Engineering Technician I | 55,212 | 57,973 | 60,871 | 63,915 | 67,111 | 70,466 | 73,980 | 77,676 | 81,564 |
| Engineering Technician II | 63,912 | 67,108 | 70,463 | 73,986 | 77,685 | 81,570 | 85,644 | 89,928 | 94,416 |
| Engineering Technician III | 73,980 | 77,679 | 81,563 | 85,641 | 89,923 | 94,419 | 99,144 | 104,100 | 109,308 |
| Executive Secretary | 79,596 | 83,576 | 87,755 | 92,142 | 96,749 | 101,587 | 106,668 | 112,008 | 117,600 |
| Facility Locator | 60,864 | 63,907 | 67,103 | 70,458 | 73,981 | 77,680 | 81,564 | 85,644 | 89,928 |
| Finance Assistant | 51,312 | 53,878 | 56,571 | 59,400 | 62,370 | 65,489 | 68,760 | 72,204 | 75,804 |
| Finance Manager | 142,944 | 150,091 | 157,596 | 165,476 | 173,749 | 182,437 | 191,568 | 201,144 | 211,200 |
| General Manager | 256,428 | 256,428 | 256,428 | 256,428 | 256,428 | 256,428 | 256,428 | 256,428 | 256,428 |
| GIS/CADD Technician | 62,364 | 65,482 | 68,756 | 72,194 | 75,804 | 79,594 | 83,580 | 87,756 | 92,148 |
| Human Resources Analyst | 70,464 | 73,987 | 77,687 | 81,571 | 85,649 | 89,932 | 94,416 | 99,144 | 104,100 |
| Information Technology Supervisor | 101,592 | 106,672 | 112,005 | 117,605 | 123,486 | 129,660 | 136,140 | 142,944 | 150,096 |
| Information Technology Technician | 68,760 | 72,198 | 75,808 | 79,598 | 83,578 | 87,757 | 92,148 | 96,756 | 101,592 |
| Landscape Maintenance Worker I | 46,536 | 48,863 | 51,306 | 53,871 | 56,565 | 59,393 | 62,364 | 65,484 | 68,760 |
| Landscape Maintenance Worker II | 51,312 | 53,878 | 56,571 | 59,400 | 62,370 | 65,489 | 68,760 | 72,204 | 75,804 |

VALLECITOS WATER DISTRICT PERSONNEL CLASSIFICATION AND ANNUAL PAY SCHEDULE

Effective at noon on October 2, 2019

| POSITION/TITLE | EXPERIENCE STEPS | | | | | | | LONGEVITY | |
|--|------------------|---------|---------|---------|---------|---------|---------|-----------|---------|
| | A | B | C | D | E | F | G | H | I |
| Mechanic | 59,400 | 62,370 | 65,489 | 68,763 | 72,201 | 75,811 | 79,596 | 83,580 | 87,756 |
| Mechanical/Electrical Supervisor | 83,580 | 87,759 | 92,147 | 96,754 | 101,592 | 106,672 | 112,008 | 117,600 | 123,480 |
| Mechanical Maintenance Worker I | 51,312 | 53,878 | 56,571 | 59,400 | 62,370 | 65,489 | 68,760 | 72,204 | 75,804 |
| Mechanical Maintenance Worker II | 59,400 | 62,370 | 65,489 | 68,763 | 72,201 | 75,811 | 79,596 | 83,580 | 87,756 |
| Meter Service Supervisor | 75,804 | 79,594 | 83,574 | 87,753 | 92,140 | 96,747 | 101,592 | 106,668 | 112,008 |
| Meter Service Worker I | 45,420 | 47,691 | 50,076 | 52,579 | 55,208 | 57,969 | 60,864 | 63,912 | 67,104 |
| Meter Service Worker II | 52,572 | 55,201 | 57,961 | 60,859 | 63,902 | 67,097 | 70,464 | 73,980 | 77,676 |
| Operations and Maintenance Assistant | 51,312 | 53,878 | 56,571 | 59,400 | 62,370 | 65,489 | 68,760 | 72,204 | 75,804 |
| Operations and Maintenance Manager | 142,944 | 150,091 | 157,596 | 165,476 | 173,749 | 182,437 | 191,568 | 201,144 | 211,200 |
| Principal Financial Analyst | 89,928 | 94,424 | 99,146 | 104,103 | 109,308 | 114,773 | 120,504 | 126,528 | 132,864 |
| Public Information Representative | 72,204 | 75,814 | 79,605 | 83,585 | 87,764 | 92,153 | 96,756 | 101,592 | 106,668 |
| Public Information/Conservation Supervisor | 85,644 | 89,926 | 94,423 | 99,144 | 104,101 | 109,306 | 114,768 | 120,504 | 126,528 |
| Pump and Motor Technician I | 59,400 | 62,370 | 65,489 | 68,763 | 72,201 | 75,811 | 79,596 | 83,580 | 87,756 |
| Pump and Motor Technician II | 68,760 | 72,198 | 75,808 | 79,598 | 83,578 | 87,757 | 92,148 | 96,756 | 101,592 |
| Purchasing/Warehouse Assistant | 56,568 | 59,396 | 62,366 | 65,485 | 68,759 | 72,197 | 75,804 | 79,596 | 83,580 |
| Risk Management Supervisor | 94,416 | 99,137 | 104,094 | 109,298 | 114,763 | 120,501 | 126,528 | 132,864 | 139,500 |
| Safety Technician | 65,484 | 68,758 | 72,196 | 75,806 | 79,596 | 83,576 | 87,756 | 92,148 | 96,756 |
| Senior Accountant | 72,204 | 75,814 | 79,605 | 83,585 | 87,764 | 92,153 | 96,756 | 101,592 | 106,668 |
| Senior Construction Worker | 63,912 | 67,108 | 70,463 | 73,986 | 77,685 | 81,570 | 85,656 | 89,928 | 94,416 |
| Senior Customer Service Representative | 57,972 | 60,871 | 63,914 | 67,110 | 70,465 | 73,989 | 77,676 | 81,564 | 85,644 |
| Senior Pump and Motor Technician | 73,980 | 77,679 | 81,563 | 85,641 | 89,923 | 94,419 | 99,144 | 104,100 | 109,308 |
| Senior Purchasing Specialist | 68,760 | 72,198 | 75,808 | 79,598 | 83,578 | 87,757 | 92,148 | 96,756 | 101,592 |
| Senior Wastewater Collections Systems Worker | 60,864 | 63,907 | 67,103 | 70,458 | 73,981 | 77,680 | 81,564 | 85,644 | 89,928 |
| Senior Wastewater Treatment Plant Operator | 73,980 | 77,679 | 81,563 | 85,641 | 89,923 | 94,419 | 99,144 | 104,100 | 109,308 |
| Senior Water Systems Operator | 70,464 | 73,987 | 77,687 | 81,571 | 85,649 | 89,932 | 94,416 | 99,144 | 104,100 |
| Source Control Technician | 63,912 | 67,108 | 70,463 | 73,986 | 77,685 | 81,570 | 85,656 | 89,928 | 94,416 |
| Systems Administrator | 81,564 | 85,642 | 89,924 | 94,421 | 99,142 | 104,099 | 109,308 | 114,768 | 120,504 |
| Valve Maintenance Technician | 60,864 | 63,907 | 67,103 | 70,458 | 73,981 | 77,680 | 81,564 | 85,644 | 89,928 |
| Warehouse Assistant I | 46,536 | 48,863 | 51,306 | 53,871 | 56,565 | 59,393 | 62,364 | 65,484 | 68,760 |
| Warehouse Assistant II | 53,880 | 56,574 | 59,403 | 62,373 | 65,491 | 68,766 | 72,204 | 75,804 | 79,596 |
| Wastewater Collection Systems Supervisor | 81,564 | 85,642 | 89,924 | 94,421 | 99,142 | 104,099 | 109,308 | 114,768 | 120,504 |
| Wastewater Collection Systems Worker I | 46,536 | 48,863 | 51,306 | 53,871 | 56,565 | 59,393 | 62,364 | 65,484 | 68,760 |
| Wastewater Collection Systems Worker II | 53,880 | 56,574 | 59,403 | 62,373 | 65,491 | 68,766 | 72,204 | 75,804 | 79,596 |
| Wastewater Treatment Plant Operator I | 53,880 | 56,574 | 59,403 | 62,373 | 65,491 | 68,766 | 72,204 | 75,804 | 79,596 |
| Wastewater Treatment Plant Operator II | 62,364 | 65,482 | 68,756 | 72,194 | 75,804 | 79,594 | 83,580 | 87,756 | 92,148 |
| Wastewater Treatment Plant Supervisor | 87,756 | 92,144 | 96,751 | 101,589 | 106,668 | 112,001 | 117,600 | 123,480 | 129,660 |
| Water Systems Operator I | 53,880 | 56,574 | 59,403 | 62,373 | 65,491 | 68,766 | 72,204 | 75,804 | 79,596 |
| Water Systems Operator II | 62,364 | 65,482 | 68,756 | 72,194 | 75,804 | 79,594 | 83,580 | 87,756 | 92,148 |
| Water Systems Supervisor | 87,756 | 92,144 | 96,751 | 101,589 | 106,668 | 112,001 | 117,600 | 123,480 | 129,660 |

DATE: OCTOBER 2, 2019
TO: BOARD OF DIRECTORS
SUBJECT: MODIFICATION OF WATER AND WASTEWATER CAPITAL FACILITY FEES

BACKGROUND:

The District Water and Wastewater Capital Facilities Fees (Cap Fees) collected from new development and new connections are scheduled for update. The District's 2018 Water, Wastewater, and Recycled Water Master Plan (Master Plan) is the foundation document for the Cap Fees as it lays out the infrastructure costs and timing required to accommodate future development. The Board of Directors adopted the 2018 Master Plan and certified the Master Plan Program Environmental Impact Report (PEIR) at its May 1, 2019, regular meeting.

DISCUSSION:

The District retained Karyn Keese with The Keze Group, LLC, to perform a professional review of the Cap Fees. The District primarily uses the incremental methodology for establishing Cap Fees because proposed Cap Fees are intended to pay primarily for new facilities. The exception is the portion of the Cap Fees associated with preexisting debt and projects previously constructed with capacity to serve future growth. The Capital program outlined from the 2018 Master Plan was used to calculate the appropriate Cap Fees.

Staff initially presented the proposed Cap Fees to the Finance Committee on February 25, 2019. Since that time, staff has also met with the Building Industry Association (BIA) and other stakeholders to present the proposed Cap Fees and solicit comments and questions. Ms. Keese and the District's financial advisors (FA) also commented on the proposed Cap Fees, primarily on the interest rate assumptions. Following the recommendations of Ms. Keese and the FA, staff updated the proposed Cap Fees. The updated Cap Fee assumptions were presented to the Finance Committee on April 15, 2019.

Staff presented the Cap Fees at the May 15, 2019 Board meeting to discuss the background and financing options previously presented to the Finance Committee, and to schedule the adoption of the Cap Fees. A meeting with the BIA was held on June 26, 2019. As a result of that meeting, staff was requested to look at interest rates and cost of capital projects more frequently and adjust the fees accordingly.

On July 29, 2019, the Cap Fees were brought before the Finance Committee where staff presented three different options that factored in varying financing rates. Financing rates were provided in consultation with the District's financial advisor and take into account the timing and term of projected debt. Based on recommendations from both the FA and Ms. Keese, interest rates on short-term and future debt were adjusted. Staff and the Finance Committee recommended that short-term (Phase 1) and long-term interest rates (Phases 2-4) be reduced.

The District received a list of questions from the BIA on July 31, 2019 regarding The Keze Group's nexus study and the Master Plan CIP used for constructing the Cap Fees. The District has also received two letters from Mr. Tom Scaglione expressing concerns with the methods of calculating the fees. The concerns raised by BIA and Mr. Scaglione were considered in the development of the proposed fees.

Staff presented the Cap Fees for adoption by the Board at their August 7, 2019 regular meeting. After hearing further concerns from the public, the Board took action to schedule a Board workshop for August 29, 2019, and postpone the Cap Fees modification to the October 2, 2019, Board meeting.

At the August 29, 2019, Board workshop, staff and legal counsel presented on Cap Fees legal framework, the Capital Improvement Program creation and the Cap Fees methodology. Comments were taken from members of the public, but no action was taken by the Board.

The proposed Cap Fees meet the legal requirements of Government Code section 66013, in that the Cap Fees are charges for public facilities in existence at the time the Cap Fees are imposed, and for new public facilities to be acquired or constructed in the future, that are of proportional benefit to the person or property being charged, and that are attributable to the proportional cost of providing capacity to such connections. The Cap Fees only support improvements which will be required by new connections to the respective system, the Cap Fees do not exceed the cost of constructing the improvements, and the Cap Fees will not be used for operational, maintenance or repair expenses.

A public meeting to consider adoption of the new Water and Wastewater Capital Facility Fee Ordinance is required to implement the new fee. This provides the Board an opportunity to modify the Cap Fees based on concerns and input from the public.

CEQA COMPLIANCE:

Acting in its capacity as lead agency under the California Environmental Quality Act (CEQA), the District evaluates: (1) whether the adoption of the Cap Fees is a project within CEQA's meaning; (2) if it is a project, whether the adoption is exempt from CEQA; and (3) if it is not exempt, what level of environmental review is appropriate.

Based on the information contained in the administrative record, staff recommends that the Board of Directors determine that (1) the adoption of the Cap Fees is not a "project;" (2) even if it is a project, it is exempt from CEQA; and (3) even if it is not exempt, no further additional environmental review is necessary under Public Resources Code section 21166.

The District's adoption of the proposed Cap Fees is not a "project" within the meaning of CEQA. First, it does not have the potential to result in a direct physical change in the environment or a reasonably foreseeable indirect physical change. (Public Resources Code section 21065; CEQA Guidelines section 15378(a).) Second, adoption of the Cap Fees is a funding mechanism that does not commit the District to any project at all, much less a project that could have potentially significant impacts. (CEQA Guidelines section 15378(b)(4).)

In adopting the Cap Fees, the District is not approving or authorizing any development or construction activity, and thus, the adoption will not result in any direct or reasonably foreseeable indirect change in the environment. The adoption of the Cap Fees does not commit the District to approve or construct any particular project, program, or capital improvement project. Further, it is unknown at this time if or when the District will approve any program or capital improvement project that might be funded by the Cap Fees. It is also unknown when, if ever, any such projects might be implemented. Potential impacts from such future projects are speculative and not appropriate for CEQA analysis at this time. If any capital improvement projects or programs that would be funded by the CAP Fees are proposed in the future, those projects or programs would be subject to review under CEQA, as applicable, before they are approved.

Even if adoption of the Cap Fees is a “project,” it is exempt from CEQA. CEQA exempts a public agency’s approval of rates or charges if they are intended to obtain “funds for capital projects, necessary to maintain service within existing service areas . . .” (CEQA Guidelines section 15273(a)4.) The purpose of the Cap Fees is to obtain funding for potential capital improvement projects that might be necessary for the District to accommodate planned growth within its existing service area. The Cap Fees are necessary to meet the District’s projected need for additional facilities and infrastructure to provide services within its existing service areas.

The Cap Fees are also exempt under the “common sense” exemption because it can be seen with certainty that there is no possibility that adoption of the Cap Fees may have a significant effect on the environment. (CEQA Guidelines section 15061(b)(3).) As noted above, adoption of the Cap Fees does not authorize, approve or commit the District to any specific development or construction activity. Further, there is no evidence of any unusual circumstances related to the Cap Fees that could have a significant impact on the environment. (Guidelines section 15300.2(c).)

Even if adoption of the Cap Fees is not exempt, no further CEQA analysis is necessary. Environmental effects of future projects, programs and capital improvement projects that could potentially be funded by the Cap Fees were analyzed at the program level in the Vallecitos Water District’s 2018 Water Wastewater and Recycled Water Master Plan Program EIR (PEIR), certified by the District on 5/1/2019. Under Public Resources Code section 21166, once an agency has certified an EIR for a project, no further environmental review is required unless there are: (1) substantial changes to the project that require major revision of the EIR; (2) substantial changes occur with respect to the circumstances under which the project is being undertaken that will require major revisions to the EIR; or (3) new information, that was not known and could not have been known when the EIR was certified, becomes available.

None of those circumstances exist here. The PEIR studied at the program level impacts related to possible future projects that might potentially be funded by the Cap Fees, should the District decide in the future to approve and proceed with any of those projects. (See, PEIR, Chapter 3.3.2 and 3.3.4.) Cap Fees were in place when the PEIR was certified and the action before the District simply changes the amount of those fees. This does not constitute a substantial change to any project, a substantial change with respect

to the circumstances under which any project will be undertaken, or new information that was not known or could not have been known when the PEIR was certified.

Section 15273(b) states that “[r]ate increases to fund capital projects for the expansion of a system remain subject to CEQA.” The adoption of the Cap Fees does not fund any specific capital project. Rather, the Cap Fees will be placed into a separate account that may be utilized in the future if the District decides to proceed with a specific capital project. Any such specific capital project would be subject to CEQA review, as applicable, before approval.

FISCAL IMPACT:

The foundation of the Cap Fees is that recovery of costs with the determined Cap Fees should have no fiscal impact to ratepayers. All expenditures for growth-related assets are recovered, or mitigated, solely by revenues from Cap Fees. A separate fund is maintained for both the Water and Wastewater Cap Fees. No reserves are maintained or included in the Cap Fee funds.

The Cap Fees set forth in the table below are charged per equivalent dwelling unit, or EDU, assigned to the connection, and are based on up to 500 gallons per day for water, and 250 gallons per day for wastewater.

Staff will update the Cap Fees annually according to an automatic escalator based on the percentage increase in the Engineering News Record’s Construction Cost Index for Los Angeles (CCI-LA), from the immediately preceding December and December of the prior year. Additionally, staff will perform an annual review of the Cap Fees based on the state of short-term interest rates and actual costs of Capital Improvement Projects to be effective every year on January 1. Any future increases to the Cap Fees, excluding automatic CCI-LA adjustments, will require Board approval.

Staff and Finance Committee recommended Cap Fees result in rates that compare to existing rates as follows, which is measured in EDUs assigned to the connection:

| CAP FEE | Proposed Fee | Existing Fee | Change |
|------------|--------------|--------------|---------|
| Water | \$7,896 | \$7,756 | \$140 |
| Wastewater | \$12,986 | \$9,963 | \$3,023 |
| TOTAL | \$20,882 | \$17,719 | \$3,163 |

There is no statutory period for the implementation of the proposed fees. The proposed fee can be implemented as early as October 3, 2019. Past practice at the District is to provide an implementation period of approximately 60 days. Continuing that practice would place the implementation date of the proposed fees at Dec 1, 2019.

RECOMMENDATION:

Hold a public meeting to allow the public an opportunity to offer comment on the Water and Wastewater Capital Facility Fees; and, adopt the new Water and Wastewater Capital Facility Fee Ordinance with the fees becoming effective on December 1, 2019 or another date to be determined by the Board, and make certain findings and determinations under CEQA as set forth in the Ordinance.

**ORDINANCE NO.
AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT, ADOPTING INCREASED
WATER AND WASTEWATER CAPITAL FACILITY FEES AND
MAKING CERTAIN DETERMINATIONS AND FINDINGS UNDER CEQA AND
TAKING CERTAIN ACTIONS RELATING THERETO**

WHEREAS, the Board of Directors of the Vallecitos Water District (the “District”) is authorized pursuant to California Government Code section 66013 to impose water and wastewater capacity fees and charges for public facilities in existence at the time the fee or charge is imposed, or for new facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged; and

WHEREAS, the District previously adopted its water and wastewater capital facility fees (“Water Charge” and “Wastewater Charge,” respectively, or collectively, the “Charges”), which are each “capacity fees” within the definition of Government Code section 66013; and

WHEREAS, the Charges were previously adopted pursuant to the recommendations of a Capacity and Impact Fee Study Final Report, dated November 8, 2011 (“Prior Report”), prepared for the District by an independent consultant, which has since been updated as described in more detail below; and

WHEREAS, pursuant to the Prior Report, the Water Charge is imposed per equivalent dwelling unit, (each an “EDU”), and is determined by identifying necessary capital improvements to fund new connections to the water system, financing costs discounted to present value, existing debt, and other expenses related to offsetting the impact of new connections to the system, which are then allocated to new growth to be served by the new facilities and extra capacity in existing facilities based on projected EDUs; and

WHEREAS, each EDU is based on District data leading to the allocation of up to 500 gallons of water consumption per day per EDU for purposes of the Water Charge, and up to 250 gallons of wastewater generation per day per EDU for purposes of the Wastewater Charge; and

WHEREAS, EDUs are assigned based on projected water use and wastewater generation, as provided by the applicant and reviewed by the District Engineer; and

WHEREAS, a minimum of one EDU is assigned to each single-family dwelling unit; and

WHEREAS, for non-residential connections, EDUs shall be assigned based on projected water use or wastewater generation, with each EDU equaling up to 500 gallons per day of water use and 250 gallons per day of wastewater generation, and any projected usage above such amounts shall be prorated; and

WHEREAS, it is the policy of the Board that, to the extent a connection uses greater amounts of water than projected, or generates greater amounts of wastewater, the applicant will be required to purchase or lease additional EDUs; and

WHEREAS, the Prior Report has since been updated to account for the District's 2018 Water, Wastewater, and Recycled Water Master Plan, adopted by the District Board on May 1, 2019, which accounts for the latest land use revisions from the County of San Diego, and Cities of Escondido, Vista, Carlsbad, and San Marcos, as well as to bring Master Plan costs to January 2019 values using the Engineering News Record Construction Cost Index (the "Updated Report"); and

WHEREAS, the Updated Report, which maintains the same model and method of calculating the Charges as the Prior Report but updates the model to account for updated data, has been presented to the Board and has been made available to the public for inspection for at least ten (10) days prior to the meeting at which this Ordinance is considered; and

WHEREAS, the Board of Directors finds that it is appropriate at this time to adjust the amount of the Charges, based on the findings and analysis contained in the Updated Report; and

WHEREAS, the District now wishes to adopt increases to the Charges, in the amounts set forth in Exhibit "A" hereto; and

WHEREAS, the Board of Directors has determined that: (1) its proposed Charges do not exceed the estimated reasonable cost of the services and facilities for which the Charges will be imposed; and (2) the allocation of those costs bear a fair or reasonable relationship to the burdens on, or benefits that those who pay the Charges will receive from such services and facilities, as evidenced by the Updated Report;

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT:

SECTION 1. Incorporation of Recitals: The Recitals set forth above are incorporated herein, are made findings and determination of the Board of Directors, and are an operative part of this Ordinance.

SECTION 2. CEQA Compliance:

(a) The District, as lead agency under the California Environmental Quality Act ("CEQA"), has evaluated the potential environmental impacts of adopting the Charges. As the decision-making body for the District, the Board of Directors has reviewed and considered the information contained in the administrative record for the adoption of the Charges.

(b) The Board of Directors finds that to maintain levels of service for existing customers and to provide service to potential new development within the District's service area, additional infrastructure and facilities may be necessary in the future. The Charges are intended to provide a source of funds if capital improvement projects and programs are proposed in the future to provide the additional infrastructure and facilities. The Board of Directors finds that this Ordinance does not approve any particular capital improvement project or program, nor does it commit the District to approve any particular capital improvement project or program. The revenue from the Charges will be placed in a separate fund for potential future capital improvement projects or programs, if any are approved. If any capital improvement projects or programs that would be funded by the Charges are proposed in the future, those projects or programs would be subject to environmental review under CEQA, as applicable, before they are approved.

(c) Based on its review of the record and exercising its independent judgment, the Board of Directors determines that (1) the adoption of the Charges is not a "project" within the definition of CEQA; (2) even if it is a project, it is exempt from CEQA; and (3) even if it is not exempt, no further environmental review is necessary under Public Resources Code section 21166.

(d) The District's adoption of the Charges is not a "project" within the meaning of CEQA. Adoption of the Charges does not approve any particular capital improvement project and it does not commit the District to approving any particular capital improvement project. It is unknown if and when a capital improvement project funded by Charges might be proposed and approved. As such, adoption of the Charges will not cause any physical change in the environment or lead to a reasonably foreseeable indirect physical change to the environment, and is not a "project" within CEQA's meaning. (Public Resources Code section 21065; CEQA Guidelines section 15378(a).) Any direct or indirect changes to the environment from the Charges are speculative. Further, the Charges are a funding mechanism that does not commit the District to approving or implementing any project at all and as such is not a "project" subject to CEQA. (CEQA Guidelines section 15378(b)(4).)

(e) Even if adoption of the Charges is a "project," it is exempt from CEQA, CEQA exempts a public agency's approval of rates or charges if they are intended to obtain "funds for capital projects, necessary to maintain service within existing service areas" (CEQA Guidelines section 15273(a)4.) As explained above, the purpose of the Charges is to obtain funding for potential capital improvement projects that might be necessary for the District to accommodate planned growth within its existing service area. The Charges are necessary to meet the District's projected need for additional facilities and infrastructure to provide services within its existing service areas. The Charges are also exempt under the "common sense" exemption because it can be seen with certainty that there is no possibility that adoption of the Charges may have a significant effect on

the environment. (CEQA Guidelines section 15061(b)(3).) As noted above, adoption of the Charges does not authorize, approve or commit the District to any specific capital improvement project or program, or any construction activity at all. For these reasons, there is no possibility that adoption of the Charges may have a significant environmental impact. Further, there is no evidence of any unusual circumstances related to the Charges that would cause a significant impact on the environment. (Guidelines section 15300.2(c).)

(f) Even if adoption of the Charges is not exempt, no further CEQA analysis is necessary. The Vallecitos Water District's 2018 Water Wastewater and Recycled Water Master Plan Program EIR (PEIR), which the District certified on May 1, 2019, analyzed at a program level the environmental effects of the potential programs and capital improvement projects that might be funded by the Charges should the District approve such programs and projects in the future. Under Public Resources Code section 21166, once an agency has certified an EIR for a project, no further environmental review is required unless there are: (1) substantial changes to the project that require major revision of the EIR; (2) substantial changes occur with respect to the circumstances under which the project is being undertaken that will require major revisions to the EIR; or (3) new information, that was not known and could not have been known when the EIR was certified, becomes available. None of those circumstances exist here. Charge fees were in place when the PEIR was certified and the action before the District simply changes the amount of those fees. This increase does not constitute a substantial change to any project, a substantial change with respect to the circumstances under which any project will be undertaken, or new information that was not known or could not have been known when the PEIR was certified.

(g) The Board of Directors has considered any comments received at the public meetings on August 7, 2019 and October 2, 2019, prior to adoption of this Ordinance.

(h) These CEQA determinations reflect the Board of Directors' independent judgment and analysis.

(i) The documents and materials that constitute the record of proceedings on which these findings have been based are located at 201 Vallecitos de Oro, San Marcos, CA 92069. The custodian for these records is the Board Secretary.

SECTION 3. Adoption of Charges: The Board of Directors hereby adopts the Charges in the amounts set forth in Exhibit "A" hereto. EDUs for Water Charges and for Wastewater Charges are assigned as set forth in the fee schedule set forth in Exhibit "A" hereto. The Charge shall be imposed on any property or any person requesting a new, additional, or expanded connection to the District's water or wastewater system, and the amount of the Charge imposed shall vary in accordance with the number of EDUs assigned to the property, and shall equal the estimated reasonable cost of providing the

service for which the Charge is imposed. EDUs shall be determined based on projected water use or wastewater generation, as provided by the applicant and confirmed by District staff. In the event actual water use or wastewater generation exceeds projected demand, the District may increase the assigned EDU to such connection and require the applicant to purchase or lease such additional EDUs at such later date. Additionally, the fee schedule set forth in Exhibit "A" includes assigned EDUs based on meter sizes. In the event that a particular connection requires water use or wastewater generation that exceeds the meter size assigned to such property, but the District allows the applicant to install a smaller meter, the District shall assign the applicant additional EDUs for purposes of determining the Charges based on projected use, regardless of whether such EDUs exceed the amounts set forth in Exhibit "A" for such meter size.

SECTION 4. Annual Adjustments to Charges: Commencing January 1, 2020, and each January 1 thereafter, the Charges (subject to any decrease set forth in Section 3 above), shall be automatically increased annually by the percentage change in the Engineering News Report Construction Cost Index - Los Angeles measured from the immediately preceding December and December of the prior year.

SECTION 5. Inconsistency with Other Fees and Charges: To the extent that the Charges established by this Ordinance are inconsistent with any rates, fees or charges previously adopted by the District, it is the explicit intention of the Board of Directors that the Charges adopted in this Ordinance shall prevail.

SECTION 6. Severability: If any section, subsection, clause or phrase in this Ordinance or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Ordinance or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

SECTION 7. Future Amendments: It is the explicit intention of the Board of Directors in adopting this Ordinance that future amendments to the Charges may be adopted either by ordinance or resolution of the District.

SECTION 8. Authority to General Manager: The General Manager, or his or her designee, is hereby authorized and directed to take all actions necessary to implement the Charges effective December 1, 2019, as well as to implement any increase to the Charges as authorized herein and in accordance with the schedule of rates in Exhibit "A" hereto. Additionally, the General Manager, or his or her designee, is hereby authorized and directed to account for all proceeds of the Charges in accordance with the requirements of Government Code section 66013.

SECTION 9. Effective Date: December 1, 2019. This Ordinance shall become effective immediately upon adoption, subject to the effective date set forth above.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 2nd day of October, 2019 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

ATTEST:

Glenn Pruij, Secretary
Board of Directors
Vallecitos Water District

EXHIBIT "A"

Table of Water and Sewer Fees

| | Capital Facility Fee |
|-------|----------------------|
| Water | \$7,896 |
| Sewer | \$12,986 |

DATE: OCTOBER 2, 2019
TO: BOARD OF DIRECTORS
SUBJECT: EMERGENCY REPAIR OF 12-INCH WATER MAIN ON CAMPUS WAY
AND BARHAM DRIVE

BACKGROUND:

Cal State University of San Marcos area is fed from Vallecitos Water District's (District) 920 pressure zone. This zone has four (4) steel water tanks used for storage and pressure. There are no pump stations feeding the 920-pressure zone.

DISCUSSION:

On August 10th around 8:00 a.m., staff responded to a water main break at the intersection of Campus Way and Barham Drive. After investigation, it was determined the main break was off a 12-inch diameter ductile iron pipe (DIP) on Campus Way near an SDG&E underground utility duct bank. Staff was able to isolate the 12-inch water main on Campus Way, which limited the impacted customers to 3 water services. The 3 water services were provided with temporary water service shortly after the break and throughout the duration of the repair.

The contracting company, Cass Arrieta, was retained to perform the repair on the failed 12-inch DIP under the District's emergency purchasing policy. Under normal conditions, Resolution No. 1481 requires Board approval for construction above \$50,000. However, under Section 8 of this Resolution, the General Manager can authorize emergency purchases above \$50,000 if it is required "for the health, safety and welfare of the customers of the District, for the protection of the District's property, or if there is an immediate need or emergency which could not be reasonably foreseen." Although the General Manager can authorize emergency actions, the Resolution requires that the item be brought before the Board for subsequent approval.

Cass Arrieta was selected due to their previous performance with the District on emergency repairs and their ability to mobilize quickly. Cass Arrieta also has larger equipment able to reach deeper below the ground surface. District equipment has a maximum reach of 12 feet below the ground under ideal conditions.

Cass Arrieta performed the following work:

- Excavated 14-ft below grade to expose the 12-inch DIP on College Way.
- Discovered a failed restrained mechanical joint on a 45-degree bend fitting.
- Removed broken section of existing DIP and fittings, replaced broken section of DIP with PVC C900, new fittings, and provided slurry backfill to ensure proper compaction in the trench.
- Repaired damaged asphalt pavement.

Cass Arrieta completed the repair and rehabilitation work in 6 working days. Operations staff assisted in the repair, locating the broken section of pipe and providing materials. Construction management and inspection was performed by District engineering staff. Soils consultant Christian Wheeler performed soils density testing to the compacted trench backfill, as required by the City. All final base paving has been completed. Ortiz Construction had been requested to pothole a recent nearby main installation as part of the initial investigation to find the main break.

FISCAL IMPACT:

| | |
|----------------------------------|--------------------|
| Cass Arrieta repair construction | \$ 51,680.27 |
| Christian Wheeler | \$ 2,700.00 |
| Ortiz Construction | \$ 3,073.04 |
| VWD Furnished Material | \$ 4,300.65 |
| <u>Staff/Equipment</u> | <u>\$ 9,806.71</u> |
| Total | \$ 71,560.67 |

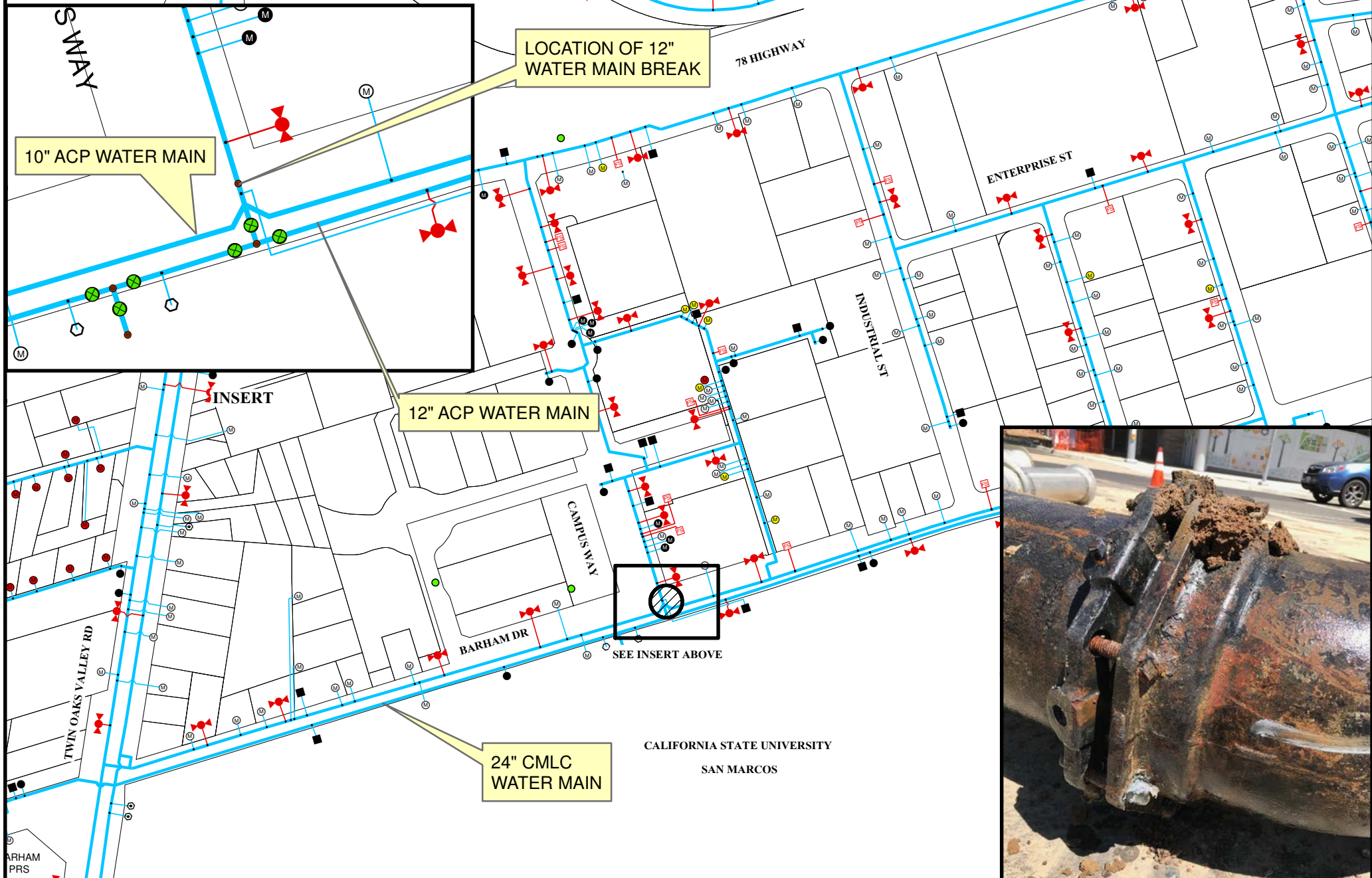
Ortiz Construction (Ortiz) was on site and provided initial help containing the leak and minimizing surface damage. Ortiz had been compensated through the District's Purchasing Policy.

The repairs will be funded from the Water Operating budget.

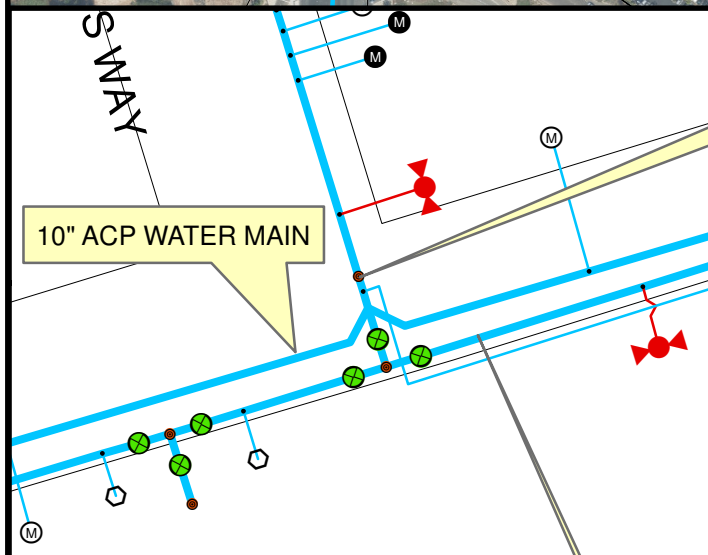
RECOMMENDATION:

Approve payment to Cass Arrieta in the amount of \$ 51,680.27.

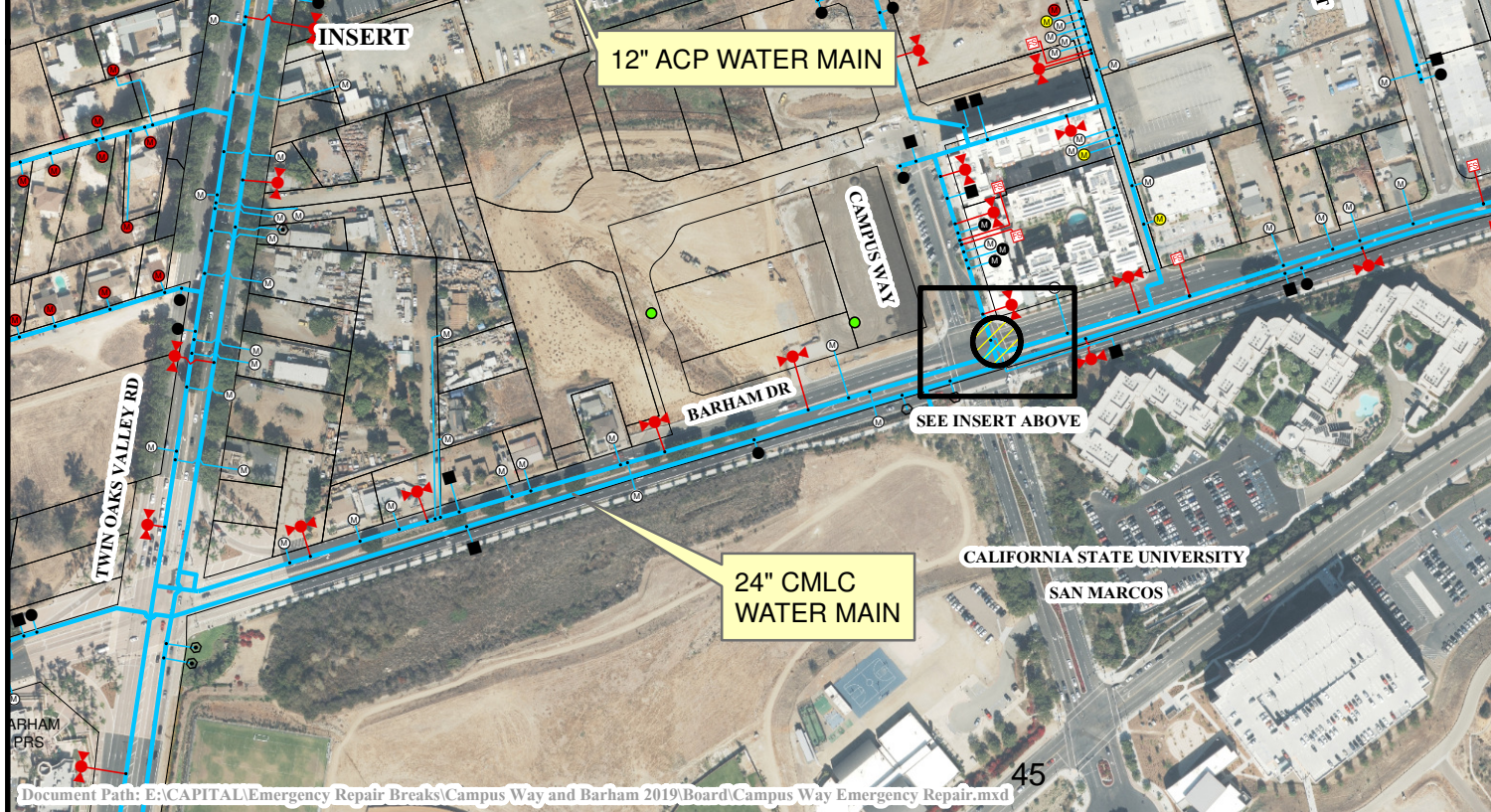
EMERGENCY REPAIR OF 12" WATER MAIN ON CAMPUS WAY & EAST BARHAM DR



EMERGENCY REPAIR OF 12" WATER MAIN ON CAMPUS WAY & EAST BARHAM DR



LOCATION OF 12" WATER MAIN BREAK



DATE: OCTOBER 2, 2019
TO: BOARD OF DIRECTORS
SUBJECT: SURPLUS PERSONAL PROPERTY LISTING

BACKGROUND:

On October 8, 2008, the Board of Directors adopted Resolution No. 1312, "...A Surplus Personal Property Policy." The policy authorizes staff to accumulate and dispose of surplus property items through a publicly noticed sale, with the highest bid taking title and possession of the property. Section 2 of the policy states that, "Items with an estimated value of greater than \$1,000 will be approved by the Board."

DISCUSSION:

Staff has identified 5 vehicles with an estimated value greater than \$1,000 which are no longer required for District operations. The items are:

| <u>Manufacturer & Model</u> | <u>VIN</u> | <u>Estimated Value</u> |
|--|-------------------|-------------------------------|
| 2010 FORD F-150 | 1FTEX1CW0AKE55363 | \$1,000 |
| 2003 FORD F-150 | 1FTRF172X3KA84372 | \$1,000 |
| 2003 FORD F-250 | 3FTNF21L63MB42380 | \$1,000 |
| 2003 FORD F-450 | 1FDXF46S93EB30102 | \$3,500 |
| 2006 INTERNATIONAL | 1HTMKAAN76H231907 | \$10,000 |

These vehicles have been replaced with new vehicles, all of which had been approved in adopted budgets.

FISCAL IMPACT:

Minimal fiscal impact to the District.

RECOMMENDATION:

Approve items to be made available for disposal through a public auction.