

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, NOVEMBER 20, 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 5:06 p.m.

Director Hernandez led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Hernandez
Director Sannella
Director Martin

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
Bridget Anderson, Human Resources Analyst
Susan Bowman, Asset Management Supervisor
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF NOVEMBER 20, 2019

19-11-14 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, to adopt the agenda for the Regular Board Meeting of November 20, 2019.

PUBLIC COMMENT

Mike Hunsaker, member of the public speaking as President of the Twin Oaks Valley Property Owners Association, addressed the Board stating SB 330 is now law. Effective January 1, 2020, SB 330 freezes capacity fees. After years of delay the District has passed new capacity fees to be effective on January 2, 2020. What is the status of those capacity fees? Will the new ones, long overdue, be charged properly to new developments or not? The January 1 and 2 dates will be an aggravating issue for many citizens. This should be carefully resolved. Anything that is done to make the new fees defensible should be done. It appears the easiest thing to do is just revise the effective date to December 31. He stated he provided Executive Secretary Posvar with a copy of SB 330. He hopes this is resolved quickly.

Legal Counsel Gilpin stated SB 330 is a housing bill. He will review the details to verify whether Mr. Hunsaker's assertions concerning the freeze on capacity fees are accurate.

INTRODUCTION

Human Resources Analyst Bridget Anderson introduced new employee, Susan Bowman, Asset Management Supervisor.

CONSENT CALENDAR

19-11-15 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Engineering/Equipment Committee Meeting – October 28, 2019
- B. Finance/Investment Committee Meeting – October 29, 2019
- C. Board Workshop Meeting – October 31, 2019
- D. Special Board Meeting – November 6, 2019
- E. Regular Board Meeting – November 6, 2019

1.2 Warrant List through November 20, 2019 - \$2,821,108.81

1.3 Financial Reports

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

ACTION ITEMS

ACCEPTANCE OF ROCK SPRINGS SEWER REPLACEMENT PROJECT

Capital Facilities Senior Engineer Morgan stated the project corridor begins at the intersection of Rock Springs Road and Bennett Avenue, and runs west through a greenbelt area to an existing 12-inch pipeline in Rock Springs Road at Lancer Park Avenue. The Board approved a design contract to Infrastructure Engineering Corporation (IEC) in July 2010. IEC and staff finalized bid documents in May 2018. The Board awarded a contract to Burtech Pipeline in August 2018 and construction began on October 19, 2018. The project was completed on August 16, 2019 with a budget surplus of \$41,198.

Staff recommended the Board accept the project as complete 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.

19-11-16 MOTION WAS MADE by Director Elitharp, seconded by Evans, and carried unanimously, to accept the project and authorize the filing of a Notice of Completion and release of retention funds.

ENCINA WASTEWATER AUTHORITY REVISED ESTABLISHMENT DOCUMENT AMENDMENT

General Manager Pruim stated the District is one of six member agencies of the Encina Wastewater Authority (EWA) which provides regional wastewater treatment and disposal services. EWA was created under the Establishment Document which served as the Joint Exercise of Powers Agreement to operate the Encina Joint System. Based on previous revisions, the Establishment Document is now known as the Revised Establishment Document (RED). The six member agencies are jointly responsible for all costs associated with EWA, including personnel costs, based on their ownership percentage and the demands they place on the system.

General Manager Pruim further stated that AB 1912 became effective January 1, 2019 requiring member agencies to be jointly liable for all retirement obligations of employees who work for the Joint Powers Authority. The RED must be amended to reflect the passage of AB 1912 and make minor corrections to the document. There are no financial impacts to the District as EWA already allocates those retirement costs. The EWA Board and Joint Advisory Committee considered this item at their November 13, 2019 meeting and recommended forwarding the RED to its six member agencies for approval.

Staff recommended the Board approve the amendments to the RED.

General discussion took place regarding the District's ownership share of EWA and how it compares to other member agencies. General Manager Pruim stated the District's share is approximately 22.4% which is slightly smaller than Vista Irrigation District and Carlsbad Municipal Water District.

Mike Hunsaker, member of the public, addressed the Board and asked for clarification on the District's ownership stake of solids treatment and liquids treatment. Is the 22% a blended average and is it covered in the agreement? There is some talk of turning that facility into a waste treatment facility to reclaim or recycle water. Will that cover those eventualities? General Manager Pruim responded that the District's share is a blended average of overall demands placed on solids and liquids treatment. EWA is considering using their facility and the output of their facility to create potable reuse water; however, what is needed to go forward such as the cost and adding staff has not been determined and is far into the future.

- 19-11-17 MOTION WAS MADE by Director Evans, seconded by Sannella, and carried unanimously, to approve the amendments to the Revised Establishment Document.

CALL FOR NOMINATIONS TO THE LOCAL AGENCY FORMATION COMMISSION AND THE SPECIAL DISTRICTS ADVISORY COMMITTEE

General Manager Pruim stated the San Diego Local Agency Formation Commission has issued ballots inviting each district to cast a ballot selecting up to eight nominees to fill eight open seats on the 16-member Special Districts Advisory Committee.

General discussion took place during which the consensus of the Board was to support the five incumbents, Jack Bebee, Robert Thomas, Tom Kennedy, Kimberly Thorner, Mark Robak, and Albert Lau.

REPORTS

GENERAL MANAGER

General Manager Pruim reported on the following:

- The City of San Marcos will be holding a groundbreaking ceremony for their San Marcos Creek project on Wednesday, December 11 from 10:00 a.m. to 11:00 a.m. The location of the event has not been announced. The project consists of bridges over the creek on Bent Avenue and Via Veracruz, widening and heightening of Discovery Street, and a creek promenade. Many utility relocations will be required.
- The pipeline condition assessment for the High Point development is scheduled for December 4-9. All costs associated with the inspection will be paid for by the developer. The company performing the assessment was contracted by the District.
- A movie, *Dark Waters*, will be opening in theatres on November 22. The fictional movie focuses on a family of chemical compounds found in drinking water called per- and polyfluoroalkyl substances (PFAS). The District has no issues with PFAS.
- The Association of California Water Agencies Fall Conference will be held December 3-6 in San Diego. Due to the conference, the December 4 Board meeting will be cancelled, and a Special Board meeting will be scheduled for December 11.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated he will review SB 330 to determine if it is applicable to the District.

Legal Counsel Gilpin stated the adoption of AB 5 could potentially affect the District in terms of hiring independent contractors. The bill adopts more streamlined rules as to what are considered independent contractors.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the Board will vote on a contract for Sandy Kerl at their November 21 meeting. Ms. Kerl was selected for the position of General Manager. The Board will also consider the Transitional Special Agricultural Water Rate which will become permanent as the Special Agricultural Water Rate (SAWR). The SAWR will be reviewed in five years along with the Urban Management Plan to ensure it is working.

Director Evans commented briefly on the litigation with the Metropolitan Water District.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated the Capital Improvement Committee has not met since the last Board meeting.

President Martin stated the Policy and Finance Committee has not met since the last Board meeting.

STANDING COMMITTEES

Director Sannella stated the Finance/Investment Committee will meet on November 25.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Hernandez, Sannella, Elitharp, Evans and President Martin reported on their attendance to the Council of Water Utilities meeting on November 19.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Hernandez inquired if he secures a hotel room via Airbnb for the ACWA conference in San Diego, will he be responsible for the cost. General Manager Pruim stated he would; however, he will consult with Legal Counsel Gilpin regarding a method to partially reimburse Director Hernandez for other expenses he would otherwise incur. Director Hernandez requested this topic be placed on the next Board agenda.

Director Hernandez requested single use plastics and the septage study be placed on a future agenda.

Director Evans stated she would like to speak to the Directors individually about their interests regarding committee appointments for next year.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 5:45 p.m.

A Special Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, December 11, 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 Pruim, Secretary
Board of Directors
Vallecitos Water District