

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, JANUARY 20, 2021, AT 5:00 PM, VIA TELECONFERENCE

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

Present: Director Boyd-Hodgson  
Director Elitharp  
Director Hernandez  
Director Pennock  
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  
Capital Facilities Engineer Santos  
Asset Management Supervisor Bowman  
Principal Financial Analyst Arthur  
Systems Administrator Drummond  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF JANUARY 20, 2021

21-01-05 MOTION WAS MADE by Director Hernandez, seconded by Director Boyd-Hodgson, and carried unanimously, to adopt the agenda for the Regular Board Meeting of January 20, 2021.

PUBLIC COMMENT

None.

CONSENT CALENDAR

Director Boyd-Hodgson inquired about Item 1.4 of the Consent Calendar pertaining to data presented on the number of customer complaints, water main breaks, and service line leaks. Director Boyd-Hodgson also had questions on Items 1.5 and 1.6 regarding required deposits for construction agreements. Staff responded to her questions.

21-01-06 MOTION WAS MADE by Director Pennock, seconded by Director Elitharp, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – December 16, 2020
  - B. Regular Board Meeting – December 16, 2020
  - C. Finance/Investment Committee Meeting – December 21, 2020
- 1.2 Warrant List through January 20, 2021 - \$8,927,947.19
- 1.3 Financial Reports
- A. Water Meter Count – December 31, 2020
  - B. Water Production/Sales Report – 2020/2021
  - C. Quarterly Financial Report – December 31, 2020
  - D. Per Capita Water Consumption – December 31, 2020
  - E. Water Revenue and Expense Report – December 31, 2020
  - F. Sewer Revenue and Expense Report – December 31, 2020
  - G. Reserve Funds Activity – December 31, 2020
  - H. Investment Report – December 31, 2020
  - I. Legal Fees Summary – December 31, 2020
- 1.4 Operations & Maintenance Metrics Quarterly Report – December 31, 2020
- 1.5 Approval of Construction Agreement for Discovery Street Segment 2 Water and Sewer Improvements (Discovery SL, LLC)
- 1.6 Approval of Construction Agreement for Discovery Village South Residential Water and Sewer Improvements (Discovery SL, LLC)

ACTION ITEM(S)

ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS “SAN MARCOS HIGHLANDS” (PORTIONS OF APNS 182-240-32, 182-240-33, 184-241-06 & 184-241-05) AND ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 1, 2 & 6 (KB HOME CALIFORNIA, LLC)

District Engineer Gumpel stated the previous owner of the property requested annexation into the District’s water and sewer service areas in March 2016 and has since sold the property to KB Home California, LLC. This item is the completion of the San Marcos Highlands annexation for which conditions were set at the May 15, 2019 Board meeting.

District Engineer Gumpel provided a brief overview of the annexation process. The District is a water district that provides sewer service. Annexations that expand the District’s boundaries must go through the San Diego Local Agency Formation Commission (LAFCO) for approval; however, annexations located within the District’s water service boundary that

expand the District's sewer service can be completed internally by the District.

District Engineer Gumpel reviewed the project relative to the District's service boundaries. 67.99 acres of the entire 288.53-acre project is developable. 45.55 acres of the developable area will be annexed into the Vallecitos Water District (VWD) and must be detached from Vista Irrigation District. 67.99 acres will also be annexed into VWD's Sewer Improvement Districts 1, 2 and 6. The remaining 220.54 acres will be dedicated open space and will not be annexed into VWD. The water and sewer annexation fees have been paid, and LAFCO has recognized the annexation.

Staff recommended the Board adopt the resolution recognizing the annexation of 45.55 acres of the San Marcos Highlands property into the Vallecitos Water District and ordering the annexation of 67.99 acres into Sewer Improvement Districts 1, 2 and 6.

21-01-07 MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez, and carried unanimously, to adopt the resolution.

Resolution No. 1581 - The roll call vote was as follows:

AYES: Boyd-Hodgson, Elitharp, Hernandez, Pennock, Sannella

NOES:

ABSTAIN:

ABSENT:

#### CONSTRUCTION CONTRACT AWARD FOR THE MRF AERATION BASINS CAPITAL IMPROVEMENT PROJECT

District Engineer Gumpel provided background on the District's Meadowlark Reclamation Facility (MRF), a wastewater and recycled water treatment plant located in the City of Carlsbad. The District is a wholesale distributor of recycled water to the Carlsbad Municipal Water District (CMWD) and Olivenhain Municipal Water District (OMWD). Any improvements to the recycled water process are paid for by the recycled water customers through the recycled water rates charged by the District.

Capital Facilities Senior Engineer Morgan stated existing membrane aeration panels in the aeration basin at MRF are failing and need to be replaced. He discussed two options that were considered for this project. Alternative 1 will replace the existing membrane panels in the aeration basin with ceramic disk diffusers which have a long history of use for wastewater treatment. Alternative 2 will do this as well, in addition to installing a full anaerobic selector zone (bio selector) that allows greater nutrient removal from the secondary effluent which will improve recycled water quality produced at MRF. Alternative 2 will also modify the aeration basin to include geo-membrane baffling, a new compressed air mixing system, and process control sensors.

Capital Facilities Senior Engineer Morgan further stated Trussell Technologies (Trussell) was selected to conduct a study of Alternative 2 to address the existing failing aeration basin panels. The Board approved a purchase order for Trussell in the amount of \$110,537 to conduct the study, planning, design, and technical specifications for Alternative 2 on February 20, 2019. Amendment No. 1 was approved on July 23, 2019 for \$31,736 for professional services for Improvement Alternative 1. Amendment No. 2 for \$26,740 was approved on July 28, 2020 to finalize both alternatives and to assist staff to provide professional services flexibility throughout the bid phase. District staff opened construction bids from six contractors on December 3, 2020 and presented the bid results and discussed both alternatives with the District's recycled water customers, OMWD and CMWD. Alternative 2 was selected by all parties as the preferred option. Staff and District Counsel completed the evaluation of qualifications, references, and bid forms, and determined SS Mechanical Construction was the lowest responsive, responsible bidder for Alternative 2. The budget for this project is \$1.7 million with an anticipated budget surplus of approximately \$330,000.

Staff recommended the Board authorize the General Manager to execute a construction contract with SS Mechanical Construction in the amount of \$865,390, subject to the provisions of the contract, and approve the Construction Support Services Amendment No. 3 for Trussell in the amount of \$54,354.

General discussion took place.

21-01-08 MOTION WAS MADE by Director Boyd-Hodgson, seconded by Director Pennock, and carried unanimously, to authorize the General Manager to execute a construction contract with SS Mechanical Construction in the amount of \$865,390, and approve the Construction Support Services Amendment No. 3 for Trussell in the amount of \$54,354.

#### AWARD FOR PROFESSIONAL SERVICES AGREEMENT FOR THE LAND OUTFALL WEST CONDITION ASSESSMENT

Asset Management Supervisor Bowman stated the existing 34,000 linear foot Land Outfall West sewer pipeline, installed in 1986, is the primary sewage transmission pipeline from the District's Lift Station No. 1 to the Encina Water Pollution Control Facility. This condition assessment will evaluate the condition of approximately 16,700 feet of the pipeline ranging in size from 30-inch to 54-inch diameter through closed-circuit television imagery and sonar technology. Results of the condition assessment will be evaluated to determine which segments of the pipeline require cleaning, rehabilitation, and/or replacement.

Asset Management Supervisor Bowman further stated the District submitted a Request for Proposal to four as-needed engineering firms on November 4, 2020 for the assessment; one firm declined to bid. District staff together with staff from Buena Sanitation District (BSD) and the City of Carlsbad (COC), the District's joint partners in the Land Outfall,

reviewed the proposals. Hoch Consulting was selected as the most qualified consultant with a total fee of \$149,800 for planning, design, engineering, and inspection services. Costs incurred for the condition assessment will be distributed among the District, BSD, and the COC per an existing cost sharing agreement. The total budget for this project is \$609,000 which includes the condition assessment and any additional renewal/rehabilitation work identified.

Staff recommended the Board authorize the General Manager to enter into a professional engineering services agreement with Hoch Consulting in the amount of \$149,800 for design, planning, and engineering services for the Land Outfall West Condition Assessment.

General discussion took place.

21-01-09 MOTION WAS MADE by Director Pennock, seconded by Director Hernandez, and carried unanimously, to authorize the General Manager to enter into a professional engineering services agreement with Hoch Consulting in the amount of \$149,800 for design, planning, and engineering services for the Land Outfall West Condition Assessment.

#### AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR THE 2020 URBAN WATER MANAGEMENT PLAN

District Engineer Gumpel stated the Urban Water Management Plan (UWMP) is a state-mandated document the District must prepare every five years. The District's previous 2010 and 2015 UWMPs were prepared in house by staff with the professional services of a qualified consultant to perform a final review of those documents.

District Engineer Gumpel further stated recent District staffing reassignments will require outside consulting services to prepare the 2020 UWMP. In November 2020, the District submitted a Request for Proposal to HDR, Inc. (HDR), a local engineering firm in San Diego County, because of their staff's experience with the District's 2010 and 2015 UWMPs. Staff met with HDR to review their scope of services and not-to-exceed fee of \$76,900 which are considered appropriate and were verified against other local agencies. The Fiscal Year (FY) 2020/2021 Budget did not include UWMP production services as the previous two UWMPs were prepared in-house by staff with minimal costs for outside consulting services.

Staff recommended the Board approve an increase to the FY 2020/2021 Development Services Operations and Maintenance Budget by \$76,900 for outside professional services and authorize the General Manager to enter into a professional services agreement with HDR in the amount of \$76,900 for planning, production, and reporting of the District's 2020 UWMP.

District Engineer Gumpel clarified that the UWMP is a long-term regional water resource availability document, distinctly different from and not related to the District's Master Plan.

General discussion took place.

Gayle Martin, member of the public, requested General Manager Pruim read the statement she submitted prior to the start of this meeting in which she inquired why the District was not preparing a Master Plan update to accompany the UWMP as the last Master Plan was prepared concurrently with the 2015 UWMP using data from 2000 – 2014. She expressed her concern that the Master Plan is particularly relevant to the developer fund deficit, and requested an item be placed on the next Board agenda to consider authorization to engage a consultant to prepare a Master Plan update and capital facility fee study along with the 2020 UWMP, and a budget adjustment to fund these studies.

General Manager Pruim stated the Master Plan was prepared a couple of years ago and since its preparation, no significant changes have occurred with the land use planning agencies. The Master Plan is used to determine the impact new growth will have on the District's facilities going forward. Since there have not been many land use changes, there is not much value in preparing a new Master Plan update at this time. Staff is currently reviewing the capital facility fee calculations based on the existing Master Plan. He clarified that the capital facility shortfall is not a factor when setting water rates.

General discussion took place regarding the developer fund deficit. General Manager Pruim stated again that the developer fund deficit has zero impact on water and wastewater ratepayer charges. Finance Manager Owen stated ratepayers pay for water purchases, operating costs, and maintenance/replacement of existing infrastructure as needed. The developer deficit is tracked separately and paid for by capital facility fees.

21-01-10 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried 4 – 1, with Director Boyd-Hodgson voting no, to increase the FY 2020/2021 Development Services Operations and Maintenance Budget by \$76,900 and authorize the General Manager to enter into a professional services agreement with HDR, Inc. in the amount of \$76,900 for planning, production, and reporting of the District's 2020 UWMP.

APPROVE REQUEST TO ADD AN EXTRA HELP RETIRED ANNUITANT DEVELOPMENT SERVICES COORDINATOR POSITION AND APPOINT RETIRED ANNUITANT EILEEN KOONCE BEFORE 180 DAY WAIT PERIOD

District Engineer Gumpel stated former Development Services Coordinator Eileen Koonce, a lead worker in that department, retired in November 2020. In planning for Ms. Koonce's retirement, the Development Services Coordinator position was reclassified to Engineering Technician III to focus on plan checking. Lead worker duties were not needed at that time due to the size of the department and the availability of the supervisor. With former

Development Services Senior Engineer Scholl leaving the District in January 2021, the department has lost two experienced employees in leadership positions within the same period which greatly impacts the ability of the District to continue to provide timely and quality service to the public for development projects, planning, and environmental review.

District Engineer Gumpel further stated that filling the vacant Development Services Senior Engineer position may take several months. Due to the current workload of Development Services, appointing the former lead worker, Eileen Koonce, as an Extra Help Retired Annuitant Development Services Coordinator will greatly help the department with training existing and new staff, quality assurance/quality control for plan checks, performing water and sewer planning studies, consultant management, and minor water and sewer modeling. Ms. Koonce is agreeable to this. In keeping with the California Public Employees' Retirement System (CalPERS) restrictions, Ms. Koonce would work for a limited duration, be paid at an hourly rate for comparable duties as listed in the pay schedule and work less than 960 hours in Fiscal Year 2020/21. Ms. Koonce meets the eligibility requirement for a bona fide separation in service, but not the 180-day wait period as she retired on November 28, 2020. As this appointment is necessary to fill a critically needed position sooner than 180 days, the District will request approval of the appointment through a resolution as required by CalPERS.

Staff recommended the Board approve the addition of the Extra Help Retired Annuitant Development Services Coordinator position and adopt a resolution approving the 180-day wait period exception for retired annuitant Eileen Koonce.

General discussion took place.

21-01-11 MOTION WAS MADE by Director Hernandez, seconded by Director Boyd-Hodgson, and carried unanimously, to approve the addition of the Extra Help Retired Annuitant Development Services Coordinator position and adopt a resolution approving the 180-day wait period exception for retired annuitant Eileen Koonce.

Resolution No. 1582 - The roll call vote was as follows:

AYES: Boyd-Hodgson, Elitharp, Hernandez, Pennock, Sannella  
NOES:  
ABSTAIN:  
ABSENT:

#### ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 BOARD

General Manager Pruiim stated the ACWA Region 10 Board is seeking candidates from Region 10 to fill one Board vacancy. If any Directors are interested in being considered for the ACWA Region 10 Board, staff will bring a resolution of support to the February 3, 2021

Board meeting for the Board's consideration. The ACWA Region 10 Board will make their appointment shortly after February 12 and will inform the region of the results.

Director Hernandez stated his interest in being considered for the ACWA Region 10 Board.

General discussion took place regarding opportunities for participation on various ACWA committees.

General Manager Pruim stated a resolution in support of Director Hernandez's interest in the ACWA Region 10 Board vacancy will be placed on the agenda for the next Board meeting for the Board's consideration.

## REPORTS

### GENERAL MANAGER

General Manager Pruim praised the efforts of staff during the past year dealing with the challenges of the COVID pandemic, the recent heavy winds and loss of power that stressed the District's telecommunications, fires near the District office, and preparedness for possible incidents surrounding the presidential inauguration today.

### DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin commented on new legislation that was introduced. Senate Bill (SB) 223 is a continuation of the current water shutoff restrictions which would extend restrictions to very small community water agencies with under 200 service connections. The proposed bill would require the District to update its written policies regarding discontinuation of residential service for non-payment to include what is defined as an "arrearage management plan." SB 223 would also extend the delinquency period from 60 days to at least 120 days.

### SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp stated the next Board meeting is scheduled on January 28.

### ENCINA WASTEWATER AUTHORITY

President Sannella stated he has not had his first official meeting since being appointed to the EWA Board, and that the Policy and Finance Committee will meet in February.

Director Hernandez stated the first meeting of the Capital Improvement Committee in 2021 is scheduled on February 17. The Board meeting is scheduled on January 27.

## STANDING COMMITTEES



Director Elitharp stated that the Engineering/Equipment Committee met on January 11. He will report on it at the next Board meeting as it was a lengthy meeting.

Director Boyd-Hodgson stated the Public Awareness/Personnel/Policy Committee met on January 14 at which the Committee decided to meet on the first Monday of each month.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

None.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Boyd-Hodgson commented on the historical significance of the first woman and woman of color to be sworn in as the Vice President of the United States at today's inauguration.

Director Boyd-Hodgson congratulated Public Information Representative Lisa Urabe on recently passing the Master Gardner test.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Regular Meeting of the Board of Directors at the hour of 7:00 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, February 3, 2021, at 5:00 p.m. via teleconference.

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Michael A. Sannella, President  
Board of Directors  
Vallecitos Water District

ATTEST:

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Glenn Prui, Secretary  
Board of Directors  
Vallecitos Water District