

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, SEPTEMBER 1, 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  
District Engineer Gumpel  
Finance Manager Owen  
Operations & Maintenance Manager Pedrazzi  
Capital Facilities Senior Engineer Morgan  
Systems Administrator Drummond  
Administrative Secretary Johnson

Director Pennock led the pledge of allegiance.

ADOPT AGENDA FOR THE REGULAR MEETING OF SEPTEMBER 1, 2021

21-09-01 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to adopt the agenda for the Regular Board Meeting of September 1, 2021.

PUBLIC COMMENT

None.

CONSENT CALENDAR

21-09-02 MOTION WAS MADE by Director Boyd-Hodgson, seconded by Director Elitharp, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

A. Regular Board Meeting – August 18, 2021

1.2 Warrant List through September 1, 2021 - \$2,049,722.76

1.3 Approval of Construction Agreement for Murai Residential Development Water and Sewer Improvements (CR Murai, LLC.)

1.4 Financial Institution Registry and Authorization

ACTION ITEM(S)

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.)

District Engineer Gumpel provided background information about the Murai Residential Development. The 91.65 acre project property is within the District's water service area; however, none of the project is currently within the District's sewer service area. The Board approved the sewer-only annexation with conditions on October 7, 2020. The developer has met all of the conditions, paid the annexation fees, and is ready to move forward with the development which will consist of 67.59 developed acres. The remaining 24.06 acres will be dedicated open space that will not be developed or annexed.

Staff recommended the Board 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.

21-09-03 MOTION WAS MADE by Director Elitharp, seconded by Director Pennock, and carried unanimously, to 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.

Resolution No. 1601 - The roll call vote was as follows:

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

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

District Engineer Gumpel provided a brief history of the project, which was discussed at the August 18, 2021, Board meeting. At that meeting, KB Home Coastal, Inc. (KB), the project developer, requested the Board consider waiving a condition of the construction agreement that was approved by the Board at their June 16, 2021, meeting, specifically the requirement to construct a 203 linear foot (LF) sewer extension along the entire Woodward Street frontage of the property. Staff discussed several options with KB, including an in lieu

payment to build the sewer extension and limit the District's potential liability, and an agreement with the neighboring Reza/Shera property that they would sewer to the north. The agreement was not completed. The Board requested this item be placed on this agenda for consideration of the waiver of the 203 LF sewer extension.

Staff recommended the Board authorize the General Manager to execute an amendment to the construction agreement for the Mission Villas project, waiving the approximate 203 LF of full frontage sewer main line extension for the project on Woodward Street.

General discussion took place during which it was clarified that the recommended amendment to the construction agreement does not include the in lieu payment.

21-09-04 MOTION WAS MADE by Director Hernandez, seconded by President Sannella, and carried 4 – 1, with Director Boyd-Hodgson voting no, to authorize the General Manager to execute an amendment to the construction agreement for the Mission Villas project, waiving the approximate 203 LF of full frontage sewer main line extension for the project on Woodward Street.

#### VOTING REDISTRICTING PRESENTATION

General Manager Pruum stated public agencies with elected offices are required to redraw their political boundaries every decade based on the most recent census data.

District Engineer Gumpel stated districting is the process of creating or adjusting the election district division boundaries for a government agency such as Vallecitos Water District. The District's divisions are only for the purpose of electing members to its Board of Directors and serve no other operational purpose. He presented an overview of redistricting which included:

- Districting – General Criteria
- Redistricting – Primary Drivers for Vallecitos are Census and Growth
- Redistricting Process
- Division Boundary Changes – Pre-2010 to 2012
- Division Population and Director Changes – 2012 to 2016 to 2020

General discussion took place. Director Boyd-Hodgson proposed allowing communities of interest input to be included in the District's redistricting process before the first draft of the maps are drawn.

Legal Counsel Gilpin recommended placing staff's proposed redistricting process on the next Board agenda. Staff will provide more detail and a timeline of the process for the Board's consideration.

This item was presented for information only.

## REPORTS

### GENERAL MANAGER

General Manager Pruim provided an update on the State Water Resources Control Board's (SWRCB) Water and Wastewater Arrearage Payment Program to assist customers who have fallen behind on their water and wastewater bills. Staff attended the SWRCB's workshop on August 19, and is the process of applying to be eligible to receive funding from the program. \$985 million was set aside for overdue water and wastewater bills starting with water bills and then wastewater bills if there are funds left over. Bills from March 2020 to June 2021 are eligible. Accounts must be more than 60 days past due and only residential and commercial customers are eligible. Late fees are not eligible and will need to be deducted from the bills when submitting them for funding. Funds received by the District must be credited to eligible customer accounts, lowering or eliminating balances on their overdue accounts. Higher balances will receive consideration for funding before lower balances. Customers with remaining balances after credits have been applied must be offered a payment plan, and customers on a payment plan cannot have their services shut off unless they fail to comply with the terms of the payment plan. Staff will update the Board as new information is received.

### DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated the deadline to complete the SWRCB's survey to be eligible for the Water and Wastewater Arrearage Payment Program is September 10.

### SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp provided a summary of actions the SDCWA Board took at their August 26, Board meeting.

### ENCINA WASTEWATER AUTHORITY

Director Hernandez stated the ad hoc committee has hired a consultant in the General Manager recruitment process, final criteria has been determined, and the process is moving forward.

### STANDING COMMITTEES

President Sannella stated the Finance/Investment Committee met last week. Agenda items included the proposed scholarship program, bill payment plans/shutoffs, timing of collection of capacity fees, potential refinancing of 2015 debt, and a Cost of Service Study update.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

President Sannella and Director Hernandez reported on their attendance to the California Special Districts Association San Diego Chapter quarterly dinner meeting on August 19.

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 5:57 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, September 15, 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