

**PURSUANT TO EXECUTIVE ORDERS ISSUED BY GOVERNOR NEWSOM,  
ONE OR MORE BOARD MEMBERS MAY PARTICIPATE IN THE MEETING  
VIA TELECONFERENCE**

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, MARCH 3, 2021, AT 5:00 P.M.  
VIA TELECONFERENCE

NOTICE TO THE PUBLIC

Due to the evolving situation with the COVID-19 Novel Coronavirus, so long as state or local public health officials have imposed or recommended social distancing measures Vallecitos Water District will hold future meetings via teleconferencing and allow members of the public to observe and address the meeting telephonically or otherwise electronically. During this period of time, Vallecitos Water District will not be making any physical location available for members of the public to observe the meeting and offer public comment. The public is encouraged to watch and participate in the meeting from the safety of their homes. The meeting can be viewed on the agenda page located on the main page of the District's website. Public comments or questions can be submitted to the following email address: [PublicComment@vwd.org](mailto:PublicComment@vwd.org). All written comments that are received at least 90 minutes before the meeting will be provided to the Board, and a record of the receipt of comment will be noted during the meeting. Members of the public viewing the meeting via the Zoom videoconferencing platform can express their desire to provide input at the appropriate time by utilizing the "Raise Hand" function. Additional instructions for online participation will be posted on the District's website. [www.vwd.org/meetings](http://www.vwd.org/meetings)

CALL TO ORDER – PRESIDENT SANNELLA

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 MARCH 3, 2021

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. Alternatively, persons wishing to address the Board at this time may utilize the "Raise Hand" feature of the Zoom videoconferencing platform. 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.

CONSENT CALENDAR

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.

1.1 APPROVAL OF MINUTES (pp. 5-14)

- A. REGULAR BOARD MEETING – FEBRUARY 17, 2021
- B. FINANCE/INVESTMENT COMMITTEE MEETING – FEBRUARY 22, 2021
- C. CLOSED SESSION BOARD MEETING – FEBRUARY 24, 2021

*Approved minutes become a permanent public record of the District.*

**Recommendation: Approve Minutes**

1.2 WARRANT LIST THROUGH MARCH 3, 2021 - \$772,720.00 (pp. 15-16)

**Recommendation: Approve Warrant List**

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

ACTION ITEM(S)

2.1 AWARD OF CONSTRUCTION CONTRACT FOR THE MEADOWLARK RECLAMATION FACILITY – LED LIGHTING UPGRADE PROJECT (pp. 17-20)

*Replacing existing outdoor lighting fixtures with LED will provide improved night security and safety lighting and will be more energy efficient.*

**Recommendation: 1) Increase project budget by \$28,297.85; 2) Authorize the General Manager to execute a construction contract with Baker Electric, Inc. in the amount of \$172,609.85**

2.2 CAPITAL FACILITIES EXPANSION (CAPACITY) FUND PRESENTATION (pp. 21)

*The District has recently received several inquiries from the public regarding the capital facilities expansion (capacity) fund.*

**Recommendation: Receive presentation for discussion and Board direction**

\*\*\*\*\*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](http://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, February 26, 2021.

*Diane Posvar*

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Diane Posvar

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, FEBRUARY 17, 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  
Asset Management Supervisor Bowman  
Public Information/Conservation Supervisor Robbins  
Systems Administrator Drummond  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF FEBRUARY 17, 2021

21-02-06 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to adopt the agenda for the Regular Board Meeting of February 17, 2021.

PUBLIC COMMENT

General Manager Pruim read aloud written comments submitted on February 15, 2021 by Gayle Martin, member of the public, regarding her concerns about the developer fund deficit, reserve surplus, and her opinion that the District subsidizes development and should issue debt and raise developer fees.

General Manager Pruim stated the Board has taken appropriate steps to address the developer fee shortfall and raise fees. Issuance of debt is planned in the five-year forecast. An item to provide information to the Board regarding project funding will be placed on a future agenda.

CONSENT CALENDAR

Director Boyd-Hodgson inquired about Item 1.4 as to the possibility of including job openings in the District's quarterly newsletter, to which staff responded.

21-02-07 MOTION WAS MADE by Director Pennock, seconded by Director Boyd-Hodgson, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Public Awareness/Personnel/Policy Committee Meeting – February 1, 2021
- B. Closed Session Board Meeting – February 3, 2021
- C. Regular Board Meeting – February 3, 2021
- D. Engineering/Equipment Committee Meeting – February 8, 2021

1.2 Warrant List through February 17, 2021 - \$3,014,862.05

1.3 Financial Reports

- A. Water Meter Count – January 31, 2021
- B. Water Production/Sales Report – 2020/2021
- C. Per Capita Water Consumption – January 31, 2021
- D. Water Revenue and Expense Report – January 31, 2021
- E. Sewer Revenue and Expense Report – January 31, 2021
- F. Reserve Funds Activity – January 31, 2021
- G. Investment Report – January 31, 2021
- H. Legal Fees Summary – January 31, 2021

1.4 Winter 2021 Between the Pipes – Vallecitos Water District Quarterly Newsletter

ACTION ITEM(S)

AWARD OF CONSTRUCTION CONTRACT FOR THE MEADOWLARK RECLAMATION FACILITY VALVE ACTUATORS REPLACEMENT PROJECT

Operations & Maintenance Manager Pedrazzi stated the tertiary effluent valve actuators at the District's Meadowlark Reclamation Facility maintain the level of water above tertiary filter media. A computer system operates the actuators 24/7. The actuators are over ten years old, are due for replacement, and will be replaced with more industrial actuators that will provide a much longer lifespan and more accurate valve operation.

Operations & Maintenance Manager Pedrazzi further stated R&B Automation is the sole source provider in Southern California for the actuators and their installation. The project is over budget as the price has increased since the estimate was received last year.

Staff recommended the Board increase the project budget by \$2,002.58 and authorize the General Manager to execute a construction contract with R&B Automation in the amount of \$65,691.18, subject to provisions of the contract. The total cost of the project is paid for

through the District's rates to its wholesale customers, the City of Carlsbad and Olivenhain Municipal Water District.

General discussion took place.

21-02-08 MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez, and carried unanimously, to increase the project budget by \$2,002.58 and authorize the General Manager to execute a construction contract with R&B Automation in the amount of \$65,691.18.

CONSTRUCTION MANAGEMENT AND INSPECTION AMENDMENT NO. 1 FOR THE SAN MARCOS INTERCEPTOR PROJECT, PHASE 2

Capital Facilities Senior Engineer Morgan stated the San Marcos Interceptor Project, Phase 2, is the last leg of the interceptor. The project, originally identified in the District's 1991 Master Plan, replaces existing pipe with approximately 12,200 feet of 42-inch diameter sewer pipeline between Twin Oaks Valley Road and Pacific Street. Portions of the project were completed during years 2002 through 2014. Phase 2 will complete the remaining 3,400 feet from Via Vera Cruz to Pacific Street.

Capital Facilities Senior Engineer Morgan further stated that on June 17, 2020, the Board approved a professional services agreement with Valley CM (VCM) in the amount of \$493,614 as part of the San Marcos Interceptor Phase 2 Project for construction management and inspection services. The original VCM scope of work was based on a ten-month construction period. During the course of construction, the District initiated night work for highly impacted areas of work in San Marcos Boulevard between Pacific Street and Tamarisk Lane. Additional unforeseen underground utilities delayed construction approximately two months due to required pipeline and tunnel alignment redesign and approvals. The delay and additional night shifts have required additional onsite inspections, testing and coordination services. Staff received Amendment No. 1 in the amount of \$142,560 from VCM on January 24, 2021 for the additional services.

Staff recommended the Board authorize the General Manager to execute Amendment No. 1 with VCM in the amount of \$142,560 for additional construction management, inspection and geotechnical engineering services for the San Marcos Interceptor Phase 2 Project.

General discussion took place regarding the project budget and traffic impacts.

21-02-09 MOTION WAS MADE by Director Elitharp, seconded by Director Boyd-Hodgson, and carried unanimously, to authorize the General Manager to execute Amendment No. 1 with Valley CM in the amount of \$142,560 for additional construction management, inspection and geotechnical engineering services for the San Marcos Interceptor Phase 2 Project.

AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR DUCTILE IRON PIPE  
CONDITION ASSESSMENT PILOT PROJECT

Asset Management Supervisor Bowman stated the District's water distribution and transmission system consists of over 357 miles of water pipeline, of which approximately 100 miles is ductile iron pipe (DIP). The majority of the DIP is less than 20 years old. The District maintains an average number of water main breaks well below the American Water Works Association industry standards even with increased main break frequency of the DIP.

Asset Management Supervisor Bowman further stated the DIP Condition Assessment Pilot Project is part of the DIP Condition Assessment Program (Program) that will help to reduce costly line breaks, prioritize resource allocation, and reduce overall asset lifecycle cost. The scope of the pilot project with V&A Consulting will assess technologies that can be used to determine the condition of the pipes and will include project management, soil testing and leak detection. The Program grouped the District's DIP system into 25 Cluster Areas based on factors such as pipe location, pipe age, and risk of failure in each Cluster area. The first pilot testing area has been identified as Cluster Areas 8 through 10 located in the San Elijo Hills area, which includes approximately 25 miles of DIP.

Staff recommended the Board authorize the General Manager to enter into a professional engineering services agreement with V&A Consulting in the amount of \$70,402 for project management, inspection services, and evaluation of results of the DIP Condition Assessment Pilot Project.

General discussion took place.

21-02-10 MOTION WAS MADE by Director Hernandez, seconded by Director Boyd-Hodgson, and carried unanimously, to authorize the General Manager to enter into a professional engineering services agreement with V&A Consulting in the amount of \$70,402 for project management, inspection services, and evaluation of results of the DIP Condition Assessment Pilot Project.

REPORTS

GENERAL MANAGER

None.



DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin discussed two bills that have been introduced. Senate Bill 323 concerns a statute of limitations pertaining to challenges of fees and charges within 120 days after adoption. Assembly Bill 361 relates to amendments to the Brown Act which would essentially convert the Governor's Executive Orders into legislation to allow agencies to utilize teleconferencing during a declared local or state emergency.

Legal Counsel Gilpin commented on the earlier discussion regarding responses to public comments at Board meetings. Staff may briefly respond to questions from members of the public, provide reference, or the Board may direct staff to place the item on a future agenda. Caution should be used to avoid any discussion or action on items raised by the public.

SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp stated he will be attending a Colorado River Workgroup meeting on February 23 and that the next Board meeting is scheduled on February 25.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Capital Improvement Committee this morning at which the Committee discussed the status of capital improvement projects, the proposed 2021 technical plan, and the acceptance of the Cogeneration Building structural repair.

President Sannella reported on his attendance to the Policy and Finance Committee meeting last week at which the Committee discussed the possibility of installing a cell phone tower on the South Parcel property.

STANDING COMMITTEES

President Sannella stated the Finance/Investment Committee will meet on February 22.

Director Elitharp stated the Engineering/Equipment Committee met on February 8. The Committee discussed the DIP Condition Assessment Program and associated pilot project, and the San Marcos Interceptor Project Phase 2 amendment.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Hernandez reported on his attendance to the virtual Urban Water Institute (UWI) Spring Conference today.

Director Boyd-Hodgson reported on her attendance to the virtual CalDesal Annual Conference February 10-11 and UWI Spring Conference today.

President Sannella discussed his involvement in a recent San Marcos Chamber of Commerce podcast.

OTHER BUSINESS

QUARTERLY BOARD EXPENSES

Director Boyd-Hodgson had questions concerning the cut-off date for the Board expenses presented and what the budget is for the Board's expenses, to which staff responded.

This information was provided per Ordinance No. 216 for information only.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Boyd-Hodgson stated she would like the Board to discuss at the next Board meeting, in a manner that does not compromise the District's security, steps the District is taking to prevent security breaches.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Regular Meeting of the Board of Directors at the hour of 6:30 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, March 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 Pruij, Secretary  
Board of Directors  
Vallecitos Water District

MINUTES OF A MEETING OF THE  
FINANCE/INVESTMENT COMMITTEE  
OF THE VALLECITOS WATER DISTRICT  
MONDAY, FEBRUARY 22, 2021 AT 4:00 P.M.  
VIA TELECONFERENCE

Director Sannella called the meeting to order at the hour of 4:00 p.m. The meeting was held via teleconference.

Present:                    Director Boyd-Hodgson  
                                 Director Sannella  
                                 General Manager Pruim  
                                 District Engineer Gumpel  
                                 Finance Manager Owen  
                                 Accounting Supervisor Rathsam  
                                 Principal Financial Analyst Arthur  
                                 Executive Secretary Posvar  
                                 Administrative Secretary Johnson

ITEM(S) FOR DISCUSSION

BUDGET TO ACTUAL RESULTS LAST 5 YEARS

Finance Manager Owen presented budget-to-actual data for the past six years. Water operations were under budget for Fiscal Year (FY) 2019/2020 by 1.21% (\$146,487). The most significant variances were in the Pumping, Tanks & Reservoirs, and Transmission & Distribution Departments, mainly due to outside services that did not get completed and budgeting for main breaks that did not occur. General & Administration was over budget due to higher than projected sick and vacation leave usage and less time posted to projects. Sewer operations were under budget for FY 2019/2020 by 3.83% (\$274,433). The most significant variances were in the Collection & Conveyance Department due to reduced chemical costs and budgeted emergencies and maintenance expenses that did not occur, Information Technology (outside services that were not performed) and General & Administration for the same reasons as water operations.

Finance Manager Owen noted that the results for sewer exclude treatment costs which include disposal costs for Encina Wastewater Authority (EWA) and the District's Meadowlark Reclamation Facility (MRF). EWA's costs are not something the District can control and most of MRF's costs for tertiary treatment are reimbursed through reclaimed water sales.

PRELIMINARY BUDGET CALENDAR

Finance Manager Owen provided an overview of the budget process and presented a preliminary budget calendar subject to the availability of the Committee as follows:

- March 22 (Committee)
- April 12 (Committee)
- April 26 (Committee)

- May 3 (Committee)
- May 19 (Board Workshop)
- June 2 (Regular Board Meeting – approval of recommended budget for adoption)

General discussion took place regarding the proposed budget meetings. The consensus of the Committee was that a 3:00 p.m. meeting time was preferred unless the length of the agenda necessitates an earlier starting time. General Manager Pruim will provide the Committee with a list of the tentative meeting dates.

### CAPACITY FUND

General Manager Pruim stated this item will be placed on the agenda for the March 3 Regular Board meeting and that the Committee will be asked for their input as to how it should be presented at the Board meeting.

Finance Manager Owen presented information on the capacity fund in response to questions at the February 17 Board meeting regarding the San Marcos Interceptor Phase 2 Project and its impact on the capacity fund deficit. As planned, funds spent on that project increased the deficit in 2021. The deficit is a temporary increase in a paper loan that will be paid off over ten years and is included in the capacity fee rate structure which provides that capacity reserves will pay interest to replacement reserves for the paper loan. Staff is consulting with the District's financial advisors to identify existing projects and expenditures that would be eligible for issuing debt. As planned, staff is anticipating debt issuance of \$10 million in FY 2022, and if necessary, \$50 million in FY 2025; however, these numbers are subject to change. If all goes as planned, the capacity fund deficit will be eliminated in ten years. The total for growth projects, including the San Marcos Interceptor Phase 2 Project, is \$45.6 million. The total planned debt issuance is \$60 million over the next five years.

General Manager Pruim's recommendation for the March 3 Board meeting is to have staff present a general overview of capacity versus replacement funds, the status of each of those accounts, steps the Board has already taken, and additional steps that are being considered. Director Sannella concurred with General Manager Pruim. Director Boyd-Hodgson requested staff provide her with information presented at this meeting. General Manager Pruim will forward the information to Director Boyd-Hodgson as well as to member of the public Gayle Martin.

### OTHER BUSINESS

None.

### PUBLIC COMMENT

None.

### ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 4:32 p.m.

MINUTES OF A CLOSED SESSION MEETING  
OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, FEBRUARY 24, 2021, AT 3:00 PM, VIA TELECONFERENCE

President Sannella called the Closed Session meeting to order at the hour of 3:00 p.m.

Present: Director Boyd-Hodgson  
Director Elitharp  
Director Hernandez  
Director Pennock  
Director Sannella

Staff Present: General Manager Pruiam  
Legal Counsel Gilpin  
Operations & Maintenance Manager Pedrazzi  
Information Technology Supervisor Labarrere  
Public Information/Conservation Supervisor Robbins  
Executive Secretary Posvar

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF FEBRUARY 24, 2021

21-02-11 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to adopt the agenda for the Closed Session Meeting of February 24, 2021.

PUBLIC COMMENT

None.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION

Per Government Code Section 54956.9(a) – Vallecitos Water District vs. San Diego County Water Authority Case No. 37-2020-00034563-CU-BC-NC

CONFERENCE WITH LEGAL COUNSEL – THREAT TO PUBLIC SERVICES OF FACILITIES

Per Government Code Section 54957 – Consultation with General Manager Pruiam

21-02-12 MOTION WAS MADE by Director Hernandez, seconded by Director Boyd-Hodgson, and carried unanimously, to move into Closed Session pursuant to Government Code Sections 54956.9(a) and 54957.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at 4:13 p.m. There was no reportable action from the Closed Session Meeting.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Closed Session Meeting of the Board of Directors at the hour of 4:14 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, March 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 Pruum, Secretary  
Board of Directors  
Vallecitos Water District

VALLECITOS WATER DISTRICT  
WARRANTS LIST  
March 3, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
444 Beech St LLC	Closed Account Refund	120891	64.42
Advanced Imaging Solutions, Inc.	Copier Lease - Feb	120892	2,451.32
Advanced Telemetry Systems,	Svc - Flow Meter Twin Oaks Reservoir & Insurance Payment	120893	8,517.36
Airgas USA LLC	Cylinder Rental	120894	172.04
AIS Specialty Products, Inc.	Printer Installation COVID-19 Prj 20211-850	120895	62.50
Aqua-Metric Sales Co	MXU'S for Meters - 27	120896	4,911.39
AT&T	Internet Svc - Feb	120897	90.24
AT&T	Phone Svc - Jan	120898	2,758.49
Best Best & Krieger	Legal Svcs - Nov, Dec, Jan	120899	96,674.32
Jeffrey Colwell	Video Production Services Prj 20211-40	120900	525.00
Core Logic Information Solutions Inc	Real Quest Engineering Map Svcs - Jan	120901	218.55
County of San Diego	Recording Fees - Dec	120902	68.00
Debbie Wences	Closed Account Refund	120903	58.02
Electrical Sales Inc	Hardware Supplies	120904	370.04
Elizabeth Walinski	Closed Account Refund	120905	87.37
Encina Wastewater Authority	Sewer Testing	120906	16,957.00
Fisher Scientific LLC	Lab Supplies	120907	354.08
Fleet Pride	Hardware Supplies	120908	255.01
Freeway Trailer Sales	Hardware Supplies	120909	76.78
Granetto's Farm Garden Supply	Landscaping Chemicals	120910	858.12
Harrington Industrial	PVC Piping, Supplies For Pump System - MRF	120911	1,912.99
Harris	GEMS Service Packs, W-2 & 1099 Forms - 2020	120912	1,495.00
Haven & Tyler Holt	Closed Account Refund	120913	102.03
Hawthorne Tire Auto Service	Alignments Veh 233 & 240	120914	190.00
Home Depot Credit Services	Hardware Supplies - Jan	120915	1,581.58
Hopkins Technical Products Inc	Rebuild Parts For Bisulfite Pumps - MRF	120916	2,269.86
Interstate Batteries	Batteries 2 - Veh 193 & 242	120917	277.73
JCI Jones Chemicals Inc	Chlorine	120918	2,043.21
Knight Security & Fire Systems	Answering, Monitoring, & Patrol Svc - Feb	120919	656.69
Russell Kubota	Pesticide Applicators License Renewal	120920	260.00
Laser Cut Concrete Cutting Inc	Core Drilling Svcs	120921	250.00
Layla Santos	Closed Account Refund	120922	121.75
Left Coast Window Cleaning	Cleaning & Disinfecting Svcs - District HQ & MRF	120923	3,070.00
Lloyd Pest Control	Pest Control Svcs - Feb	120924	72.00
Mallory Safety & Supply, LLC	SCBA Bottles 10 - Hazmat Trailer, Chain Hoist Repairs	120925	19,915.66
Marileila A Rojer	Closed Account Refund	120926	251.66
Matheson Tri-Gas Inc	Cylinder Rental	120927	67.77
McKim & Creed, Inc	Leak Detection Svcs	120928	4,000.00
Michael Baker International, Inc.	Montiel Lift Station & Force Main Replacement Prj 20201-2	120929	19,752.50
Michael Rathsam	Office Supplies	120930	53.86
Mike Preston	Account Refund	120931	350.00
Mission Resource Conservation District	Water Use Evaluations 3 Prj 20211-42	120932	547.50
Ostari Inc	Duo Software Subscription - Jan, IT Support - Feb	120933	3,071.00
Pacific Safety Center	Safety Training Membership Renewal 21-22	120934	280.00
Parkhouse Tire Inc	Tires 2 - Veh 241	120935	236.36
Perry & Becky Kagen	Closed Account Refund	120936	218.31
Pollard Water	Dechlorination Tablets	120937	848.22
Rely Environmental	Fuel Island Maintenance - Feb	120938	174.50
Samantha Bova & Thomas Pozzi	Closed Account Refund	120939	150.00
SDG&E	Power - Jan	120940	84.13
Susan Leonard	Closed Account Refund	120941	61.90
Think Forward, LLC	SCADA Programming and Trouble Shooting - Corinthia & Coronado Hills	120942	658.75
Thomas S Strathairn	Advertising Svcs Prj 20211-39	120943	450.00
Union Bank FKA 1st Bank Card	Meetings, Travel & Office Supplies - Jan	120944	4,257.96
Union Bank FKA 1st Bank Card	Meetings, Travel & Office Supplies - Jan	120945	3,363.23
UPS	Shipping Svcs - Jan	120946	116.59
V & A Consulting Engineers Inc	Ductile Iron Pipe Assessment Program Prj 20141-4	120947	4,182.00
Verizon Wireless	Cell Phone Svc - Jan	120948	2,237.24

VALLECITOS WATER DISTRICT  
WARRANTS LIST  
March 3, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Walters Wholesale Electric	MRF - Flow Control Valve & Actuator Prj 20211-16	120949	423.38
Garnishments	Payroll Garnishments	120950	-
American Asphalt & Concrete, Inc.	Asphalt Svcs - Paving Service Roads To Aeration Basins - MRF	120951	19,127.65
Biotechnical Services Inc	Annual Calibration - Lab Equipment	120952	897.00
Garnishments	Payroll Garnishments	120953	-
Computer Protection Technology Inc	Annual Preventative Maintenance - UPS Central Operations	120954	2,343.00
Grainger Inc	Sealant, Hardware Supplies	120955	559.83
Lloyd Pest Control	Pest Control Svcs - Feb	120956	138.00
Municipal Sewer Tools	Slither Hose & Reel for Collections - 800 Feet	120957	2,167.93
North County Auto Parts	Fleet Supplies - Jan	120958	1,590.50
Pacific Pipeline Supply	Couplings 6, Pressure Regulators 15	120959	8,350.67
Patriot Portable Restroom Inc	Portable Rest Room Rental - Feb	120960	256.61
Penco, Inc.	Calcium Nitrate	120961	14,727.35
T.S. Industrial Supply	Sodium Bisulfite Hose, Hardware Supplies	120962	509.54
Unifirst Corporation	Uniform Delivery	120963	823.16
Valley CM Inc	San Marcos Interceptor Prj 71004	120964	44,378.00
Total Disbursements (72 Checks)			<u>311,454.65</u>
WIRES			
Public Employees Retirement System	Retirement Contribution - February 23, 2021 Payroll	Wire	<u>76,792.96</u>
PAYROLL			
Total direct deposits		Wire	228,673.21
VWD Employee Association		120950	554.00
Payroll & Garnishments		120953	438.45
IRS	Federal payroll tax deposits	Wire	95,757.94
Employment Development Department	California payroll tax deposit	Wire	23,544.72
CalPERS	Deferred compensation withheld	Wire	25,437.65
VOYA	Deferred compensation withheld	Wire	<u>10,066.42</u>
Total February 23, 2021 Payroll Disbursements			<u>384,472.39</u>
TOTAL DISBURSEMENTS			<u><u>772,720.00</u></u>



**DATE: MARCH 3, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: AWARD OF CONSTRUCTION CONTRACT FOR THE MRF – LED LIGHTING UPGRADE PROJECT**

**BACKGROUND:**

Replacing the existing outdoor lighting fixtures with LED fixtures at the Meadowlark Reclamation Facility (MRF) will provide improved security and safety lighting at night for District staff. LED fixtures will be more energy efficient and reduce operating and maintenance costs. There were three light poles that required replacement in the original quote for the budget development due to corrosion and deterioration at the bases. It was determined that five more poles need to be replaced before going out to bid. Two additional poles will also be installed to provide better lighting in two separate areas for safety and security reasons. A total of 79 exterior lights will be retrofitted with new LED fixtures and 17 completely new LED fixtures will be added during this project. The lights will be able to dim to 50% of normal illumination unless motion is detected. This will save the District additional money and reduce light pollution for our neighbors.

**DISCUSSION:**

District staff requested bids from three local electrical contractors for the LED Lighting Upgrade Project at MRF. Only two of the contractors submitted a bid. The bid results are as follows:

**MRF – LED Lighting Upgrade Project**

**Bidders**

Southern Contracting Company	\$179,524.00
Baker Electric, Inc.	\$172,609.85

Staff completed the evaluation of qualifications and determined that Baker Electric, Inc. was the lowest, most responsive qualified bidder for the LED Lighting Upgrade Project at MRF. The bid exceeds our original budget estimates for this project due to the additional work determined to be necessary after the budget was created for this project. Construction management will be performed by District staff.

**FISCAL IMPACT:**

Funds were included in the 2020/21 Capital Budget for this project. The total estimated cost and budget summary are as follows:

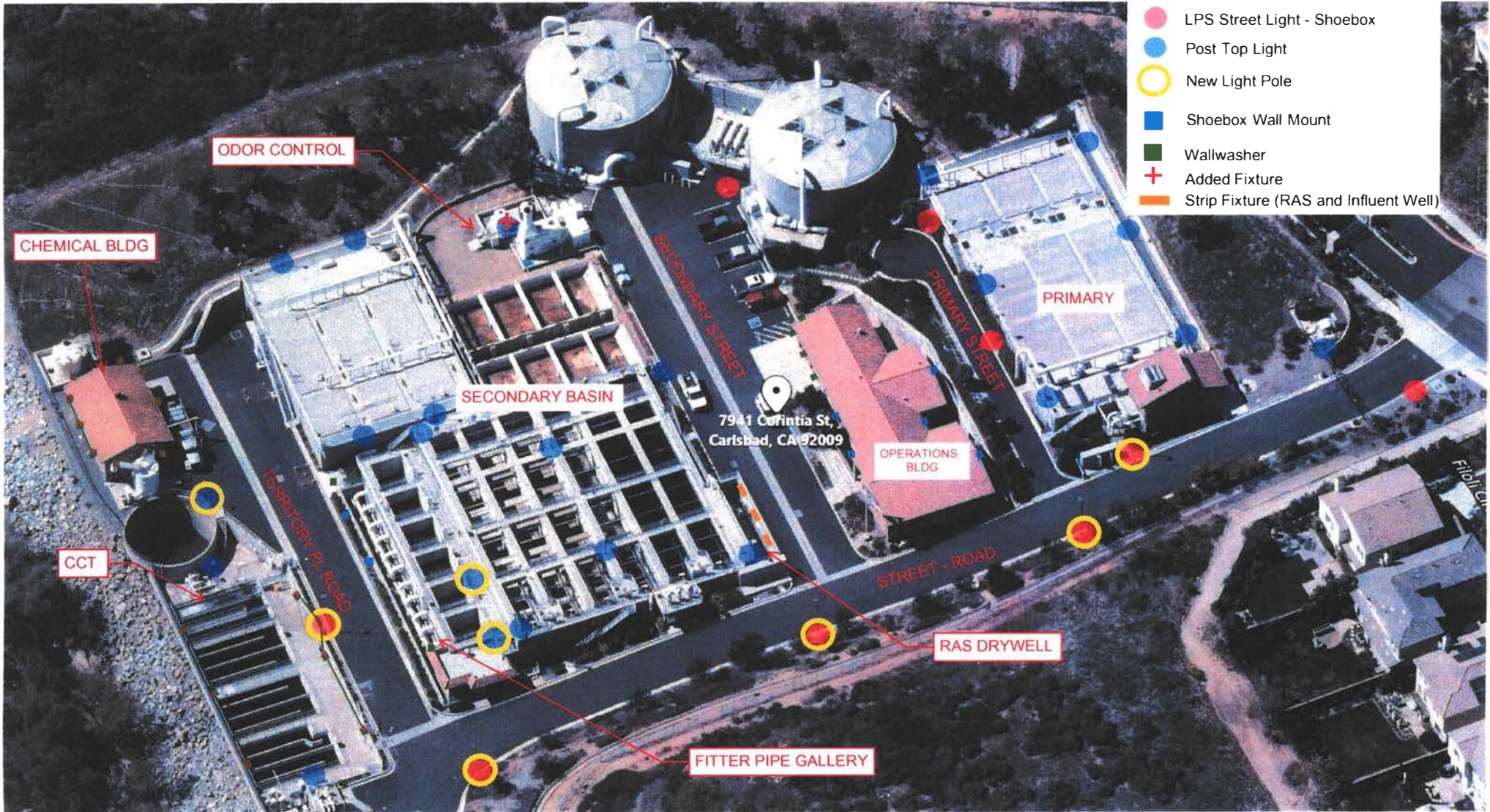
Budget	\$150,000.00
Baker Electric, Inc.	\$172,609.85
Staff Time & Overhead	\$ 5,688.00
Total	\$178,297.85
Projected Budget Shortfall	\$ 28,297.85

Staff does not expect the requested budget increase to have a financial impact as it can be offset by realized savings from previously completed projects.

**RECOMMENDATION:**

Recommendations for the MRF - LED Lighting Upgrade Project are as follows:

1. Increase the project budget by \$28,297.85.
2. Authorize the General Manager to execute a construction contract with Baker Electric, Inc. in the amount of \$172,609.85, subject to provisions of the contract.





- LPS Street Light - Shoebox
- Post Top Light
- New Light Pole
- Shoebox Wall Mount
- Wallwasher
- + Added Fixture
- ▭ Strip Fixture (RAS and Influent Well)

CCT

MAINTENANCE BLDG

INFLUENT DRY WELL

6 strip lights.

LOWER ROAD

SWITCHGEAR BLDG.

New Pole with Solar Powered Fixture.

**DATE: MARCH 3, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: CAPITAL FACILITIES EXPANSION (CAPACITY) FUND PRESENTATION**

**BACKGROUND:**

One of the most important responsibilities of any public agency is to ensure that all funds under their control are managed properly and in the best interests of its customers. The Board of Directors and staff have developed sound financial policies providing clear guidelines for managing funds of the District. One of these policies is the reserve policy. Reserves are necessary for prudent financial planning and to ensure long term sustainability of future operations. The District has established reserve funds based on the reserve policy and state regulations with clearly defined categories (funds), restrictions, and limits. One specific restriction is that revenues collected in one fund cannot be expended in another fund.

**DISCUSSION:**

Recently, Vallecitos has received several inquiries from the public regarding the capital facilities expansion (capacity) fund. In general, the capacity fund is the fund established by Vallecitos in accordance with Government Code Section 66013 to track revenue and expenses related to capital improvements required to accommodate growth in the system. Projects intended to serve new development are paid for by new development.

Due to the nature of the required infrastructure, it is common that projects are completed well in advance of the majority of the future development the projects will serve. The District performs long range planning to determine how much growth will occur in the District's service area within a specific time horizon as well as what facilities will be required to serve that growth. In order to accommodate that growth, certain improvements need to be constructed before the development. An example of this is the construction of large water storage reservoirs. None of the planned development could occur unless these facilities are built and, therefore, the reservoirs get built before the development occurs. Although it is the District's policy that "growth pays for growth", funds need to be expended to construct the necessary infrastructure before subsequent development pays their share of those costs. By their very nature, capital facility funds expend funds before they receive the offsetting revenue from development.

At the Board meeting on Wednesday, October 7, 2020, staff provided a presentation on the District's capital facilities expansion fund structure. The presentation addressed the status of the fund, described the recent Capacity Fee Study, and explained what steps Vallecitos has taken to ensure that future growth pays for all costs associated with that growth. At its meeting on February 17, 2021, in response to a comment received during Public Comment, the Board directed staff to place an item on the March 3 agenda to allow the board the opportunity to discuss the status of the Capacity Fund. On March 3, 2021 staff will provide a follow up presentation with updates on the status of the fund and progress of the District's action plan.

**FISCAL IMPACT:**

There is no fiscal impact associated with the presentation.

**RECOMMENDATION:**

Receive the staff presentation, discuss the program and provide staff direction as necessary.