

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, JUNE 17, 2020, AT 5:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Evans called the Regular meeting to order at the hour of 5:00 p.m. The meeting was held via teleconference.

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

Staff Present: General Manager Pruim  
Legal Counsel Gilpin  
District Engineer Gumpel  
Finance Manager Owen  
Operations & Maintenance Manager Pedrazzi  
Capital Facilities Senior Engineer Morgan  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF JUNE 17, 2020

20-06-10 MOTION WAS MADE by Director Hernandez, seconded by Director Martin, and carried unanimously, to adopt the agenda for the Regular Board Meeting of June 17, 2020.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board commenting on the good quality of the teleconferenced Board meetings, the COVID-19 pandemic, and that meter shut offs should be done sparingly with firm dates to be equally applied.

CONSENT CALENDAR

20-06-11 MOTION WAS MADE by Director Hernandez, seconded by Director Martin, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Finance/Investment Committee Meeting – May 26, 2020
- B. Regular Board Meeting – June 3, 2020
- C. Closed Session Board Meeting – June 3, 2020

1.2 Warrant List through June 17, 2020 - \$3,853,883.31

- 1.3
  - A. Water Meter Count – May 31, 2020
  - B. Water Production/Sales Report – 2019/2020
  - C. Per Capita Water Consumption – May 31, 2020
  - D. Water Revenue and Expense Report – May 31, 2020
  - E. Sewer Revenue and Expense Report – May 31, 2020
  - F. Reserve Funds Activity – May 31, 2020
  - G. Investment Report – May 31, 2020
  - H. Legal Fees Summary – March 31, 2020
- 1.4 Consumer Confidence Report
- 1.5 Request for Annexation of Certain Property Designated as the “Lindauer Annexation,” APN 182-101-01 Into the Vallecitos Water District and Sewer Improvement District 5 (Lindauer Family Trust 08-18-06)

PUBLIC HEARING

APPROVAL OF REIMBURSEMENT AGREEMENT FOR SEWER MAIN EXTENSION, WALNUT HILLS DRIVE, APNS 220-270-05, 220-270-16, 220-270-21, 220-270-22 & 220-270-37 (ELITHARP, KLIMA, FROST, RICHARDSON & NELSON)

Director Elitharp recused himself from discussion and voting on this item at 5:07 p.m. as he is one of the project participants.

General Manager Pruim stated that on June 3, 2020 the Board heard information regarding the sewer main extension project to provide service to five homes that were on septic systems and authorized him to accept the project improvements.

President Evans opened the hearing as duly noticed and posted to consider public testimony regarding a reimbursement agreement for construction costs associated with a sewer main. The hearing opened at 5:08 p.m.

District Engineer Gumpel provided an overview of the project. The owners of five single-family residences on Walnut Hills Drive who collaborated to install the new sewer main have requested a reimbursement agreement for the associated construction costs per District Ordinance No. 180. In accordance with Ordinance No. 180, staff determined the proposed total reimbursable amount to be \$169,052 which will be split evenly between the five existing properties and any future properties requesting connection for a total of ten participants. As required by Ordinance No. 180, a 10-day advance notification of this public hearing was sent to all property owners within the proposed benefit area and to date no comments or letters were received.

Staff recommended the Board hold the public hearing to solicit public input and authorize the General Manager to approve the Walnut Hills Sewer Main Reimbursement Agreement.

General Manager Pruim clarified that each participant's share of the reimbursement agreement would be \$16,905.20 plus an escalator to be applied every year.

Mike Hunsaker, member of the public, addressed the Board asking what the escalator is. Staff responded that the escalator is based on the Engineering News Record Construction Cost Index for Los Angeles.

There being no additional persons wishing to address the Board, President Evans closed the hearing at 5:13 p.m.

20-06-12 MOTION WAS MADE by Director Martin, seconded by Director Hernandez, and carried unanimously, with Director Elitharp abstaining, to authorize the General Manager to approve the Walnut Hills Sewer Main Reimbursement Agreement.

Director Elitharp rejoined the meeting at 5:14 p.m.

#### ACTION ITEMS

#### RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT ELECTING TO HAVE SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT "A" FOR FISCAL YEAR JULY 1, 2020 TO JUNE 30, 2021 COLLECTED ON THE TAX ROLL

Finance Manager Owen stated the resolution elects to have sewer service fees for Improvement District "A" collected on the tax roll and sets the public hearing for the Regular Board meeting on July 15, 2020.

20-06-13 MOTION WAS MADE by Director Martin, seconded by President Evans, and carried unanimously, with Director Elitharp unable to participate in the vote due to technical difficulties, to adopt the resolution.

Resolution No. 1570 - The roll call vote was as follows:

AYES: Hernandez, Martin, Sannella, Evans

NOES:

ABSTAIN:

ABSENT: Elitharp

#### CONSTRUCTION CONTRACT AWARD FOR THE SAN MARCOS INTERCEPTOR PROJECT, PHASE 2

Capital Facilities Senior Engineer Morgan provided historical background on the various phases of the San Marcos Interceptor Project which was initially approved in the District's

1999/2000 budget. The project consists of replacing approximately 12,200 feet of existing 1960s era 21-inch diameter sewer pipeline. The current Phase 2, extending from Via Vera Cruz to Pacific Street, will complete the remaining 3,400 feet of 42-inch diameter sewer interceptor.

Capital Facilities Senior Engineer Morgan stated that on September 26, 2019, the District advertised a Request for Proposals (RFP) to four local construction management firms, inviting them to present their experience in construction management and inspection services for sanitary sewer improvement projects of comparative scope and effort. Staff received proposals from Valley CM and Reilly CM on October 25, 2019. After review of their qualifications and relevant experience on similar projects, Valley CM was selected as the most qualified consultant. Valley CM's time and material not-to-exceed project fee is \$493,614.

Capital Facilities Senior Engineer Morgan further stated Kennedy/Jenks Consultants, the design engineer of record on the project, worked with staff to finalize bid documents in February 2020 and began advertising for bids in March 2020. The engineer's estimate for the project is valued at \$6,700,000. On May 28, 2020, staff opened bids from 10 contractors. Staff and legal counsel reviewed the bids and determined there were no irregularities. TC Construction was selected as the lowest responsive, responsible bidder. The budget for the project is \$8,500,000. The total estimated project cost is \$8,340,000, leaving an estimated budget surplus of approximately \$160,000.

Staff recommended the Board authorize the General Manager to enter into a professional services agreement with Valley CM in the amount of \$493,614 for construction management, inspection, and geotechnical engineering services during project construction, and to execute a construction contract with TC Construction in the amount of \$6,310,315, subject to the provisions of the contract.

General discussion took place.

Mike Hunsaker, member of the public, addressed the Board expressing his concerns regarding capacity calculations, ensuring that a fair share of costs are directed to new development, affordable housing, density bonuses, and waiving of facility fees.

20-06-14      MOTION WAS MADE by Director Martin, seconded by Director Elitharp, and carried unanimously, to authorize the General Manager to enter into a professional services agreement with Valley CM in the amount of \$493,614 for construction management, inspection, and geotechnical engineering services during the construction project, and to execute a construction contract with TC Construction in the amount of \$6,310,315, subject to the provisions of the contract.

## REPORTS

### GENERAL MANAGER

General Manager Pruim stated the District's solar provider will begin installing solar panels at the Twin Oaks Reservoir site in July. Installation should be completed in September or October. SDG&E will then need to provide their final approval to allow energy production to commence and be tied into the grid. Staff continues to work with the City of San Marcos on site development plan issues for the Lift Station No. 1 site.

General Manager Pruim reviewed the water production/sales report that is provided to the Board every month. The report illustrates budget versus actual water production which shows a decrease in water purchases in March and April of 2020. The decrease can be attributed to abnormally cooler, rainier weather during those months as water purchases increased in May when the weather was warmer and drier. This does not appear to be COVID-19 related. Beginning in July, staff will provide the Board monthly metrics to let the Board know how the budget estimates are panning out as staff moves forward.

General Manager Pruim stated that although the COVID-19 situation appears to be improving in some ways, the current public health order restrictions would make holding in-person Board meetings difficult. In order to continue to protect the health of Board members, employees and the public, Board meetings will continue to be conducted via teleconferencing at least through July. In-person meetings will resume when they can be conducted safely and in compliance with County regulations.

### DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated he would like to schedule an evaluation of Best Best & Krieger's performance during the past two years. He will be asking for input from the Board and staff, and will provide an assessment on issues that he has dealt with.

### SAN DIEGO COUNTY WATER AUTHORITY

President Evans stated the SDCWA held a special Engineering & Operations Committee meeting via teleconference on June 11 at which discussion took place regarding moving forward with energy storage and hydro power. The next Board meeting is scheduled on June 25.

### ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Capital Improvement Committee this morning at which discussion took place regarding the secondary clarifier, co-gen building repair, and odor reduction facility. The next meeting is scheduled on July 15.

Director Martin stated the next Board meeting is scheduled on June 24.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Elitharp reported on his participation in an AWWA webinar, Workforce and COVID-19 Utilities Solutions, on June 5.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Evans adjourned the Regular Meeting of the Board of Directors at the hour of 5:44 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, July 1, 2020, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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Betty D. Evans, President  
Board of Directors  
Vallecitos Water District

ATTEST:

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Glenn Pruim, Secretary  
Board of Directors  
Vallecitos Water District