

**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, SEPTEMBER 1, 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. 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

CALL TO ORDER – PRESIDENT SANNELLA

PLEDGE OF ALLEGIANCE

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 SEPTEMBER 1, 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. 5-12)

A. REGULAR BOARD MEETING – AUGUST 18, 2021

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH SEPTEMBER 1, 2021 - \$2,049,722.76 (pp. 13-14)

Recommendation: Approve Warrant List

1.3 APPROVAL OF CONSTRUCTION AGREEMENT FOR MURAI RESIDENTIAL DEVELOPMENT WATER AND SEWER IMPROVEMENTS (CR MURAI, LLC.) (pp. 15-30)

The project is located on North Las Posas Road, north of Borden Road.

Recommendation: Approve Construction Agreement

1.4 FINANCIAL INSTITUTION REGISTRY AND AUTHORIZATION (pp. 31-33)

The District conducts transactions with various financial institutions throughout the year.

Recommendation: Adopt the Resolution

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

ACTION ITEM(S)

2.1 ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTIES DESIGNATED AS "MURAI RESIDENTIAL DEVELOPMENT" ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 1, 2 & 6 (CR MURAI, LLC.) (pp. 34-42)

The property is located along the proposed northerly extension of Las Posas Road north of Borden Road in the City of San Marcos.

Recommendation: Adopt the Resolution

- 2.2 APPROVAL OF CONSTRUCTION AGREEMENT AMENDMENT FOR THE WAIVER OF FULL PROPERTY LINE FRONTAGE SEWER MAIN EXTENSION FOR MISSION VILLAS IMPROVEMENTS (KB HOME COASTAL, INC.) (pp. 43-46)

The proposed project is located on West Mission Road between Woodward Street and Falcon Place in the City of San Marcos.

Recommendation: Authorize the General Manager to execute an amended construction agreement for the Mission Villas project

- 2.3 VOTING REDISTRICTING PRESENTATION

Public agencies with elective offices are required to redraw their political boundaries every decade based on the most recent census data.

Recommendation: For Information Only

*******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

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, August 27, 2021.

Diane Posvar

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, AUGUST 18, 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 (5:03 p.m.)
Director Elitharp
Director Hernandez
Director Pennock
Director Sannella

Staff Present: General Manager Pruum
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Morgan
Accounting Supervisor Rathsam
Public Information/Conservation Supervisor Robbins
Principal Financial Analyst Arthur
Systems Administrator Drummond
Administrative Secretary Johnson

Director Hernandez led the pledge of allegiance.

ADOPT AGENDA FOR THE REGULAR MEETING OF AUGUST 18, 2021

21-08-08 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried 4 – 0, with Director Boyd-Hodgson absent, to adopt the agenda for the Regular Board Meeting of August 18, 2021.

PUBLIC COMMENT

Gayle Martin, member of the public, stated the Zoom application for the meeting was not working.

Director Boyd-Hodgson joined the meeting at 5:03 p.m.

CONSENT CALENDAR

Director Pennock had questions about item 1.6 of the Consent Calendar regarding the use of local businesses for District projects. Director Boyd-Hodgson had questions concerning items 1.4 and 1.5. regarding construction agreements and the timing of the collection of capacity fees, and how the District verifies that contractors are paying prevailing wage. Staff responded to the Directors' questions.

The consensus of the Board was to place the subject of construction agreements including the timing of capacity fee collection on a future Board agenda for further discussion.

21-08-09 MOTION WAS MADE by President Sannella, seconded by Director Elitharp, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – August 4, 2021
- B. Regular Board Meeting – August 4, 2021
- C. Public Awareness/Personnel/Policy Committee Meeting – August 9, 2021

1.2 Warrant List through August 18, 2021 - \$3,970,622.95

1.3 Financial Reports

- A. Water Meter Count – July 31, 2021
- B. Water Production/Sales Report – 2021/2022
- C. Per Capita Water Consumption – July 31, 2021
- D. Water Revenue and Expense Report – July 31, 2021
- E. Sewer Revenue and Expense Report – July 31, 2021
- F. Reserve Funds Activity – July 31, 2021
- G. Investment Report – July 31, 2021
- H. Legal Fees Summary – July 31, 2021

1.4 Approval of Construction Agreement for San Marcos Highlands Phase 2 Improvements (KB Homes Coastal, Inc.)

1.5 Approval of Construction Agreement for San Marcos Highlands Phase 3 Improvements (KB Homes Coastal, Inc.)

1.6 Award of Construction Contract for the Repair of Asphalt Roads

ACTION ITEM(S)

WATER SUPPLY CONDITIONS UPDATE

Public Information/Conservation Supervisor Robbins facilitated a presentation, Update on Water Supply Conditions, as follows:

- U.N. Report on Climate Change
- Colorado River Shortage Declared
- Metropolitan Water District Declares a Water Supply Alert
- Historic Drought Threatens California Farms Supplying Much of U.S. Food

- Northern Sierra 8-Station Precipitation Index
- Snowpack Water Content
- California Reservoir Storage
- Colorado River Status
- Three-Month Temperature Outlook
- Three-Month Precipitation Outlook
- New Ordinance and Video
- Conclusion

General discussion took place.

This item was presented for information only.

DISCUSSION REGARDING SEWER LINE EXTENSION ALONG PROPERTY LINE FRONTAGE FOR MISSION VILLAS IMPROVEMENTS (KB HOMES COASTAL, INC.)

District Engineer Gumpel provided background information regarding conditions related to the Mission Villas project currently under construction. The developer, KB Homes Coastal, Inc. (KB), is requesting the Board waive or modify a condition of the construction agreement for the project which the Board approved at the June 16, 2021, Board meeting, specifically the requirement of a 203 linear foot sewer extension. District staff determined that the full frontage extension was required on Woodward Street as one or more additional properties may benefit in the future from an extension of the sewer along Woodward Street. This policy was established years ago in cooperation with the City of San Marcos allowing each property owner to construct their pro-rata share of road and utility facilities to serve their project. Staff has met with the developer several times and provided several options. Staff is not willing to waive the sewer extension requirement without a guarantee that the District and its rate payers will not be held liable for the extension in the future. Working with KB, an agreement was prepared for KB and the Reza Shera property to the north, agreeing that the Reza Shera owner will sewer their future development to the north. The agreement also provides that if Reza Shera sewers to the south, the District is not responsible for extending or contributing financially toward the extension and that KB will pay for a sewer study for the Reza Shera property showing the viability of sewerage to the north.

District Engineer Gumpel stated a sewer study was performed and it was determined that the Reza Shera property could sewer to the south or north. KB decided to move forward with the construction agreement requiring the sewer extension. The construction agreement was approved at the June 16, 2021, Board meeting. Staff's intent is that once the signed agreement is received from Reza Shera, staff will bring it to the Board to remove the sewer extension requirement. To date, Reza Shera has not signed the agreement. On July 21, 2021, KB informed District staff that it does not intend to construct the sewer extension even though it is included in the approved construction agreement and they are legally obligated to build it. KB was given three options to resolve this: construct the extension per the executed construction agreement between the Board and KB, supply the KB/Reza Shera

agreement, or provide a deposit for the current construction value of the extension to be held by the District and used as contribution toward future development. KB did not agree to any of the options and requested this be brought to the Board for consideration.

Steve Ruffner of KB discussed his concerns of the unviability of the Reza/Shera project sewerage to the south due to the presence of solid granite on the property. Mr. Reza has refused to sign any type of agreement with KB, refuses to indicate whether he intends to sewer north or south, and does not have any entitlements to build on his property. Mr. Ruffner asked the Board to consider allowing KB to construct their frontage with their current design and if Mr. Reza ever gets his entitlements, request that he go to the north.

General discussion took place.

The Board directed staff to bring back an amendment to the existing construction agreement for Mission Villas/KB at the next Board meeting to consider waiving the condition for the sewer extension.

PROJECT ACCEPTANCE OF THE MEADOWLARK WATER RECLAMATION FACILITY (MRF) HEADWORKS IMPROVEMENT PROJECT

Capital Facilities Senior Engineer Morgan stated the previous mechanical augers in the headworks were installed in 2006 and showed decreased efficiency in grit removal, causing operations and maintenance deficiencies throughout several treatment processes at the District's Meadowlark Reclamation Facility. The project replaced the existing augers and control panels with new augers, electrical materials and control panels. Jamison Engineering was awarded the \$397,829 contract at the November 4, 2020, Board meeting. Construction began on June 14, 2021, and was completed on August 11, 2021, with one change order resulting in an increase of \$1,600 to the contract. The project totaled \$444,235, with a budget surplus of \$30,765.

Staff recommended the Board accept the project and authorize the General Manager to file a Notice of Completion and release of retention funds to the contractor following the 60-day notice period, provided no claims are filed in conformance with the contract documents.

General discussion took place.

21-08-10 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to accept the project and authorize the General Manager to file a Notice of Completion and release of retention funds to the contractor following the 60-day notice period, provided no claims are filed.

CAPITAL IMPROVEMENT PROGRAM ANNUAL REPORT

Capital Facilities Senior Engineer Morgan demonstrated how to find information regarding Capital Improvement Program (CIP) projects on the District's website and presented the CIP 2020/2021 Fourth Quarter Update and 2020/2021 End of Year Report which included:

- 2020/2021 Project Summary
- Projected vs. Actual
- Change Order Total vs. Industry Standard
- Actual 2020/2021 Completed Projects Change Order Impact
- District Wide Solar
- San Marcos Interceptor Phase 2
- North Twin Oaks Tank No. 1 Tank Refurbishment

This item was presented for information only.

COVID FINANCIAL REPORTING PRESENTATION

General Manager Pruim stated when preparing the Fiscal Year (FY) 2020/2021 budget, staff developed a series assumptions to estimate the financial impact COVID-19 may have on the District. When that budget was approved, the Board directed staff to track the actual financial impacts and provide regular updates. The presentation at this meeting was the last update for FY 2020/2021 and reflects the entire year.

Staff facilitated a presentation, COVID-19 Financial Plan Update, as follows:

- Active Meters (By Size)
- Active Meters (By Type)
- Water Sales/Production
- Water Sales Comparison
- Water Sales/Production – FY 20 vs. FY 21
- Water Production Budget vs. Actual
- Summary
- Bill Aging
- Delinquency Fees Waived (COVID Related)
- Number of Delinquency Fees Billed
- Delinquency Charges – Year-to-Date
- Accounts Not Locked Due to COVID (June 2021)
- Lock Charges – Year-to-Date
- Bad Debt Expense – Year-to-Date

General question and answer took place during the presentation.

This item was presented for information only.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) COMMITTEE APPOINTMENT NOMINATIONS FOR THE 2022-2023 TERM

General Manager Pruim stated ACWA is requesting committee nominations from ACWA members for the 2022-2023 term. The District is currently represented on three of the thirteen ACWA committees. Director Elitharp serves on the Energy Committee and Water Quality Committee, and Director Hernandez serves on the Groundwater Committee.

The Board expressed their interest in the following committees:

- Director Hernandez – Groundwater Committee
- Director Elitharp – Energy Committee and Water Quality Committee
- Director Boyd-Hodgson – Water Management Committee
- President Sannella – None
- Director Pennock – Finance Committee and Local Government Committee

Staff will submit the committee nominations to ACWA by the September 30 deadline. The incoming ACWA President will make the final committee appointments in December.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 BOARD ELECTION FOR THE 2022-2023 TERM

General Manager Pruim stated the ACWA Region 10 has distributed a ballot which includes the Region 10 Nominating Committee's recommended slate of candidates for Chair, Vice Chair and Board members for the 2022-2023 term. The District is entitled to cast one vote, either the recommended slate or to cast its vote for an individual Region 10 Chair, Vice Chair and three to five Board members.

General discussion took place.

The consensus of the Board was to vote for the Region 10 Nominating Committee's recommended slate of candidates. Staff will submit the District's ballot to ACWA.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the District's \$28 million in bonds were sold at market last week. The final all-in interest rate is 2.24%. The District will receive the funds on August 19.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated the current law states the deadline for redistricting is 180 days before the next election, or in most cases May 11, for the November 8, 2022, election. Senate Bill 574 was amended yesterday to adjust the deadline for all special districts to 205 days before the election, or April 17, for the November 8, 2022, election. The bill would go into effect immediately if signed.

Legal Counsel Gilpin provided information regarding the Water and Wastewater Arrearage Payment Program that is being developed and implemented by the State Water Resources Control Board (SWRCB). The state legislature allocated \$985 million in federal funding to the SWRCB to provide relief to community water and wastewater systems for unpaid bills during the COVID pandemic. The SWRCB has scheduled a workshop for August 19, and has opened a survey of community water systems to gather information about statewide

arrearages and revenue shortfalls. Information about the survey deadline and the application for funding process is available on the SWRCB website.

General Manager Pruim stated staff will participate in the August 19 SWRCB workshop. President Sannella requested staff report back to the Board at the next Board meeting.

Gayle Martin, member of the public, asked what the District's COVID shortfall is and congratulated the District on the bond sale. Finance Manager Owen stated that as there are several components to the COVID shortfall such as available reimbursements, this information has not been determined.

SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp stated the next SDCWA Board meeting is scheduled for August 26.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Capital Improvement Committee meeting this morning at which the Committee received a capital improvement projects update. Projects discussed included the digester and network improvements. A kickoff meeting with a consultant to hire a new General Manager is scheduled for August 23.

President Sannella stated he was unable to attend the Policy and Finance Committee meeting last week.

STANDING COMMITTEES

Director Boyd-Hodgson stated the Public Awareness/Personnel/Policy Committee met on August 9 and that the Committee is making great progress toward the implementation of an internship program with Palomar College.

President Sannella stated the Finance/Investment Committee is planning to meet this month.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Hernandez reported on his attendance to the California Association of Sanitation Agencies Annual Conference August 11 - 13.

President Sannella reported on his attendance to the Council of Water Utilities meeting on August 17.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Regular Meeting of the Board of Directors at the hour of 7:39 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, September 1, 2021, at 5:00 p.m. via teleconference.

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

ATTEST:

Glenn Pruij, Secretary
Board of Directors
Vallecitos Water District

VALLECITOS WATER DISTRICT
WARRANTS LIST
September 1, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
DirectTV Inc	Satellite Svc - Aug	122308	88.24
Home Depot Credit Services	Hardware Supplies - July	122309	1,613.35
SDG&E	Power - July	122310	20,045.39
Union Bank FKA 1st Bank Card	Meetings & Travel - July	122311	2,470.82
Union Bank FKA 1st Bank Card	Meetings & Travel - July	122312	715.00
Union Bank FKA 1st Bank Card	Meetings & Travel - July	122313	6,231.24
Verizon Wireless	Cell Phone Svc - July	122314	2,739.23
Action Mail	Splash Newsletter Fall 2021 Prj 20221-48	122315	7,204.08
ACWA/Joint Powers Insurance	Medical Insurance - Sept	122316	228,440.29
Adkins Bee Removal Svc	Bee Removal Svc - 5	122317	700.00
Advanced Imaging Solutions, Inc.	Copier Lease - July	122318	3,090.42
Airgas USA LLC	Cylinder Rental	122319	181.82
Alfred Lerma	Closed Account Refund	122320	43.03
Al's Towing Inc	Towing Svcs - Veh 200	122321	203.00
Ambius	Plant Maintenance - Aug	122322	279.00
Andrea Bernal	Closed Account Refund	122323	167.34
AT&T	Phone Svc - July	122324	2,882.64
Audio Associates of San Diego	Mini PC - Zoom Access in Board & Training Rooms	122325	3,547.99
Basir Mohammad	Closed Account Refund	122326	72.27
Bentley Systems Inc	Water & Sewer CAD/GEMS Subscription 21-22	122327	16,007.40
Best Best & Krieger	Legal Svcs - June	122328	24,741.92
Boncor Water Systems	Drinking Water Svc - Aug	122329	48.00
California Special Dist Assn.	Meeting 8-19-21 - Hernandez, Boyd-Hodgson, & Sannella	122330	90.00
Chandler Asset Management, Inc.	Investment Management Svcs - July	122331	3,930.08
Jeffrey Colwell	Video Production Svcs Prj 20221-49	122332	358.75
Core Logic Information Solutions Inc	Real Quest Engineering Map Svcs - July	122333	218.55
County of San Diego	Recording Fees - June & July	122334	6.08
Doane & Hartwig Water Systems Inc	Pump Upgrade Parts - West Outfall	122335	5,341.07
Dennis Cordova	Closed Account Refund	122336	11.53
DirectTV Inc	Satellite Svc - Aug	122337	123.24
Dubuc Family Trust	Closed Account Refund	122338	17.47
EDCO Waste & Recycling Serv	Trash Svc - July	122339	188.94
Escondido Metal Supply	Hardware Supplies - July	122340	51.72
Ferguson Enterprises, Inc	District Air Vac Refurbishment Supplies	122341	511.81
Fisher Scientific LLC	Alcohol Wipes, Ph Buffer Solution, Lab Supplies	122342	573.39
George & Krogh Welding Inc	Emergency Repair - Primary Pump #2 - MRF	122343	773.40
Grainger Inc	Disposable Hot Cups, Hard Surface Floor Mats, Hardware Supplies	122344	1,237.49
Hach Company	Water Quality Supplies - Water Ops & Meter Calibration - MRF	122345	2,415.75
HDR Engineering Inc	2020 Urban Management Plan Prj 20211-730	122346	8,291.25
Infrastructure Engr Corp	Palos Vista Tank & High Point Pump Station Assessment Prj 20211-707	122347	1,600.00
Inique Wilson	Closed Account Refund	122348	61.12
Jack Henry & Assoc Inc	Remit Plus Svcs - June	122349	151.88
James Frits	Closed Account Refund	122350	55.13
Jamison Engineering Contractors, Inc	MRF Headworks Improvement Prj 20211-4	122351	379,457.55
Jan-Pro of San Diego	Disinfecting & Cleaning Svcs HQ & MRF - July	122352	5,483.00
JCI Jones Chemicals Inc	Chlorine	122353	4,284.16
Jordan Maya	Closed Account Refund	122354	55.13
Justin Hickman or Andrea Maestas	Closed Account Refund	122355	71.99
JWC Environmental Inc.	Cartridge Replacement - Grinder #2 - MRF	122356	23,935.61
Kathleen B Neu	Closed Account Refund	122357	55.03
Ken Grody Ford	Fleet Supplies	122358	303.10
Kennedy/Jenks Consultants	San Marcos Interceptor Prj 71004	122359	337.50
Kenny Marquardt	Closed Account Refund	122360	13.55
Knight Security & Fire Systems	Answering, Patrol, & Monitoring Svc - Aug	122361	656.69
Russell Kubota	Safety Boot Reimbursement	122362	150.00
Lantelligence, Inc.	Shoretel Phone Support - 1 Year	122363	1,092.70
Laser Cut Concrete Cutting Inc	Core Drilling Svcs - Float Repair On Secondary Channel - MRF	122364	1,200.00
Mark Lee	Ops Crew Meal Reimbursement	122365	44.23
Liebert Cassidy Whitmore	Employment Relations Consortium Membership 21-22	122366	4,410.00
Lloyd Pest Control	Pest Controls Svcs - Aug	122367	128.00
Matheson Tri-Gas Inc	Cylinder Rental	122368	70.87
Matias Labarrere	CISSP Cert Renewal	122369	125.00
Morton Salt, Inc.	Industrial Salt	122370	4,409.68
North County Auto Parts	Fleet Supplies - June & July	122371	1,995.30
NV5, Inc.	MRF Failsafe Rehabilitation Prj 20201-5	122372	9,985.00
Occu Med Ltd	Medical Svcs - July	122373	583.02
Ostari Inc	Dell Servers - 2	122374	15,984.27
Pacific Pipeline Supply	PVC Pipes 84, Gaskets 10, Brass Inventory, & Hardware Supplies	122375	1,961.39

VALLECITOS WATER DISTRICT
WARRANTS LIST
September 1, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Parkhouse Tire Inc	Tire Replacements - 8	122376	4,143.23
Patriot Portable Restroom Inc	Portable Restroom Rental MRF - Aug	122377	242.60
Penco, Inc.	Calcium Nitrate	122378	10,745.48
Plumbers Depot Inc	Sewer Cleaning Nozzles 2, Root Destroyer Head	122379	7,402.43
Ramco	Concrete Recycling	122380	225.00
Reed Electric Co	Motor #1 Rebuild Parts - Coggan Pump Station	122381	9,956.64
Road Soup LLC	Rock & Cold Mix	122382	3,728.15
Ronald Owen Brown	Closed Account Refund	122383	211.02
Rusty Wallis Inc	Water Softener Service Mahr, Soft Water Tank Svc MRF - Aug	122384	1,131.00
SDG&E	Power -July	122385	66,176.11
Scada Integrations	SQL Chlorine 5 Year Data Retrieval Svc	122386	2,720.00
Schmidt Fire Protection Co Inc	Sprinkler Maintenance - July, Quarterly Sprinkler Inspections - 2	122387	670.00
Shred-It US JV LLC	Shredding Svcs - July	122388	150.98
SS Mechanical Construction Corp.	Aeration Basin Capital Improvement Prj 20191-2	122389	29,446.44
Teldata	Mount Wireless Access Points - 2 Locations	122390	425.00
Terra Verde Energy LLC	District Wide Solar Prj 20201-14	122391	3,737.97
Thomas Beier	CISSP Cert Renewal	122392	125.00
Unifirst Corporation	Uniform Delivery	122393	34.29
Union-Tribune Publishing Co.	Advertising Services - Legal Notice	122394	638.50
Unitis, Inc.	Water Softening Salt	122395	1,824.68
Univar USA Inc	Sodium Hypo Liquichlor & Caustic Soda	122396	6,829.41
UPS	Shipping Svcs - July	122397	10.93
Valley CM Inc	San Marcos Interceptor Prj 71004	122398	42,279.50
Vista Fence Company Inc.	South Lake Fence Installation Prj 20201-13 & LS1 Emergency Fence Repair	122399	58,550.00
Vortex Industries Inc	Back Gate Timer Switch Repair - District Head Quarters	122400	1,667.89
VWR International	Potassium Iodide	122401	276.83
Weck Analytical Environmental Services, Inc.	Water Sampling	122402	1,340.00
Xylem Water Solutions USA, Inc.	Float Sensor For Wet Well - MRF - Prj 20211-4	122403	1,043.91
Garnishments	Payroll Garnishments	122404	-
Austin Doors	Headworks Door Replacement & Installation - MRF	122405	16,510.38
Baker Electric Inc	Lighting Upgrade & Repairs - MRF Prj 20201-24	122406	84,456.45
Boot Barn	Safety Boots	122407	150.00
Garnishments	Payroll Garnishments	122408	-
Commercial Mobile Systems	COVID 19 Trailer Rental - MRF	122409	511.82
Koch General Engineering Inc	Asphalt Repair & Seal Coating - 7 Tank Sites - Prj 20211-27	122410	12,554.75
Mallory Safety & Supply, LLC	Safety Vests & Safety Supplies	122411	1,340.31
Olivenhain MWD	Treated Water - July	122412	77,427.40
Signarama	Vinyl Signs For Water Refill Stations - Prj 20221-672	122413	490.34
Steven Enterprises Inc	Color & Black Ink for Office Printer	122414	909.52
T.S. Industrial Supply	Fire Hydrant Wrenches - 5 & Hardware Supplies	122415	503.25
Unifirst Corporation	Uniform Delivery	122416	1,643.95
Urban Corps San Diego County	Crew Work/Weed Abatement - July	122417	4,908.35
Total Disbursements (108 Checks)			<u>1,261,453.40</u>
WIRES			
Encina Wastewater Authority	EWA 4th Quarter Supplemental Billing	Wire	339,705.16
Public Employees Retirement System	Retirement Contribution - August 24, 2021 Payroll	Wire	75,523.21
Public Employees Retirement System	GASB 68 Reports & Schedules Svc	Wire	700.00
Total Wires			<u>415,928.37</u>
PAYROLL			
Total direct deposits		Wire	232,436.22
VWD Employee Association		122404	554.00
Payroll & Garnishments		122408	689.06
IRS	Federal payroll tax deposits	Wire	93,525.68
Employment Development Department	California payroll tax deposit	Wire	18,999.04
CalPERS	Deferred compensation withheld	Wire	18,338.03
VOYA	Deferred compensation withheld	Wire	7,798.96
Total August 24, 2021 Payroll Disbursements			<u>372,340.99</u>
TOTAL DISBURSEMENTS			<u><u>2,049,722.76</u></u>

DATE: SEPTEMBER 1, 2021
TO: BOARD OF DIRECTORS
SUBJECT: APPROVAL OF CONSTRUCTION AGREEMENT FOR MURAI RESIDENTIAL DEVELOPMENT WATER AND SEWER IMPROVEMENTS (CR MURAI, LLC.)

BACKGROUND:

CR Murai, LLC., owner of the project, has completed the plan check process with the District. The project is located on North Las Posas Road, north of Borden Road.

CR Murai LLC requested VWD Board adoption for the resolution of sewer annexation for the project property on September 1, 2021.

DISCUSSION:

A Construction Agreement is typically entered into between a developer and the District to ensure that the required public facilities are constructed to support the demands of the development.

The project will construct approximately 4,193 feet of 10-inch diameter PVC water main and 4,167 feet of 8-inch diameter PVC sewer main.

Upon completion of the water and sewer facilities, water and sewer service will be available to 89 single family homes.

All engineering fees and inspection deposits have been paid prior to Board approval of the Construction Agreement. Water and wastewater capital facility fees are due and payable prior to issuance of the final building inspection and/or utility release per Resolution 1441. Based on the current fees this will total \$706,215.00 for water and \$1,161,539.00 for wastewater Capital Facility Fees.

The owner has submitted standard surety bonds to guarantee completion of the project. The following bond amounts have been reviewed and approved by staff:

Labor and Materials	\$1,625,640.00
Faithful Performance	\$1,625,640.00

FISCAL IMPACT:

None. Future water and sewer revenues will offset costs of service.

RECOMMENDATION:

Approve the construction agreement for Murai Residential Development Water and Sewer Improvements.

ATTACHMENTS:

2 Map Exhibits – 1 Plat Map & 1 Aerial
Construction Agreement

APPROVAL OF CONTRUCTION AGREEMENT FOR MURAI RESIDENTIAL DEVELOPMENT WATER AND SEWER IMPROVEMENTS (CR MURAI, LLC)

PROPOSED
MURAI
DEVELOPMENT

PROPOSED 10" PVC WATER

PROPOSED 8" PVC SEWER

PROPOSED 10" PVC WATER

PROPOSED 8" PVC SEWER

EXIST. 12" WATER

EXIST. 15" WATER

APPROVAL OF CONTRUCTION AGREEMENT FOR MURAI RESIDENTIAL DEVELOPMENT WATER AND SEWER IMPROVEMENTS (CR MURAI, LLC)

PROPOSED
MURAI
DEVELOPMENT

PROPOSED 10" PVC WATER

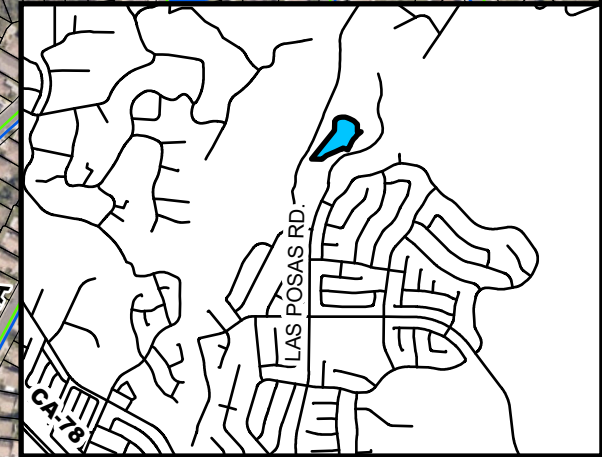
PROPOSED 8" PVC SEWER

PROPOSED 10" PVC WATER

PROPOSED 8" PVC SEWER

EXIST. 12" WATER

EXIST. 15" WATER



**AGREEMENT FOR CONSTRUCTION OF FACILITIES TO BE
DEDICATED TO THE VALLECITOS WATER DISTRICT**

THIS AGREEMENT is entered into by and between VALLECITOS WATER DISTRICT (“DISTRICT”), a County Water District organized and operating pursuant to the County Water District Law, California Water Code §§ 30000 et seq., and **LENNAR HOMES OF CALIFORNIA, INC.** (“DEVELOPER”).

RECITALS

1. DEVELOPER desires to improve certain real property which lies within the boundaries of the DISTRICT consisting of approximately **91.65** acres commonly described as Tax Assessor's Parcel Nos. **217-050-36, 217-050-38, 218-011-10 & 184-241-03** (“PROJECT”).

2. DEVELOPER has requested that DISTRICT provide water and/or sewer service to parts of the PROJECT upon payment of applicable fees, construction and installation by DEVELOPER of the water and/or sewer facilities (“FACILITIES”) necessary to serve the PROJECT and acceptance of the FACILITIES by the DISTRICT.

3. DEVELOPER is required to submit plans and specifications for construction of the FACILITIES for review and approval by DISTRICT. The plans and specifications have been prepared by **Excel Engineering – 440 State Place, Escondido, CA 92029** and are identified as **MURAI WATER AND SEWER IMPROVEMENTS – VWD WO# 209521 PN# 2019100565**. DEVELOPER shall construct the FACILITIES pursuant to the approved plans and specifications which shall include DISTRICT's standard specifications and applicable special provisions. DEVELOPER shall comply with all terms of this Agreement. All work covered by this Agreement shall be completed on or before **MARCH 1ST, 2023**. In the event work is not completed by that date, this AGREEMENT shall terminate unless DEVELOPER obtains a written extension from DISTRICT.

COVENANTS

4. CONDITIONS PRECEDENT TO EXECUTION OF AGREEMENT. Each of the following items is an express condition precedent to the obligation of the DISTRICT to execute this Agreement:

4.1 FEES AND CHARGES. DEVELOPER shall pay all fees and charges due as established by the DISTRICT in its discretion from time to time. All Capital Facility and Connection fees are non-refundable.

4.2 ENVIRONMENTAL REVIEW. DEVELOPER shall provide the DISTRICT with all environmental documents previously utilized to obtain approvals for the PROJECT. In the event that the DISTRICT determines additional environmental review is necessary, all fees and costs to prepare this additional environmental review shall be borne solely by the DEVELOPER.

4.3 APPROVED PLANS AND SPECIFICATIONS. DEVELOPER shall prepare and submit to the DISTRICT a set of plans and specifications for the FACILITIES. The plans and specifications for the FACILITIES include DISTRICT's standard specifications and applicable special provisions and are incorporated herein by reference as if set forth in full. Approval of these plans and specifications by the DISTRICT shall be a condition precedent to the obligations of the DISTRICT to execute this Agreement. Approval of these plans and specifications by the DISTRICT shall not relieve the DEVELOPER of liability for any improper design or construction of the FACILITIES.

4.4 CHANGES TO PLANS AND SPECIFICATIONS. DISTRICT, without liability to DISTRICT, DISTRICT's engineer and their consultants, and each of their directors, officers, employees, and agents, may require such changes, alterations, or additions to the plans and specifications which do not exceed ten percent (10%) of the original DISTRICT estimated cost of the work as may be determined necessary or desirable by DISTRICT in its sole discretion, including those necessary due to errors or omissions in the approved plans or specifications. Changes, alterations, or additions without said 10% limitation may be made for unforeseen conditions such as rock excavation, unstable soil conditions, or high water tables requiring dewatering.

5. COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY INSURANCE. Prior to construction of FACILITIES under this Agreement, the DEVELOPER

shall provide and maintain the following commercial general liability and automobile liability insurance:

- 5.1 COVERAGE.** Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

 - A. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001);
 - B. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto).
- 5.2 LIMITS.** The DEVELOPER shall maintain limits no less than the following:

 - A. General Liability - One million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to DISTRICT) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
 - B. Automobile Liability - One million dollars (\$1,000,000) for bodily injury and property damage each accident limit.
- 5.3 REQUIRED PROVISIONS.** The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

 - A. DISTRICT, its directors, officers, employees, and authorized volunteers are to be given insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of the DEVELOPER; products and completed operations of the DEVELOPER; premises owned, occupied or used by the DEVELOPER; and automobiles owned, leased, hired or borrowed by the DEVELOPER. The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers.
 - B. For any claims related to this project, the DEVELOPER's insurance shall be primary insurance as respects DISTRICT, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or

other coverage maintained by DISTRICT, its directors, officers, employees, or authorized volunteers shall not contribute to it.

C. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to DISTRICT, its directors, officers, employees, or authorized volunteers.

D. The DEVELOPER's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

E. Each insurance policy required by this agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the DEVELOPER, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to DISTRICT.

Such liability insurance shall indemnify the DEVELOPER and his/her sub-DEVELOPER's against loss from liability imposed by law upon, or assumed under contract by, the DEVELOPER or his/her sub-DEVELOPER's for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation, and removal of lateral support. Additionally, the automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance shall be provided on policy forms and through companies satisfactory to DISTRICT.

6. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductible or self-insured retention must be declared to and approved by DISTRICT. At the option of DISTRICT, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

7. ACCEPTABILITY OF INSURANCE. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A:-VII or equivalent or as otherwise approved by DISTRICT.

8. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE. The DEVELOPER and all sub-DEVELOPERS shall insure (or be a qualified self-insured) under

the applicable laws relating to workers' compensation insurance, all of their employees working on or about the construction site, in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The DEVELOPER shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.

9. RESPONSIBILITY FOR WORK. Until the completion and final acceptance by DISTRICT of all the work under and implied by this agreement, the work shall be under the DEVELOPER's responsible care and charge. The DEVELOPER shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

10. EVIDENCE OF INSURANCE. Prior to construction of FACILITIES under this Agreement, the DEVELOPER shall file with DISTRICT a certificate of insurance (Accord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative and evidence of waiver of rights of subrogation against DISTRICT (if builder's risk insurance is applicable). Such evidence shall also include confirmation that coverage includes or has been modified to include **Required Provisions, A-E**.

The DEVELOPER shall, upon demand of DISTRICT, deliver to DISTRICT such policy or policies of insurance and the receipts for payment of premiums thereon.

11. CONTINUATION OF COVERAGE. If any of the required coverage expires during the term of this agreement, the DEVELOPER shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against DISTRICT (if builder's risk insurance is applicable) to DISTRICT at least ten (10) days prior to the expiration date.

12. SUB-DEVELOPERS. In the event that the DEVELOPER employs other DEVELOPERS (sub-DEVELOPERS) as part of the work covered by this agreement, it shall be the DEVELOPER's responsibility to require and confirm that each sub-DEVELOPER meets the minimum insurance requirements specified above.

13. SECURITY. Upon execution of this Agreement and prior to Board approval, DEVELOPER shall provide the DISTRICT with a payment bond and a performance bond, each in the amount of **\$ 1,625,640.00** Each payment and performance bond shall represent 100% of the estimated construction costs of the FACILITIES. Bonds shall be furnished by surety companies satisfactory to the DISTRICT. Surety companies, to be acceptable to the DISTRICT,

must have an acceptable rating from Best's Key Rating Guide, authorized to do business and have an agent for service of process in California.

If at any time a surety on any such bond is declared as bankrupt or loses its right to do business in the state of California for any reason, DEVELOPER shall, within ten (10) days after notice from the DISTRICT, substitute acceptable bonds in such form and sum and signed by such other surety or sureties as may be satisfactory to the DISTRICT in its sole discretion. The premium on such bonds shall be paid by the DEVELOPER.

In the event the PROJECT is sold, transferred or assigned the performance and payment bonds shall remain in effect unless new bonds acceptable to the DISTRICT have been provided.

The performance and the payment bonds must remain in effect throughout the period for performance of the work until the work is accepted by formal action of the Board of Directors of the DISTRICT.

In lieu of providing these performance and payment bonds, DEVELOPER may provide the DISTRICT with a cash deposit to replace either or both of these bonds, or may provide the DISTRICT with an Instrument of Credit, or Irrevocable Letter of Credit on a form acceptable to the DISTRICT. No substitution or modification of the DISTRICT's standard Instrument of Credit or Irrevocable Letter of Credit shall be accepted without approval of the DISTRICT.

14. DEVELOPER'S FAILURE TO PROVIDE INSURANCE OR BONDS. In the event any insurance or security provided to the DISTRICT in accordance with this Agreement is terminated or canceled for any reason, or is limited in the scope of coverage required by this Agreement, DEVELOPER shall have thirty (30) consecutive days from written notice from DISTRICT to procure the required insurance or security. The failure of DEVELOPER to present alternative insurance or security acceptable to DISTRICT within this thirty- (30-) day period shall constitute a material breach of this Agreement entitling the DISTRICT to unilaterally terminate this Agreement or sue DEVELOPER for damages at the election of the DISTRICT.

15. EASEMENTS. Prior to execution of this Agreement, DEVELOPER shall provide DISTRICT with a current preliminary title report issued within the last 90 days covering all properties in which easements are to be granted to the DISTRICT. The cost of the preliminary title report shall be borne solely by DEVELOPER. DEVELOPER shall provide the DISTRICT with such easements as the DISTRICT may require, as determined by the DISTRICT in its sole discretion. All easements to be conveyed to the DISTRICT shall be prepared on the DISTRICT's standard form easements. All easements shall: (1) be of a width satisfactory to

DISTRICT, in no case less than twenty (20) feet without specified approval of the Board of Directors; (2) be free and clear of all liens and/or encumbrances which could affect title to the easement; and (3) have recorded subordination agreements for all trust deeds or other liens to insure that the DISTRICT has prior rights in any easements being conveyed to the DISTRICT. DEVELOPER shall procure a policy of title insurance in favor of the DISTRICT covering easements to be granted in amounts determined by the DISTRICT subject only to those conditions of record acceptable to the DISTRICT. All fees and costs to procure easements required by the DISTRICT shall be borne solely by DEVELOPER. Nothing in this Agreement shall obligate the DISTRICT to exercise its condemnation authorities to acquire any easement determined necessary by the DISTRICT. All easements being conveyed to the DISTRICT must be in a recordable form acceptable to the DISTRICT prior to approval of plans and specifications by the DISTRICT.

16. QUALIFIED SERVICE COMMITMENT. Nothing in this Agreement is intended to limit the power of the DISTRICT to restrict the use of water as provided by California Water Code §§ 350 et seq., and §§ 31026 et seq. DEVELOPER is advised and understands that the ability of the DISTRICT to provide water service to the PROJECT is dependent upon the continuing availability of water imported to the DISTRICT from other agencies. In the event of a water shortage, threatened water shortage, or an emergency, water service to DEVELOPER's project may not be available or may be curtailed or restricted. Consequently, the DISTRICT cannot guarantee that water will be available at the time service is requested. The declaration of a water shortage, threatened water shortage or emergency shall be exercised in the sole discretion of the DISTRICT. DEVELOPER agrees that the DISTRICT shall not be liable for any damages, costs, fees, or expenses of any kind, caused by any curtailment, restriction, or termination of potable water service determined necessary by the DISTRICT.

17. CONSTRUCTION OF FACILITIES. DEVELOPER shall not commence construction of any FACILITIES required by this Agreement until DEVELOPER has received written authorization from the DISTRICT to proceed. All work performed on the FACILITIES shall be done in strict compliance with the approved plans and specifications and in a good and workmanlike manner as determined by the DISTRICT in its sole discretion. All work performed on the FACILITIES by DEVELOPER shall be subject to inspection by the DISTRICT's designated representatives and DEVELOPER shall comply with all instructions given by the DISTRICT's representative during construction of the work. All fees and costs to construct the FACILITIES shall be borne by DEVELOPER.

18. COMPLIANCE WITH APPLICABLE LAW. DEVELOPER shall insure that all work performed on the project is performed in a manner which complies with all applicable federal and state laws and all county and local government rules and regulations, including all rules and regulations of DISTRICT, as these rules and regulations may be modified or changed from time to time. DEVELOPER shall be solely responsible for obtaining and paying for all permits, licenses and approvals necessary to construct the FACILITIES. DEVELOPER shall provide verification that permits, licenses and approvals have been obtained promptly upon demand from DISTRICT.

19. PREVAILING WAGES. DEVELOPER is aware of the provisions of California Labor Code §§ 1770 et seq., which requires the payment of prevailing wage rates and the performance of other requirements if it is determined that DEVELOPER's contract with its contractor to construct the FACILITIES is a public works contract. DEVELOPER agrees to hold the DISTRICT and its officers, employees and agents harmless from any claim of liability, including costs of defense and attorney's fees, arising from any alleged failure to comply with these provisions of the Labor Code.

DEVELOPER, and not the DISTRICT, shall be liable for insuring that prevailing wages, as set by the Director of the Department of Industrial Relations, have been paid for all work performed in accordance with this contract. In the event of any claim, DEVELOPER shall provide the DISTRICT with all information in DEVELOPER's possession concerning the claim within ten (10) consecutive days following written demand from the DISTRICT.

20. UTILIZATION OF A PORTION OF WORK. DISTRICT shall have the right upon written notification to the DEVELOPER to utilize such portions of the work DISTRICT deems sufficiently complete to be utilized or placed into service.

21. ACCEPTANCE OF WORK. Upon completion of the FACILITIES required by this Agreement to the satisfaction of the DISTRICT, the FACILITIES which have been constructed shall be presented to the Board of Directors of the DISTRICT for dedication and the filing of a Notice of Completion. The DISTRICT shall have no obligation to accept the FACILITIES or file a Notice of Completion if the design and/or construction of the work is not satisfactory to the DISTRICT in its sole discretion. Upon recordation of a Notice of Completion, all right, title, ownership and interest in the FACILITIES shall be deemed to have been transferred to the DISTRICT. DEVELOPER shall not allow any part of PROJECT to be occupied prior to acceptance of FACILITIES by DISTRICT.

22. WATER SERVICE MAINTENANCE AFTER ACCEPTANCE OF WORK. Due to the uncertainty of prompt sale/construction/occupancy of the project's lots and based on the

need to provide adequate flow to residences, DEVELOPER shall be responsible for periodic flushing of the services within the subdivision until such time as the subdivision is sold. The DISTRICT and DEVELOPER will cooperate to provide manpower and schedule work.

23. LIABILITY FOR WORK PRIOR TO FORMAL ACCEPTANCE. Until the Board of Directors of the DISTRICT has formally accepted all work performed in accordance with this Agreement, DEVELOPER shall be solely responsible for all damage to the work regardless of cause and for all damages or injuries to any person or property from any cause excepting injury or damage caused by the sole or active negligence of DISTRICT, its agents, servants or employees.

24. LIABILITY AFTER ACCEPTANCE OF WORK. After the Board of Directors of the DISTRICT has accepted the FACILITIES by formal action of the Board, DEVELOPER and DEVELOPER's successors in interest shall remain liable for all injuries or damage to persons or property including damage to the work itself, arising from or related to design or construction of the FACILITIES.

25. RELEASE OF SECURITY. Forty (40) days after the Notice of Completion has been filed by the DISTRICT, the DISTRICT shall release any security previously provided by DEVELOPER, as long as no claims have been filed. The security shall not be released until the DISTRICT has received a warranty bond or alternative security acceptable to the DISTRICT covering 25% of the original performance bond or alternative security amount. DISTRICT must have warranty bond prior to Board acceptance of the project. This new security shall remain in effect until the warranty period has expired One (1) year from final Board Acceptance and DEVELOPER has corrected all defects noted by the DISTRICT during the warranty period.

26. WARRANTY. DEVELOPER shall and hereby does guarantee all work and materials for the FACILITIES to be free from all defects due to faulty materials or workmanship for a period of one (1) year after the date of acceptance of the work by the DISTRICT. The DEVELOPER shall repair or remove and replace any and all such work, together with any other work which may be displaced in so doing, that is found to be defective in workmanship and/or materials within said one-year period without expense whatsoever to the DISTRICT, ordinary wear and tear and unusual abuse or neglect excepted. In the event DEVELOPER fails to comply with the above-mentioned conditions within one (1) week after being notified in writing, the DISTRICT is authorized to proceed to have the defects remedied and made good at the expense of DEVELOPER who agrees to pay the cost and charges therefore immediately upon demand. Such action by the DISTRICT will not relieve the DEVELOPER of the guarantee

required by this section. This section does not in any way limit liability of the DEVELOPER for any design defects or defects in the work subsequently discovered by the DISTRICT.

27. INDEMNITY. DEVELOPER shall be solely responsible and liable for design defects or defects in work performed to construct the FACILITIES required by this Agreement. This shall include liability and responsibility for injury or damage to the work itself. DEVELOPER hereby agrees to hold harmless, indemnify and defend the DISTRICT, the DISTRICT's representatives and each of the DISTRICT's officers, employees and agents from any and all claims, suits or action of every name, kind and description brought for or on account of injuries to or death of any person or damage to any property resulting from design or construction of the FACILITIES except where the injury or damage has been caused by the sole and active negligence of the DISTRICT, its agents, servants or employees. In the event that any suit is instituted naming the DISTRICT as a party, the DISTRICT shall be entitled to appoint its own independent counsel to represent the DISTRICT; and DEVELOPER agrees to pay all attorney's fees and litigation costs associated with this defense. This indemnity shall extend to any claims arising because DEVELOPER has failed to properly secure any necessary easement, land right, contract or approval

28. AS-BUILT DRAWINGS. Prior to acceptance of the work by the Board of Directors of the DISTRICT, DEVELOPER shall provide the DISTRICT with two (2) blueprint copies of "as-built" drawings. Upon approval of the blueprint copies the DISTRICT will require a bonded mylar or original drawing, disk and certification by a licensed engineer in the state of California as to the accuracy and completeness of the "as-built" drawings.

29. CASH DEPOSITS. DEVELOPER shall provide the DISTRICT with an initial cash deposit in the amount of \$ 45,550.30 to cover all DISTRICT fees and costs associated with the FACILITIES. When this deposit has been drawn down to \$ 2,500.00, DEVELOPER agrees to deposit such additional sums as the DISTRICT may determine from time to time to cover all fees and costs of the DISTRICT. Prior to final acceptance of the project, a final accounting will be forwarded to the developer for payment. Additional deposits for additional inspections after acceptance of the project may be requested.

30. MISCELLANEOUS PROVISIONS.

30.1 VENUE. In the event of any legal or equitable proceeding to enforce or interpret the terms or conditions of this Agreement, the parties agree that venue shall lie only in the federal or state courts in or nearest to the North County Judicial District, County of San Diego, State of California.

- 30.2 MODIFICATION.** This Agreement may not be altered in whole or in part except by a modification, in writing, executed by all the parties to this Agreement.
- 30.3 ATTORNEY'S FEES.** In the event of any legal or equitable proceeding to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to all reasonable attorney's fees and costs in addition to any other relief granted by law. This provision shall apply to the entire Agreement.
- 30.4 ENTIRE AGREEMENT.** This Agreement, together with all the exhibits attached to this Agreement, contains all representations and the entire understanding between the parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda or agreements are in conflict with this Agreement are intended to be replaced in total by this Agreement and its exhibits.
- 30.5 ASSIGNMENTS.** DEVELOPER shall not be entitled to assign all or any portion of its rights or obligations contained in this Agreement without obtaining the prior consent of the DISTRICT, which consent shall not be unreasonably withheld. Any purported assignment without the DISTRICT's prior written consent shall be void.
- 30.6 BINDING EFFECT.** This Agreement shall inure to the benefit of and be binding upon the parties and their respective purchasers, successors, heirs and assigns.
- 30.7 UNENFORCEABLE PROVISIONS.** The terms, conditions and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provision of this Agreement, as so interpreted, is held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.
- 30.8 REPRESENTATION OF CAPACITY TO CONTRACT.** Each of the parties to this Agreement represents and warrants that he has the authority to execute this Agreement on behalf of the entity represented by that individual.
- 30.9 OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT COUNSEL.** DEVELOPER warrants and represents that DEVELOPER has been

advised to consult independent legal counsel of its own choosing and has had a reasonable opportunity to do so prior to executing this Agreement.

30.10 NO WAIVER. The failure of either party to enforce any term, covenant or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other, term, covenant or condition of this Agreement at any later date or as a waiver of any term, covenant or condition of this Agreement.

30.11 NOTICES. All letters, statements or notices required pursuant to this Agreement shall be deemed effective upon receipt when personally served or when sent certified mail, return receipt requested to the following addresses:

30.12 EFFECTIVE DATE. The effective date of this Agreement, executed in counterparts in the North County Judicial District, County of San Diego, State of California, is **SEPTEMBER 1ST 2021**.

**“DISTRICT”
VALLECITOS WATER DISTRICT**

By: _____

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

Dated: _____

“DEVELOPER”

Name: _____

Title: _____

Company: **Lennar Homes of California, Inc.**

Signature*: _____

Dated: _____

*Acknowledgment of the signature(s) of authorized representative(s) of DEVELOPER executing this Construction Agreement, by a Notary Public, is required. Attach acknowledgment to this page.

DATE: SEPTEMBER 1, 2021
TO: BOARD OF DIRECTORS
SUBJECT: FINANCIAL INSTITUTION REGISTRY AND AUTHORIZATION

DISCUSSION:

The District conducts transactions with various financial institutions throughout the year. This report is to present a registry of financial institutions and staff authorized to transact business on behalf of the District. This report also serves to notify the Board of Directors of new financial institutions where a resolution is required by the institution naming specific staff members authorized to transact business on behalf of the District. This item was last before the Board on May 19, 2021.

Between May 2021 and September 2021, the following change is occurring:

- The District’s Debt Servicing has been transferred to U.S. Bank as a result of U.S. Bank acquiring the Debt Servicing and Securities Custody services of Union Bank. The attached resolution adds Glenn Pruim and Douglas Westley Owen as persons authorized to direct U.S. Bank Trust and Custody services.

Existing financial institutions and authorized staff are listed in table A below.

FISCAL IMPACT:

None.

RECOMMENDATION:

Staff recommends adopting the following resolution changing authorizations of financial institutions as exhibited in table A:

- U.S. Bank Trust & Custody

TABLE A

FINANCIAL INSTITUTION:	AUTHORIZED STAFF:	TITLE:
Local Agency Investment Fund	Glenn Pruim	General Manager
Local Agency Investment Fund	Douglas Westley Owen	Finance Manager
Local Agency Investment Fund	Michael Rathsam	Accounting Supervisor
SD County Investment Pool	Glenn Pruim	General Manager
SD County Investment Pool	Douglas Westley Owen	Finance Manager
Union Bank - General Checking Account	Glenn Pruim	General Manager
Union Bank - General Checking Account	Rhondi Emmanuel	Administrative Services Manager
Union Bank - General Checking Account	Ed Pedrazzi	Operations & Maintenance Manager
Union Bank - General Checking Account	James Gumpel	District Engineer
Union Bank - General Checking Account	Douglas Westley Owen	Finance Manager
Union Bank Trust & Custody	Glenn Pruim	General Manager
Union Bank Trust & Custody	Douglas Westley Owen	Finance Manager
<i>U.S. Bank Trust & Custody</i>	<i>Glenn Pruim</i>	<i>General Manager</i>
<i>U.S. Bank Trust & Custody</i>	<i>Douglas Westley Owen</i>	<i>Finance Manager</i>

RESOLUTION NO.

**BANK RESOLUTION BY VALLECITOS WATER DISTRICT
BOARD OF DIRECTORS AUTHORIZING PERSONS TO
DIRECT U.S. BANK NATIONAL ASSOCIATION TRUST AND CUSTODY SERVICES**

RESOLVED, that any one (“Senior Officer”) of the following, acting alone, is authorized, in the name and on behalf of Vallecitos Water District (Client) from time to time, by telephonic, electronic, oral or written means, to (a) execute on behalf of Client and deliver to Investment Services the foregoing Agreement, and (b) to delegate one or more agents or employees of Client (“Authorized Representative”) the authority, acting alone or in combination, to take any or all of the following actions:

- (i) to enter into, execute, or modify upon such terms as such Authorized Representatives shall approve any oral or written agreement with Investment Services relating to any securities or safekeeping transactions or issue,
- (ii) to confirm any securities or safekeeping transaction or issue,
- (iii) to accept or direct the transfer to Client or to any third party or accept or dispose of any funds payable to Client pursuant to a securities or safekeeping transaction or issue (“Payment Instructor”),
- (iv) and to verify any payment instruction.

AUTHORIZED PERSONS: The names and genuine signatures, manual or facsimile, of the authorized persons, are as follows:

NAME: GLENN PRUIM

TITLE: GENERAL MANAGER

SIGNATURE:

NAME: DOUGLAS WESTLEY OWEN

TITLE: FINANCE MANAGER

SIGNATURE:

BE IT FURTHER RESOLVED, that the authority given under this Resolution shall be retroactive and any and all acts so authorized that are performed prior to the formal adoption hereof are hereby approved and ratified. In the event two or more resolutions of Client are concurrently in effect, the provisions of each shall be cumulative, unless the most recent shall specifically provide otherwise. The authority given hereby shall remain in full force and effect, and Investment Services is authorized and requested to rely and act thereon, until Union Bank Investment Services receives a certified copy of a further resolution of Client amending, rescinding or revoking this Resolution.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on the 1st day of September, 2021 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

ATTEST:

Glenn Pruiam, Secretary
Board of Directors
Vallecitos Water District

DATE: SEPTEMBER 1, 2021
TO: BOARD OF DIRECTORS
SUBJECT: ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTIES DESIGNATED AS "MURAI RESIDENTIAL DEVELOPMENT" ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 1, 2 & 6 (CR MURAI, LLC.)

BACKGROUND:

The 91.65-acre Murai Residential Development (APN'S 182-241-03, 217-050-36, 217-050-38 & 218-011-10) is a proposed 89-lot single-family residential development located along the proposed northerly extension of Las Posas Road north of Borden Road in the City of San Marcos. The entire Project property is currently within the Vallecitos Water District Boundary and Water Service Area. However, none of the project is currently within the District's Sewer Service Area.

DISCUSSION:

CR Murai, LLC. (Lennar), owner of the property, originally requested annexation into the District's sewer service areas in October 2020.

Since this is a sewer-only annexation, the process is internal to the District. LAFCO or other approvals are not required, and the Developer must complete the Board Approved Conditions to finalize the annexation. The latest conditions for annexation into the District's sewer service area were approved at the October 7, 2020, Board of Directors meeting. These conditions are as follows:

1. Payment of VWD's sewer annexation fee of \$9,674 per acre (67.59 acres) = \$653,865.66 prior to Board approval of Project improvements.
2. Payment of State Board of Equalization fee of \$1,500.00 for VWD sewer annexation prior to Board approval of Project improvements.
3. Submittal of a copy of title report initiated or updated within the last six months showing ownership and a geographic description of the property including a plat map to complete the annexation prior to Final Acceptance of Project improvements.
4. Submittal of the recorded Final Map required to complete the annexation prior to Final Acceptance of Project improvements.

The Murai Residential Development will consist of 67.59 developed acres while the remaining 24.06 acres will be dedicated open space. All 67.59 acres will be annexed into VWD Sewer Improvement Districts 1, 2 & 6. The remainder 24.06 acres will be dedicated open space and will not be developed or annexed into VWD Sewer Service Area. The exclusion of dedicated open space was approved by the Board of Directors on October 7, 2020.

FISCAL IMPACT:

Payment of \$653,865.66 (\$9,674.00/acre x 67.59 acres) in sewer annexation fees have been collected in accordance with Ordinance No. 200. All other fees will cover actual costs and have no fiscal impact.

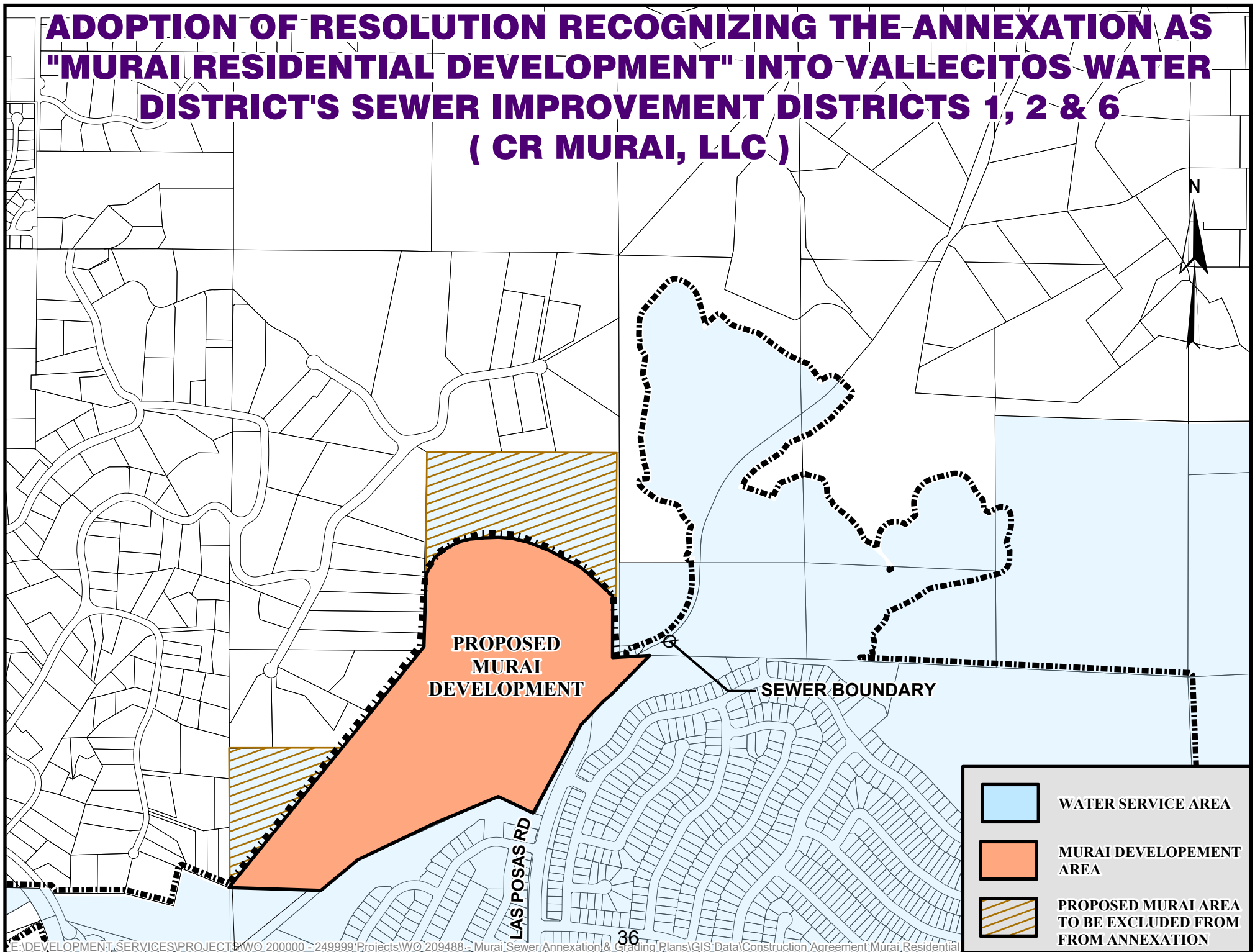
RECOMMENDATION:

Adopt the resolution recognizing the annexation of 67.59 acres of the Murai Residential Development into the Vallecitos Water District and ordering the annexation of 67.59 acres into Sewer Improvement Districts 1, 2 & 6.

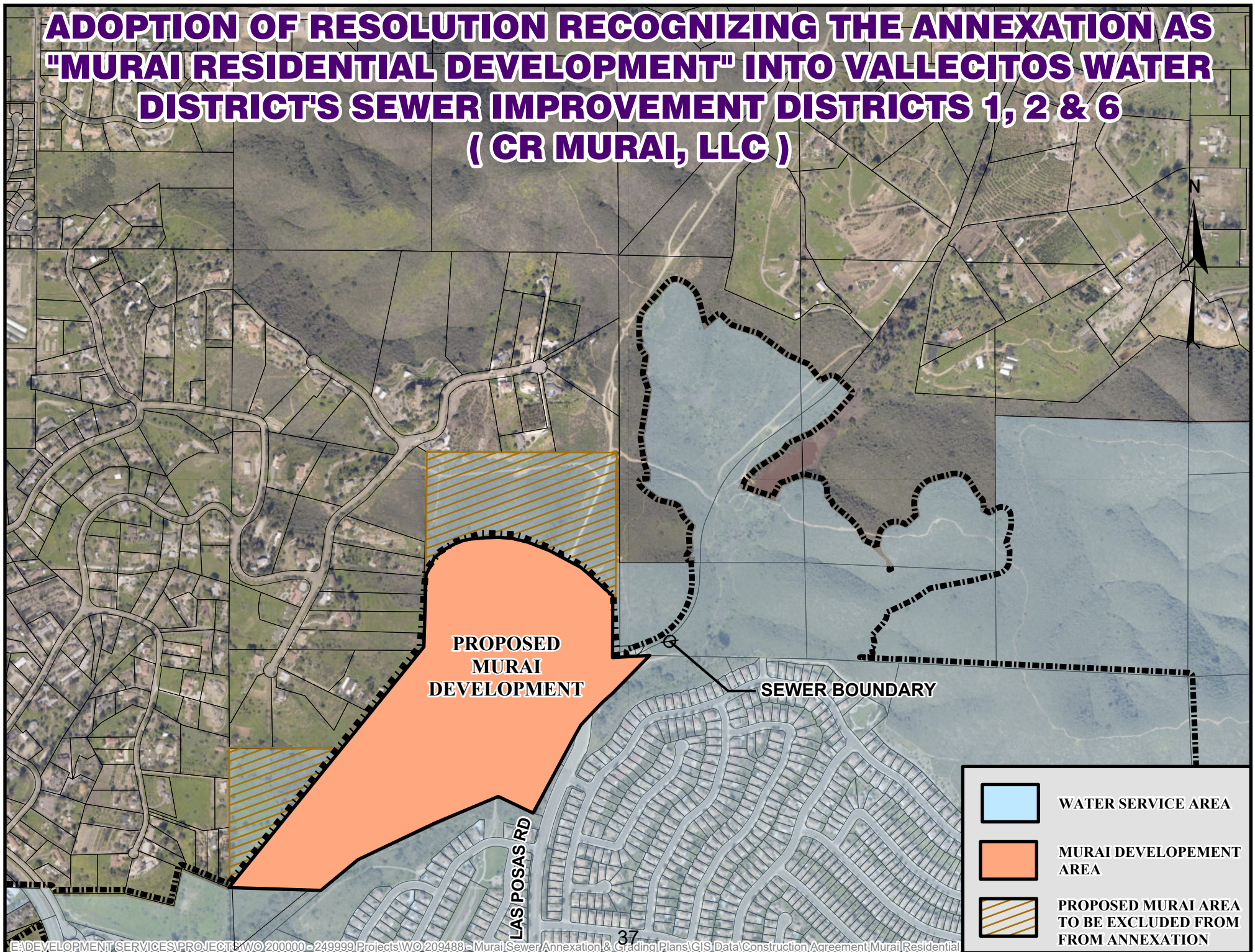
ATTACHMENTS:

2 Map Exhibits: 1-Plat & 1-Aerial
Resolution

ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION AS "MURAI RESIDENTIAL DEVELOPMENT" INTO VALLECITOS WATER DISTRICT'S SEWER IMPROVEMENT DISTRICTS 1, 2 & 6 (CR MURAI, LLC)



ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION AS "MURAI RESIDENTIAL DEVELOPMENT" INTO VALLECITOS WATER DISTRICT'S SEWER IMPROVEMENT DISTRICTS 1, 2 & 6 (CR MURAI, LLC)



RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT RECOGNIZING THE ANNEXATION
INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTIES
DESIGNATED AS “MURAI RESIDENTIAL DEVELOPMENT”
(APN’S 182-241-03, 217-050-36, 217-050-38, 218-011-10) AND
ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 1, 2 & 6**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT as follows:

SECTION 1: The following facts are hereby found and determined to be true:

Section 1.1: That the Vallecitos Water District owns, operates, and maintains a sewage disposal system under and by virtue of Sewer Improvement Districts 1, 2 & 6 of the Vallecitos Water District.

Section 1.2: That the owners of the land described in this resolution, consisting of approximately 67.59 acres, and also referred to as APN’S 182-241-03, 217-050-36, 217-050-38 & 218-011-10 as described in Exhibit “A” & Exhibit “B”, have given their written consent to the annexation of said lands to the Vallecitos Water District hereinafter designated and have, in writing, requested the annexation of said lands to said Water District.

Section 1.3: That the owners of the land described in this resolution have advanced to the Secretary of the Vallecitos Water District the costs of this annexation, including, but not limited to, advertising, engineering, and attorney’s fees.

Section 1.4: The inclusion of said land within the designated Sewer Improvement Districts will be for the best interest of the designated Sewer Improvement Districts.

Section 1.5: The inclusion of said land within said Sewer Improvement Districts will be for the best interest of the land, and the owners thereof consent to the inclusion of said land in the designated Sewer Improvement Districts of the Vallecitos Water District.

Section 1.6: The Board of Directors determines that all the land hereinafter described shall be included in the designated Sewer Improvement Districts; that the proceedings had for the annexation and inclusion herein and above referred to were genuine and sufficient and in all respects complied with the Water Code of the State of California commencing at Section 32550.

Section 1.7: That the land herein described was previously not within the boundaries of the Vallecitos Water District and said lands are not a part of an Improvement District constituted for a purpose similar to the purpose of Improvement Districts 1, 2 & 6 of the Vallecitos Water District.

Section 1.8: For annexations into the Sewer Improvement District, the Board requires as a condition of the annexation that the property also be annexed into the Vallecitos Water District.

SECTION 2: The Board of Directors of the Vallecitos Water District does hereby recognize the annexation of all the lands hereinafter described to the Vallecitos Water District and orders the annexation of such lands to Sewer Improvement Districts 1, 2 & 6 pursuant to this resolution and the proceedings above referred to, which description contained in Exhibit "A" attached hereto and made a part hereof, is sufficient to identify the land.

SECTION 3: The Board of Directors of the Vallecitos Water District does hereby order the annexation of such lands to Sewer Improvement Districts 1, 2 & 6 of the Vallecitos Water District pursuant to this resolution and the proceedings above referred to, which description contained in Exhibit "B" attached hereto and made a part hereof, is sufficient to identify the land.

SECTION 4: The condition of said annexation to Vallecitos Water District and Sewer Improvement Districts 1, 2 & 6 of the Vallecitos Water District are as follows:

Section 4.1: Payment by petitioners of the sum of \$9,674 per acre or fraction thereof for annexation of the territory into Sewer Improvement Districts 1, 2 & 6 (together not individually) for the use or right of use of the existing property in the Improvement Districts.

Section 4.2: Payment by the petitioners of the sum of \$1,000.00 to cover costs of annexation, which includes attorney fees, publication, filing fees and miscellaneous costs of annexation.

Section 4.3: The lands annexed to Vallecitos Water District and Sewer Improvement Districts 1, 2 & 6 shall be subject to existing bond issues and indebtedness of the Improvement District from and after the filing with the San Diego County Assessor of a certified copy of this resolution as set forth in Section 32553 of the Water Code of the State of California.

SECTION 5: This resolution shall become effective immediately upon its final passage; this resolution being adopted pursuant to Section 32552 of the Water Code of the State of California. This resolution being adopted without notice and hearing and without an election being conducted in said territory, all in accordance with Section 32552 of the Water Code of the State of California. The Secretary of this District shall comply with the provisions of the Water Code, Section 32553, and shall file a certified copy of this resolution together with a map of the territory thus annexed with the San Diego County Assessor and the San Diego County Tax Collector and with the State Board of Equalization.

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 1st day of September 2021, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT

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

ATTEST:

Glenn Pruij, Secretary
Board of Directors
Vallecitos Water District

EXHIBIT "A"

LEGAL DESCRIPTION VWD SEWER LIMITS

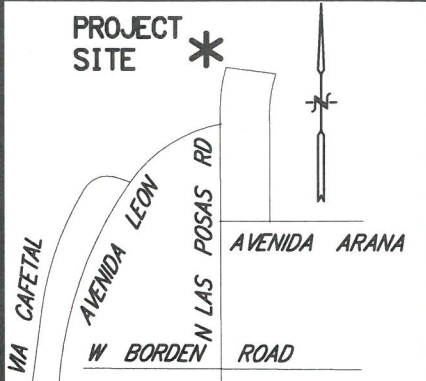
ALL THOSE PORTIONS OF SECTION 34, TOWNSHIP 11 SOUTH AND SECTION 3 AND SECTION 4, TOWNSHIP 12 SOUTH, ALL IN RANGE 3 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF SAN MARCOS, COUNT OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT HEREOF, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS AND ILLUSTRATED ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF THIS DOCUMENT:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 4; THENCE SOUTH 39°02'33" WEST A DISTANCE OF 2040.77 FEET (SOUTH 38°34'33" WEST 2040.77 FEET PER GRANT DEED DOCUMENT NO. 2018-0260457) ALONG THE SOUTHEASTERLY LINE OF THOSE LANDS FROM JESSIE I. LOVELAND AND AUSTIN C. LOVELAND TO ELEA B. BARNES, AS RECORDED IN BOOK 439, PAGE 146 ON MARCH 23, 1908, IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY TO A POINT ON THE EAST LINE OF LOT 6 OF SAID SECTION 4; THENCE NORTH 89°44'01" EAST A DISTANCE OF 654.64 FEET; THENCE NORTH 50°42'42" EAST (NORTH 50°13'24" EAST) A DISTANCE OF 215.17 FEET; THENCE NORTH 65°57'24" EAST A DISTANCE OF 1050.37 FEET (NORTH 65°28'06" EAST 1050.57 FEET); THENCE SOUTH 63°24'07" EAST A DISTANCE OF 268.72 FEET (SOUTH 63°53'25" EAST 268.86 FEET); THENCE NORTH 26°33'28" EAST A DISTANCE OF 342.48 FEET (NORTH 26°06'35" EAST 343.00 FEET) TO THE BEGINNING OF A 2000.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 19°46'27" (19°45'00"), AN ARC LENGTH OF 690.25 FEET (689.40 FEET); THENCE NORTH 46°19'55" EAST A DISTANCE OF 355.25 FEET (NORTH 45°51'35" EAST 355.29 FEET) TO A POINT IN THE NORTHERLY LINE OF SAID SECTION 3; THENCE NORTH 88°44'52" WEST A DISTANCE OF 238.21 FEET (NORTH 83°13'08" WEST 238.49 FEET) TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 34; THENCE NORTH 00°09'22" WEST A DISTANCE OF 364.96 FEET; THENCE NORTH 30°00'58" WEST A DISTANCE OF 71.59 FEET; THENCE NORTH 42°51'34" WEST A DISTANCE OF 105.48 FEET; THENCE NORTH 53°47'28" WEST A DISTANCE OF 153.84 FEET; THENCE NORTH 68°09'44" WEST A DISTANCE OF 200.02 FEET; THENCE NORTH 66°30'27" WEST A DISTANCE OF 205.06 FEET TO THE BEGINNING OF A 518.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY; THENCE WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 83°57'19", AN ARC LENGTH OF 759.02 FEET TO THE BEGINNING OF A 1230.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY, SAID POINT HAVING A RADIAL OF NORTH 60°27'47" WEST; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 03°46'28", AN ARC LENGTH OF 81.03 FEET TO A POINT ON THE WESTERLY LINE OF SAID SECTION 34; THENCE SOUTH 01°13'59" WEST A DISTANCE OF 433.82 FEET TO THE POINT OF BEGINNING.

CONTAINING 67.59 ACRES OR 2,944,291.93 SQUARE FEET MORE OR LESS.



PROJECT SITE *



VICINITY MAP
NOT TO SCALE

THOMAS GUIDE, 2010 EDITION
PAGE 1109, GRID A-6, A-7

EXHIBIT 'B'

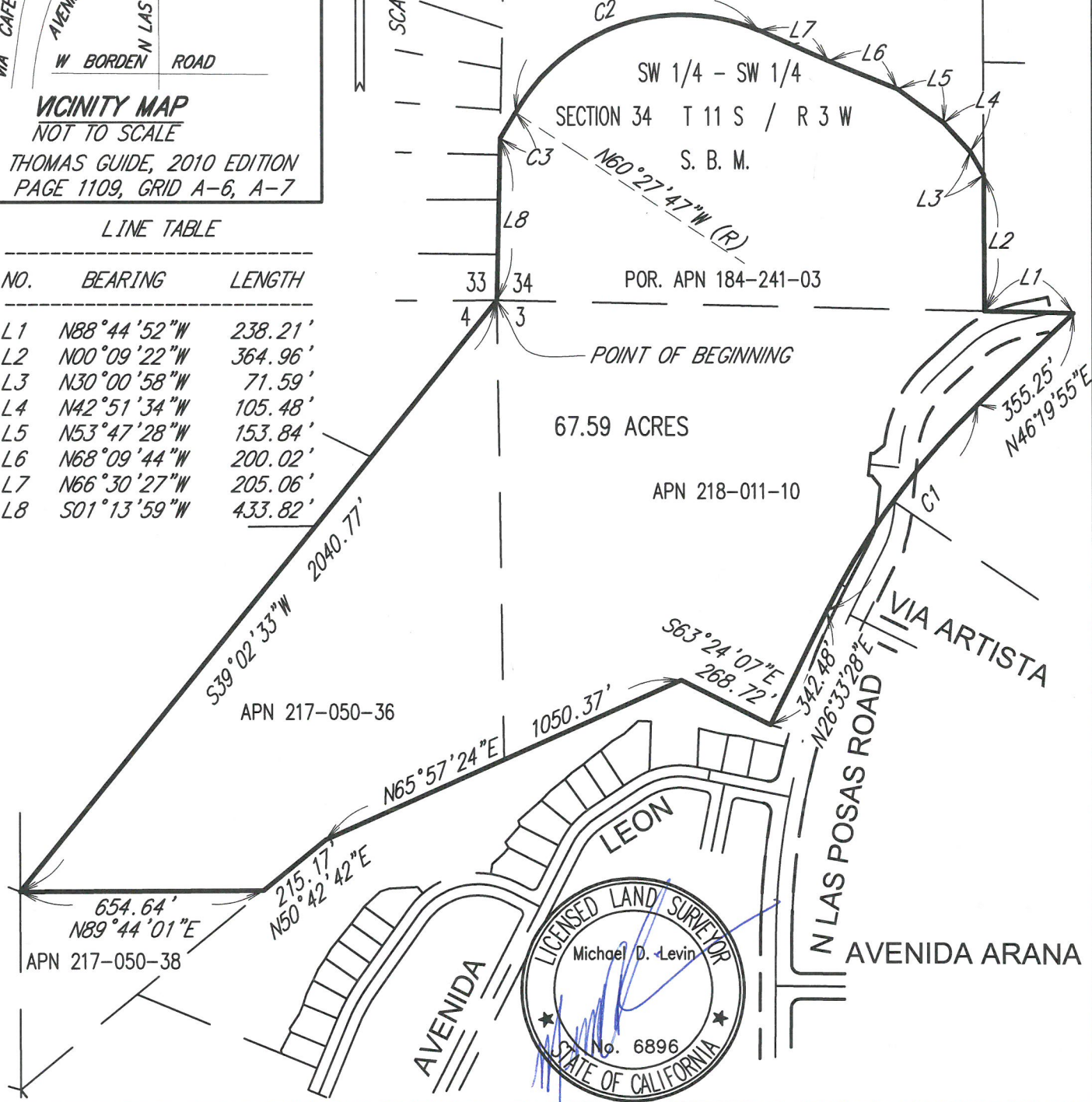
CURVE TABLE

NO.	DELTA	RADIUS	LENGTH
C1	19°46'27"	2000.00'	690.25'
C2	83°57'19"	518.00'	759.02'
C3	03°46'28"	1230.00'	81.03'

LINE TABLE

NO.	BEARING	LENGTH
L1	N88°44'52"W	238.21'
L2	N00°09'22"W	364.96'
L3	N30°00'58"W	71.59'
L4	N42°51'34"W	105.48'
L5	N53°47'28"W	153.84'
L6	N68°09'44"W	200.02'
L7	N66°30'27"W	205.06'
L8	S01°13'59"W	433.82'

SCALE: 1"=400'



VALLECITOS WATER DISTRICT

Date: 08-25-2021	SEWER LIMIT EXHIBIT	Drawn By: EXCEL ENG.
Scale: 1" = 400'		MURAI
APN 184-241-03, 217-050-36 & 218-011-10	POR. OF SEC. 34, T11S & SEC. 3 & 4, T12S, R3W	VWD Chk:

DATE: SEPTEMBER 1, 2021
TO: BOARD OF DIRECTORS
SUBJECT: APPROVAL OF CONSTRUCTION AGREEMENT AMENDMENT FOR THE WAIVER OF FULL PROPERTY LINE FRONTAGE SEWER MAIN EXTENSION FOR MISSION VILLAS IMPROVEMENTS (KB HOME COASTAL, INC.)

BACKGROUND:

KB Home Coastal, Inc. (KB), owner of the project, has completed the plan check process and received construction agreement approval with the District at the June 16, 2021, Board meeting. The proposed project is a 67-unit multi-family residential development located on West Mission Road, between Woodward Street and Falcon Place in the City of San Marcos.

DISCUSSION:

The Mission Villas project started the plan check process, in 2020, with Vallecitos Water District (VWD) development services. Staff commented on the proposed plan noting that a full property line frontage sewer main extension was required, per District Design Criteria. Constructing the sewer line along the entire Woodward Street frontage of the property would result in the installation of approximately 203 linear feet (LF) of sewer line more than that required to provide sewer service to the Mission Villas project. KB Homes continued the plan check process with the District but worked with staff on options to remove the 203 LF sewer extension. The option of completing an agreement with the neighboring property to the north to ensure that the sewer extension was not necessary was agreed to by KB and staff.

On June 16, 2021, the District Board approved the Mission Villas Improvement plan for construction. The agreement that KB proposed with the neighboring property did not get completed, so the 203 LF sewer extension remained in the agreement. KB again requested removal of the extra sewer and staff provided another alternate of depositing refundable money require to build the 203 LF sewer. This would relieve KB of building the sewer and satisfy the intent of the District's policy as well as relieve future liability for the District for the possible sewer extension. The money deposited could be refunded back to KB if the property to the north were to not utilize the southern sewer line extension in the future.

On August 18, 2021, the full property line frontage sewer main extension issue was brought to the Board for discussion. Staff prepared recommendations with a chronological list of events prior to the construction agreement approval, along with a presentation of current District Design Criteria requiring the full property line frontage main line extension. The Developer requested a waiver of the condition to construct the sewer line along the entire Woodward Street frontage by the Board including the argument of the ground conditions containing a large amount of rock within the area of extension of the main.

The Vallecitos Water District Board directed staff to bring a waiver of the condition of full frontage extension for the Mission Villas Project with a future Board action.

FISCAL IMPACT:

Potential future impacts on the District or adjoining property owners.

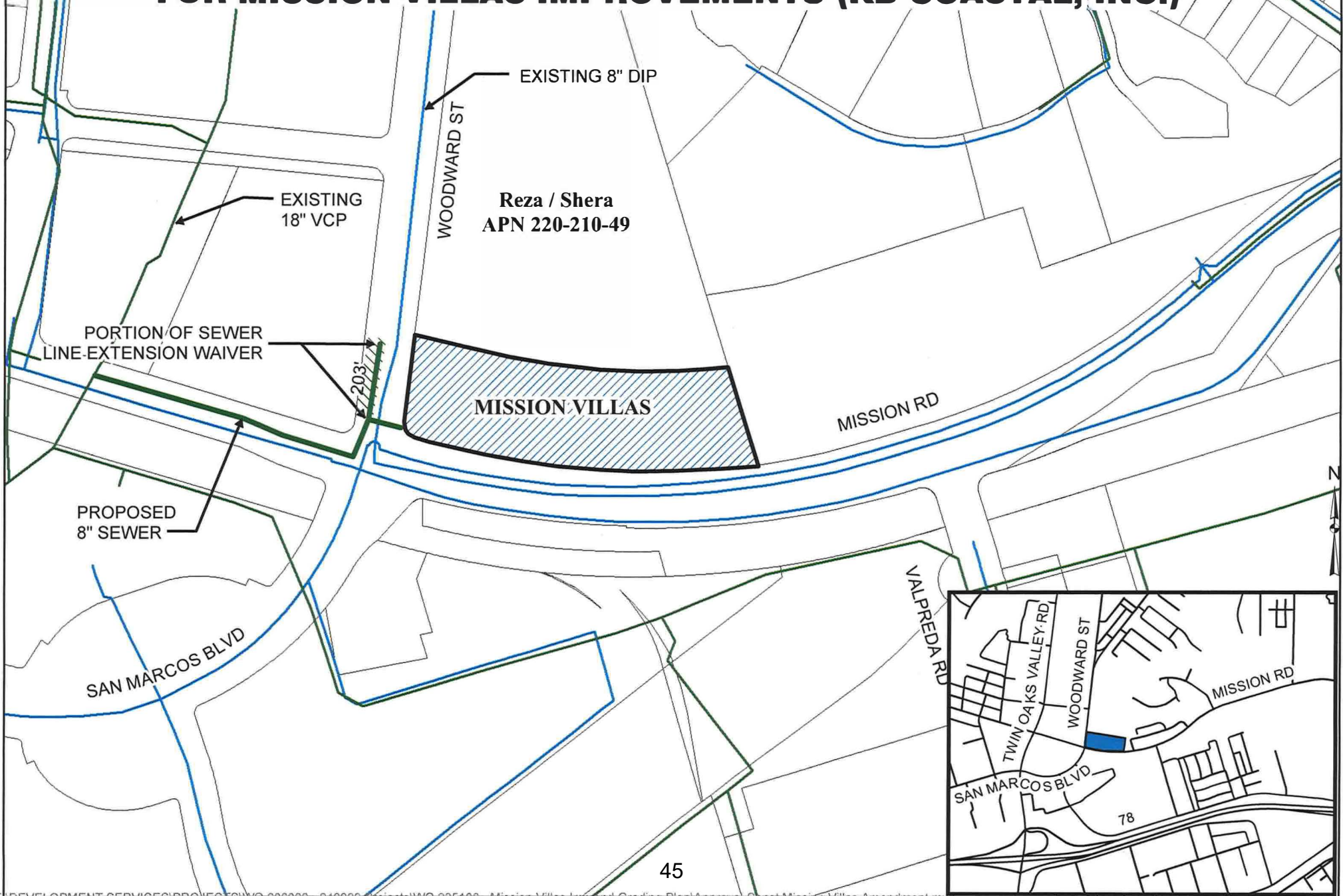
RECOMMENDATION:

Authorize the General Manager to execute an amended construction agreement for the Mission Villas Project, waiving the approximate 203 LF of full frontage main line extension for the project on Woodward Street.

ATTACHMENTS:

2 Map Exhibits – 1 Plat Map & 1 Aerial

APPROVAL OF CONSTRUCTION AGREEMENT AMENDMENT FOR THE WAIVER OF THE FULL PROPERTY LINE FRONTAGE SEWER MAIN EXTENTION FOR MISSION VILLAS IMPROVEMENTS (KB COASTAL, INC.)



APPROVAL OF CONSTRUCTION AGREEMENT AMENDMENT FOR THE WAIVER OF THE FULL PROPERTY LINE FRONTAGE SEWER MAIN EXTENTION FOR MISSION VILLAS IMPROVEMENTS (KB COASTAL, INC.)

