

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