

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, OCTOBER 6, 2021, AT 5:00 P.M.  
MEETING VIA TELECONFERENCE

CALL TO ORDER – PRESIDENT SANNELLA

NOTICE TO THE PUBLIC

Pursuant to Section 54953 of the California Government Code, in the interest of public health and safety during the proclaimed State of Emergency and due to the fact that State or local officials have imposed or recommended measures to promote social distancing, the Board of Directors of the Vallecitos Water District will be meeting by teleconferencing. 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 or offer in-person public comment.

**Means By Which Members of the Public May Access the Teleconferenced Meeting –**

Members of the public may access the teleconferenced meeting via computer, smart device, or by dialing in (audio only). If you would like to join the meeting via computer or smart device, go to the District’s website: <https://www.vwd.org/departments/board-of-directors/meetings-minutes> and click on the “Watch Live” icon. If you would like to listen to the meeting live on your phone, dial (888) 788-0099 (Toll Free) or (877) 853-5247 (Toll Free). When prompted, enter the meeting ID and Passcode displayed on the District’s website.

**Means By Which Members of the Public May Offer Public Comment During the Teleconferenced Meeting**

– Members of the public are **not** required to submit public comments in advance of the meeting and will be given an opportunity to address the Board of Directors and offer comments in real time. Written public comments or questions may be submitted at least 90 minutes before the Meeting to the following email address: [PublicComment@vwd.org](mailto:PublicComment@vwd.org).

Members of the public attending the meeting via the Zoom videoconferencing platform can express their desire to offer public comment or provide input on an agenda item at the appropriate time by utilizing the “Raise Hand” function. Persons who have dialed into the meeting and would like to make a comment can enter \*9 on their phone and will be identified by their phone number when it is their turn to speak. Additional instructions for online participation will be posted on the District’s website: [www.vwd.org/meetings](http://www.vwd.org/meetings).

PLEDGE OF ALLEGIANCE

ROLL CALL

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code upon a determination by a majority vote of the Vallecitos Board that an emergency situation exists, as defined in Section 54956.5, or upon a determination by a two-thirds vote of the Board present at the meeting, or, if less than two-thirds of the Board are present, a unanimous vote of Board members present, that there is a need to take immediate action and that the need for action came to the attention of the Vallecitos Water District subsequent to the agenda being posted.

ADOPT AGENDA FOR THE REGULAR MEETING OF OCTOBER 6, 2021

PUBLIC COMMENT

Persons wishing to address a matter not on the Agenda may be heard at this time by utilizing the “Raise Hand” feature of the Zoom videoconferencing platform. Public comment should start by stating name, address and topic. No action or discussion may be undertaken on any item not appearing on the Agenda, except that the Board or staff may briefly respond to statements made or questions posed during public comment. Public comments are limited to three minutes. Public comment on items appearing on the Agenda should be raised at the time the item is discussed.

PRESENTATIONS

To further encourage customers to reduce outdoor water use, Vallecitos participates in the regional WaterSmart Landscape Contest to award customers whose yards best exhibit the beauty of a California-friendly garden. The top three winners earn a gift certificate to a local nursery. The 2021 winners are: Third place – Ellen Kaplan, San Marcos; Second place – Bruce Ferguson, San Marcos; and First place – Doug and Pam Hausmann, Escondido.

President Sannella will acknowledge the 2020 Public Communications Achievement Award bestowed to the District by the American Water Works Association.

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. 7-21)

- A. PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE – SEPTEMBER 13, 2021
- B. ENGINEERING/EQUIPMENT MEETING – SEPTEMBER 13, 2021
- C. CLOSED SESSION BOARD MEETING – SEPTEMBER 15, 2021
- D. REGULAR BOARD MEETING – SEPTEMBER 15, 2021

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

**Recommendation: Approve Minutes**

1.2 WARRANT LIST THROUGH OCTOBER 6, 2021 - \$4,472,279.47 (pp. 22-24)

**Recommendation: Approve Warrant List**

1.3 CHANGE ORDERS FOR THE MEADOWLARK RECLAMATION FACILITY – LIGHT EMITTING DIODE LIGHTING UPGRADE PROJECT (pp. 25-28)

*The project will replace existing outdoor lighting fixtures with Light Emitting Diode fixtures to improve security and safety lighting at night.*

**Recommendation:**           **1) Increase the project budget by \$28,088; and 2) Approve three change orders totaling \$28,088**

1.4 APPROVAL OF CONSTRUCTION AGREEMENT FOR WULFF WATERLINE IMPROVEMENTS (TTLC CALWEST, LLC) (pp. 29-44)

*The project is located between Woodland Heights Glen Road and Rancho Luiseno Road near the existing Wulff Tank Reservoir.*

**Recommendation:**           **Approve Construction Agreement**

1.5 DISTRICT WIDE SOLAR PROJECT ACCEPTANCE (pp. 45-46)

*Commercial operation at the Lift Station No. 1 and Twin Oaks Reservoir sites was achieved on September 8, 2021.*

**Recommendation:**           **For Information Only**

1.6 APPROVAL OF ADDITIONAL AS-NEEDED ENGINEERING PROFESSIONAL SERVICES AGREEMENT (pp. 47)

*The District routinely requires engineering, design and construction management services for budgeted capital projects and other unforeseen small projects.*

**Recommendation:**           **Authorize the General Manager to Enter Into an As-Needed Consultant Professional Services Agreement with Gerry Green, Inc.**

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

ACTION ITEM(S)

2.1 ASSET MANAGEMENT PROGRAM OVERVIEW (pp. 48-50)

*The objective of asset management is to optimize the lifecycle of assets in the most cost-effective manner.*

**Recommendation:**           **For Information Only**

2.2 ASTERRA UTILIS SATELLITE LEAK DETECTION COLLABORATION PROJECT WITH SAN DIEGO COUNTY WATER AUTHORITY (pp. 51-55)

*In mid-2021, the San Diego County Water Authority (SDCWA) initiated a regional asset management effort which seeks to leverage the collaborative power of the region's water agencies to progress asset management.*

**Recommendation:** 1) Approve Option 1 for satellite leak detection services; and 2) Authorize the General Manager to proceed with establishing a Memorandum of Understanding with SDCWA to contract with Utilis for satellite leak detection services

2.3 DESIGN ENGINEERING PROFESSIONAL SERVICES AGREEMENT AWARD FOR THE MEADOWLARK RECLAMATION FACILITY CONVERSION TO SODIUM HYPOCHLORITE (pp. 56-59)

*The project is an operational priority to remove an existing acute hazard and reduce regulatory requirements and operations and maintenance staff time.*

**Recommendation:** Authorize the General Manager to execute a professional services agreement with MurraySmith for project design and bid phase engineering and environmental services

2.4 NOTICE OF DRAFT INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR THE EMERGENCY BYPASS PIPELINE REHABILITATION PROJECT (pp. 60-63)

*The project is approaching the final design phase and an evaluation of potential environmental impacts must be performed.*

**Recommendation:** Authorize circulation of the Emergency Bypass Pipeline Rehabilitation Project Notice of Preparation, Initial Study, and draft Mitigated Negative Declaration

\*\*\*\*\*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

- *Board of Directors Meeting*
- *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, Ann Johnson, Administrative 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., Thursday, September 30, 2021.

\_\_\_\_\_  
Ann Johnson

*2020 Public Communications  
Achievement Award*

**Vallecitos Water District**  
**San Marcos, CA**



**American Water Works  
Association**

*Dedicated to the World's Most Important Resource®*

*For an Organization  
Supporting Between 5,000 and 25,000  
Service Connections.*

MINUTES OF A MEETING OF THE  
PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE  
OF THE VALLECITOS WATER DISTRICT  
MONDAY, SEPTEMBER 13, 2021, AT 10:00 A.M.  
VIA TELECONFERENCE

Director Boyd-Hodgson called the meeting to order at the hour of 10:00 a.m.

Present: Director Boyd-Hodgson  
Director Pennock  
General Manager Pruim  
Administrative Services Manager Emmanuel  
Finance Manager Owen  
Public Information/Conservation Supervisor Robbins  
Administrative Secretary Johnson

ITEMS FOR DISCUSSION

PERSONNEL

**(OLD BUSINESS) UPDATE ON INTERNSHIP PROGRAM WITH PALOMAR COLLEGE**

Public Information/Conservation Supervisor Robbins stated he has submitted an internship application to Palomar College. He is working with Jacob Shiba, Assistant Professor and Water and Wastewater Technology Program Coordinator at Palomar College, to add additional information to the application. The District's legal counsel is currently reviewing an affiliation agreement which also must be submitted to Palomar College. The District is on track to have an intern start on January 31, 2022.

PUBLIC AWARENESS

**(OLD BUSINESS) UPDATE OF BILL CONSOLIDATION FOR LARGE CUSTOMERS**

General Manager Pruim stated staff is waiting for information from the San Elijo Hills HOA folks to match backflow meters and meters with their account numbers. Once all of the data is aligned, the process to consolidate their bills should move forward quickly. A mock bill will be created; however, there are system limitations regarding what can be displayed on the bills such as historical usage information for multiple accounts.

**(NEW BUSINESS) SCHOLARSHIP PROGRAM**

General Manager Pruim stated this item was discussed at the August 24, 2021, Finance/Investment Committee meeting. The Finance/Investment Committee supported the general concept but asked this Committee to discuss it as well. The scholarship could be targeted to high school or college students to help pay for education costs in a water or wastewater related field.

General discussion took place regarding possible parameters of a scholarship program. Suggestions included the inclusion of two-year colleges as well as four-year colleges and veterans.

Administrative Services Manager Emmanuel will research to see if other agencies have scholarship programs and also any legal issues that should be considered. She will report back to this Committee at a future meeting.

**(NEW BUSINESS) IMAGINE A DAY WITHOUT WATER**

Public Information/Conservation Supervisor Robbins provided information on the District's participation in the "Imagine a Day Without Water" events in previous years which has included production of educational videos. Staff has reached out to San Marcos Mayor Rebecca Jones to participate in the event, scheduled for October 21.

General discussion took place regarding ideas for the District's participation in this year's event. It was suggested the theme be related to the drought and geared toward children.

**(NEW BUSINESS) LOBBY DISPLAY**

General Manager Pruim stated the lobby of the District's administration building is a large space that could be better utilized for public outreach.

Public Information/Conservation Supervisor Robbins proposed the idea of displaying the District's first vehicle, a 1946 jeep, in the lobby as part of the District's history. It was refurbished years ago so that it could be driven in parades; however, it overheats at low speeds and is unsafe to drive. Other items that could be displayed are appurtenances such as hydrants, meters, sampling stations, and other equipment with signage to explain what the equipment is.

The Committee was agreeable to this idea. Staff will prepare a conceptual floor plan with possible exhibits to be included in the lobby and present it at a future Committee meeting.

POLICY

**(OLD BUSINESS) UPDATE ON CSDA BOARD HANDBOOK TEMPLATE ACCESS**

General Manager Pruim stated staff has confirmed with the California Special Districts Association (CSDA) that the District, as a registered owner of a digital copy of the CSDA Sample Policy Handbook, may provide copies of the handbook to interested Board members. The handbook includes standard policy templates that could be used to develop a new policy.

On a separate issue, General Manager Pruim clarified that the District does have a New Board Member Handbook; however, the contents are outdated and would need extensive updating. Director Boyd-Hodgson requested an electronic copy of the CSDA Sample Policy Handbook and stated she would like the New Board Member Handbook updated at some point, possibly in conjunction with strategic planning. As a starting point, staff will provide the Committee with the Table of Contents from the New Board Member Handbook along with an electronic copy of the CSDA Sample Policy Handbook.



**(NEW BUSINESS) DISCUSSION ON PROCEDURE FOR BRINGING POLICY TO VOTE BEFORE BOARD**

Director Boyd-Hodgson requested clarification on the process of how new policies are written and presented to the Board for approval.

General Manager Pruim stated proposed topics for new policies are typically discussed with the appropriate Committee first before going to the full Board to see if the Board is interested in moving forward with a policy. If the Board is interested in developing a new policy, staff works with the District's legal counsel to ensure proper development of the resolution, ordinance or policy. If there is a function for which the District does not have a policy, staff will reach out to other agencies to see if they have a similar policy that could be modified for the District's needs.

General Manager Pruim suggested the Committee review the active ordinances and resolutions that are available on the District's website. Administrative Secretary Johnson reviewed how the ordinances and resolutions can be accessed.

**(NEW BUSINESS) DROUGHT ORDINANCE**

Public Information/Conservation Supervisor Robbins reviewed the proposed revised drought ordinance which has been reviewed by the Finance/Investment Committee. He requested this Committee review it as well before it is presented to the full Board. The proposed ordinance continues the permanent water waste prohibitions. Staff is currently working on drought rates. Revisions to the current ordinance include:

- The current ordinance has four levels of drought. The state is requiring six levels.
- Level 1 is a drought watch seeking 10% voluntary reduction. The General Manager will have the authority to implement this level.
- Levels 2 and 3 are drought alerts with mandatory 20% and 30% reductions respectively with appropriate drought rates.
- Levels 4 and 5 are drought critical alerts with mandatory reductions at 40% and 50% respectively with appropriate drought rates.
- Level 6 is a drought emergency alert requiring more than 50% reduction.
- Levels 2 – 6 require Board action to implement.

General discussion took place regarding the possibility of offering incentives to customers who save water, rebates for low-flow toilets and replacing lawn turf with water-wise plants, and the legalities of such programs.

**(NEW BUSINESS) BILL PAYMENT PLANS/SHUT OFFS**

General Manager Pruim stated this item was discussed at the August 24, 2021, Finance/Investment Committee meeting. The District curtailed water service shut offs for non-payment last year ahead of the state's moratorium on shut offs. The state's moratorium is set to expire on September 30, 2021. If it is not extended, it will be the District's decision on whether to begin shut offs after that date. This item was placed on the September 15, 2021, Board agenda for the Board to consider and provide staff direction.

General Manager Prum briefly discussed the state's arrearages payment program. The program has \$985 million to assist customers who have fallen behind on their bills. The program will not be running until January or February 2022. It may benefit the District to continue the moratorium until the state program is up and running; however, customers who were current on their bills during the program's eligibility time frame of March 2020, to June 2021, for past due accounts and are now behind would not be eligible. Staff will need to know if shut offs would begin for those customers or all customers.

General discussion took place regarding payment plan parameters, customers who do not respond to the District's outreach to assist them, and the potential number of customers affected and who are or are not eligible for the state's arrearages payment program. Staff will present updated numbers to the Board at the September 15, 2021, Board meeting.

NEXT MEETING DATE – OCTOBER 4, 2021

The next meeting is scheduled for Monday, October 4, 2021.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at the hour of 11:18 a.m.

MINUTES OF A MEETING OF THE  
ENGINEERING/EQUIPMENT COMMITTEE  
OF THE VALLECITOS WATER DISTRICT  
MONDAY, SEPTEMBER 13, 2021, AT 3:00 P.M.  
VIA TELECONFERENCE

Director Elitharp called the meeting to order at the hour of 3:00 p.m.

Present: Director Elitharp  
Director Hernandez  
General Manager Pruim  
Legal Counsel Gilpin  
District Engineer Gumpel  
Capital Facilities Senior Engineer Morgan  
Development Services Senior Engineer Lopez  
Engineering Services Assistant Fretwell

ITEM(S) FOR DISCUSSION

DEVELOPMENT CONSTRUCTION AGREEMENT REVIEW

Director Elitharp inquired about portions of the Development Construction Agreement at a previous Board meeting; therefore, the Committee dedicated this time for discussion.

Director Elitharp noted that two Sections, 23 and 24, address developer liability before and after acceptance of the work by the District and he is particularly interested in Section 24 where there is broad language. He stated that the language could allude to a continuing liability on the part of the developer and questioned if the obligation would go into perpetuity.

Legal Counsel Gilpin summarized the developer agreement including the performance and payments bonds, 1-year warranty period after acceptance covered by a bond, and lastly, the liability after acceptance of the work due to latent defects. He stated the latter issue is what Section 24 is regarding, and it does not go into perpetuity because there is a statute of repose which imposes a 10-year limitation on liability.

General Manager Pruim asked if it would be helpful to clarify Section 24 by detailing the 10-year limitation or referencing the appropriate law. General discussion took place on how to clarify the vague language regarding a developer's liability before and after acceptance of the work.

The Committee supports staff working with Best, Best & Krieger to work on minor changes to the agreement. Once the language is finalized, it will be brought back to the Committee.

DEVELOPMENT SERVICES UPDATE

District Engineer Gumpel provided an update on development projects and explained that projects fall into three categories: 1) projects currently in active construction that are certain to be completed for which capital facility fees have been collected or will be collected within a few years; 2) projects in the plan check process that are from three to five years away from construction; and 3) planned projects which are beyond five years or may never be completed. The projects were presented on a map throughout the District, including a spreadsheet of anticipated water and sewer equivalent dwelling units (EDUs) and related capacity fees.

District Engineer Gumpel stated that remaining capacity fees to be collected for projects in construction total approximately \$3.4 million for water and \$2.2 million for sewer. A large portion of the capacity fees, including the Kaiser hospital, has already been paid. For active projects in plan check, remaining capacity fees to be collected total \$2.1 million for water and \$5.2 million for sewer. Lastly, projects in the early planning phase include 4,266 water EDUs and 4,282 sewer EDUs, which total approximately \$33.8 million for water and \$55.8 million for sewer. All estimates are based on the current capacity fee rates.

MEADOWLARK RECLAMATION FACILITY SODIUM HYPOCHLORITE DESIGN AWARD

Capital Facilities Senior Engineer Morgan provided an update on the design award for a professional services agreement for the Meadowlark Reclamation Facility (MRF) Sodium Hypochlorite Project. Since MRF uses chlorine gas to meet state regulations, conversion to bulk storage and injection of sodium hypochlorite will remove the acute hazard of chlorine gas, reduce regulatory requirements, and reduce operations and maintenance staff time at MRF. Additionally, the use of sodium hypochlorite does not create an acute hazard in the event of a spill. The project is an operational priority and is scheduled for planning and design in the fiscal year 2021-2022 CIP budget.

Vallecitos submitted request for proposals from five local engineering firms on July 1, 2021. On August 5, staff received proposals from four of the firms: Murray Smith, Kleinfelder, Kennedy/Jenks and Infrastructure Engineering Corporation. Staff reviewed proposals and rated them on experience, how well they addressed the request for proposal requirements, project approach, scope of work, estimated fee/labor hours, and schedule.

Staff short-listed Murray Smith and Kleinfelder, who conducted virtual interviews on August 31. Murray Smith was selected as the most responsive and qualified consultant with a total fee of approximately \$425,000 for design and bid phase professional engineering and environmental services.

Additional staff, overhead, and materials bring the current total to \$640,000. The construction contract amount is about a year away. Furthermore, the project is identified in the fiscal year 2021-2022 budget with an amount of \$1.845 million dollars.

Staff asked for the Committee's support of their recommendation to execute a professional services agreement with Murray Smith in the amount of approximately \$425,000 for project design and bid phase professional engineering and environmental services for the Meadowlark Reclamation Facility Conversion to Sodium Hypochlorite Project.

The Committee supports staff's recommendation.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 3:38 p.m.

MINUTES OF A CLOSED SESSION MEETING  
OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, SEPTEMBER 15, 2021, AT 4:00 PM, VIA TELECONFERENCE

President Sannella called the Closed Session meeting to order at the hour of 4:00 p.m.

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

Staff Present: General Manager Pruim  
Legal Counsel Gilpin  
Administrative Secretary Johnson

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF SEPTEMBER 15, 2021

21-09-05 MOTION WAS MADE by Director Pennock, seconded by Director Elitharp, and carried unanimously, to adopt the agenda for the Closed Session Meeting of September 15, 2021.

PUBLIC COMMENT

None.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION

Per Government Code Section 54956.9(a) – Kessner et al. v. City of Santa Clara et al., Case No. 20CV364054

21-09-06 MOTION WAS MADE by Director Hernandez, seconded by Director Boyd-Hodgson, and carried unanimously, to move into Closed Session pursuant to Government Code Section 54956.9(a).

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at 4:28 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 4:29 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, September 15, 2021 at 5:00 p.m. via teleconference.

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

ATTEST:

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Glenn Prui, Secretary  
Board of Directors  
Vallecitos Water District

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, SEPTEMBER 15, 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  
Development Services Senior Engineer Lopez  
Information Technology Supervisor Labarrere  
Public Information/Conservation Supervisor Robbins  
Administrative Secretary Johnson

Director Boyd-Hodgson led the pledge of allegiance.

ADOPT AGENDA FOR THE REGULAR MEETING OF SEPTEMBER 15, 2021

21-09-07 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to adopt the agenda for the Regular Board Meeting of September 15, 2021.

PUBLIC COMMENT

None.

PRESENTATION

President Sannella acknowledged Meter Services Supervisor Chris Tapia's attainment of his certifications for Backflow Prevention Assembly General Tester and Cross-Connection Control Program Specialist from the American Water Works Association California-Nevada Section.

CONSENT CALENDAR

21-09-08 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. Finance/Investment Committee Meeting – August 24, 2021
- B. Regular Board Meeting – September 1, 2021

1.2 Warrant List through September 15, 2021 - \$1,830,254.30

1.3 Financial Reports

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

1.4 Final Acceptance of Water and Sewer Improvements for Orchard Hills Subdivision Improvements (Warmington Residential California, Inc.)

ACTION ITEM(S)

WATER SUPPLY CONDITIONS UPDATE

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

- Colorado River Shortage Declared
- Fire Danger Closes California National Forests
- 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

General Manager Pruim stated Governor Newsom has called for a voluntary 15% reduction which may become mandatory in the future.

General discussion took place.

This item was presented for information only.

### REDISTRICTING PROCESS

General Manager Pruim stated public agencies with elective offices are required to redraw their political boundaries every decade based on the most recent census data. Staff provided an overview of the redistricting process at the September 1, 2021, Board meeting at which the Board requested an overall schedule of the process as well as additional information regarding public outreach relating to the process.

District Engineer Gumpel provided an overview of the redistricting process which included:

- Redistricting Process
- Process Schedule
- Division Population and Director Changes 2012 to 2016 to 2020

General discussion took place.

This item was presented for information only.

### WATER SERVICE SHUT-OFF MORATORIUM

General Manager Pruim stated the state-wide moratorium on water service shut offs for non-payment is set to expire on September 30, 2021, and unless extended, districts will be allowed to decide whether or not to shut service off. Staff requested the Board's direction as to how to proceed if the moratorium expires on September 30.

General Manager Pruim further stated that staff has applied for reimbursement through the state's arrearages program. Approximately 500 customers are eligible for the program, and many of those customers have contacted the District to be put on a payment plan. Letters have been sent to approximately 200 customers who have not responded to the District's repeated outreach regarding payment arrangements. He presented several options for the Board to consider including:

- Resume the normal pre-COVID practices regarding late payments.
- Allow continued water service to late customers who have committed to a payment plan and remain current on their payments.
- Hold off on all shut offs until the arrearages program payments are determined and/or received by the District, possibly in January or February.
- Establish a date for pre-COVID practices to resume.

General discussion took place.

21-09-09 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried 3 – 2, with Directors Elitharp, Hernandez and Pennock voting yes and Directors Boyd-Hodgson and Sannella voting no, to resume pre-COVID practices regarding water service shut-offs for non-payment on October 1, 2021, if the state moratorium is not extended past September 30, 2021.

DISCUSSION REGARDING THE RETURN TO IN-PERSON PUBLIC MEETINGS

General Manager Pruim stated that due to the COVID pandemic, Governor Newsom issued a series of Executive Orders suspending certain provisions of the Brown Act governing the manner in which public meetings can be held, allowing public agencies to conduct meetings via teleconferencing. The District has conducted all public meetings utilizing the Zoom videoconferencing platform since March 18, 2020.

Legal Counsel Gilpin stated Assembly Bill (AB) 361 is currently awaiting the governor's signature. If signed into law, AB 361 will allow public agencies to continue conducting virtual meetings as long as a state of emergency is declared by either the state or on a local level. A provision of AB 361 requires that public comments are allowed to be made in real time, something the District has been doing all along. If AB 361 is signed and the Executive Orders expire, agencies will still be allowed to conduct meetings via teleconferencing under AB 361.

General Manager Pruim further stated that when the District resumes in-person Board meetings, the beneficial aspects of teleconferencing could be incorporated into the in-person format such as allowing the public to participate remotely in the Zoom format. He suggested a fixed wide-angle camera in the back of the room rather than individual webcams for the Board, and over time, two additional cameras could be added to provide a better video experience for viewers and close up views of the Board and speakers. California Occupational Safety and Health Administration (Cal OSHA) requires that masks be worn during in-person meetings which may also include Board members. General Manager Pruim recommended the continued use of the Zoom platform to conduct public meetings if allowed by law.

General discussion took place regarding how other agencies are holding public meetings.

Gayle Martin, member of the public, stated she has attended several in-person San Marcos City Council meetings at which Council members and the public were masked and socially distanced. The meetings have gone well with those protocols in place.

Further general discussion took place regarding options for conducting public meetings depending on whether or not the Executive Orders are extended and if AB 361 is signed into law. A decision must be made prior to the October 1 publishing date for the October 6 Board meeting. General Manager Pruim again recommended continuing to conduct public meetings via Zoom as long as the state allows it. If the law does not allow teleconferenced public meetings as of October 1, the October 6 Board meeting will be conducted in an in-person hybrid format, allowing Board and public participation via Zoom as well as in-person.

The Board concurred with General Manager Pruim's recommendation.

REPORTS

## GENERAL MANAGER

General Manager Pruim reported the following:

- The North San Diego County Water Reuse Coalition, of which the District is a member, was recently awarded a \$6 million grant for recycled water projects. The District's share of the award is approximately \$500,000 which will be used for the expansion of chlorine contact tanks at the Meadowlark Reclamation Facility (MRF). The expansion will increase the amount of recycled water produced at MRF.
- The District is trying an innovative method to flush water lines of any accumulated sediment as part of routine maintenance. Typically, this is done by opening fire hydrants to flush water through adjacent water lines which wastes water. The new method uses a closed loop filtration system that isolates a water main and moves a high velocity of water through it, filters the water through a tank on a truck, then returns the water to the water system in a closed loop manner. The sediment is then disposed of, wasting no water during the process. If this method is successful, staff will consider making this process a standard for the District for flushing lines and possibly purchasing a unit in the future.
- The solar dedication ceremony at Twin Oaks Reservoir Facility will take place on Thursday, September 16.

## DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin commented on AB 361 related to provisions of the Brown Act being extended. He also commented on Senate Bill (SB) 323 which would change the statute of limitations for claims related to challenges to water and sewer fees under Proposition 218.

## SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp stated the next SDCWA Board meeting is scheduled for September 23.

## ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Capital Improvement Committee meeting this morning at which the Committee reviewed capital improvement projects.

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

## STANDING COMMITTEES

Director Elitharp stated the Engineering/Equipment Committee met on September 13. Agenda items included a review of a development construction agreement, an update on developer projects, and the MRF sodium hypochlorite conversion project design award.

Director Boyd-Hodgson stated the Public Awareness/Personnel/Policy Committee met on September 13. The District is moving forward with the internship program with Palomar College and is on track to have an intern start in the spring of 2022. Discussion items included the scholarship program and an educational display in the District's lobby.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Boyd-Hodgson, Hernandez, and Pennock reported on their attendance to the California Special Districts Association Annual Conference August 30 – September 2.

Director Hernandez also reported on his attendance to the Urban Water Institute's Annual Conference September 8 – 9.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Boyd-Hodgson stated the San Marcos City Council is proposing an ordinance pertaining to single-use plastics. She expressed her interest in the District supporting this. Director Hernandez offered his assistance with this matter.

Gayle Martin, member of the public, voiced her displeasure that the Board voted to end the water service shut off moratorium.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Regular Meeting of the Board of Directors at the hour of 6:39 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, October 6, 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 Pruim, Secretary  
Board of Directors  
Vallecitos Water District

VALLECITOS WATER DISTRICT  
WARRANTS LIST  
October 6, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
<b>CHECKS</b>			
ACWA/Joint Powers Insurance	Medical Insurance - Oct	122509	223,562.98
DirecTV Inc	Satellite Svc - Sept	122510	81.99
Home Depot Credit Services	Hardware Supplies - Aug	122511	1,539.45
SDG&E	Power - Aug	122512	245.32
Staples Advantage	Office Supplies - Aug	122513	895.46
Union Bank FKA 1st Bank Card	Meetings & Travel - Aug	122514	2,696.27
Union Bank FKA 1st Bank Card	Meetings & Travel - Aug	122515	6,836.18
Union Bank FKA 1st Bank Card	Meetings & Travel - Aug	122516	2,645.63
Verizon Wireless	Cell Phone Svc - Aug	122517	2,750.75
Garnishments	Payroll Garnishments	122519	-
A Waters Co.	Water Sampling Services	122520	697.79
Adobe Lock & Safe	Door Lock Installation - Bldg B	122521	269.91
Advanced Imaging Solutions, Inc.	Copier Lease - Sept	122522	2,451.32
Advanced Telemetry Systems,	Storm Wet Well Programming - MRF	122523	11,400.00
AGM Electronics Inc	Analog Signal Radio Pair - Mahr Reservoir Algae Monitoring Prj 20221-34	122524	2,413.60
Airgas USA LLC	Cylinder Rental	122525	181.82
AIS Specialty Products, Inc.	Hardware Supplies	122526	64.31
All American Sewer Tools	Hardware Supplies	122527	79.52
Ambius	Plant Maintenance - Sept	122528	279.00
Ando Pilve	Wireless Radio Network Design & Implementation Prj 20201-22	122529	4,700.00
Anthem Blue Cross EAP	EAP FY 21 & FY 22	122530	60,976.92
Aqua-Metric Sales Co	1 1/2" Meters - 10	122531	10,506.71
AT&T	Phone Svc - Aug	122532	2,891.23
Backflow Solutions, Inc.	Backflow Testing Qty 267 - Aug	122533	3,991.65
Baker Electric Inc	LED Lighting Upgrade MRF - Prj 20201-24	122534	30,686.64
Bill Howe Plumbing	Drain Cleaning - MRF	122535	104.00
Black & Veatch Corporation	Engineering Svcs - MRF Headworks Prj 20211-4 & MRF Tertiary Prj 20181-11	122536	17,841.75
Boncor Water Systems	Soft Water & Drinking Water Svc - Sept	122537	1,085.50
Cal Desal	Membership Dues 21-22	122538	1,000.00
CCI	Water Treatment - Sept	122539	220.00
Chandler Asset Management, Inc.	Investment Management Svcs - Aug	122540	3,932.88
Chris Deering	Safety Boot Reimbursement	122541	150.00
Jeffrey Colwell	Video Production Svcs Aug Prj 20221-49	122542	542.51
Computer Protection Technology Inc	UPS Batteries - 4	122543	363.98
Core & Main LP	Valve & Coupling Inventory	122544	10,194.97
Core Logic Information Solutions Inc	Real Quest Engineering Map Svcs - Aug	122545	218.55
Coro Data Media Storage Inc	Back Up Storage Tapes - Aug	122546	171.54
County of San Diego	Recording Fees - Aug	122547	0.96
County of San Diego	Facility Permit - 3896 El Paso Alto	122548	646.00
CWEA	Collections Cert Renewal - T. Moritz	122549	101.00
CWEA	Membership Renewal - E. Pedrazzi	122550	192.00
Doane & Hartwig Water Systems Inc	Chlorine Analyzer Parts - MRF	122551	856.42
David & Kristen Veljovich	Overpayment Refund	122552	1,000.00
David Shamolian	Deposit Refund Prj 20211-689	122553	430.80
DirecTV Inc	Satellite Svc - Sept	122554	116.99
EDCO Waste & Recycling Serv	Trash Svc - Aug	122555	956.12
Elizabeth Lopez	Quality Stormwater Developer Cert Renewal	122556	95.00
Elogger Inc.	Elogger Maintenance 21-22	122557	9,116.90
Employment Screening Services Inc	Employment Screening Svcs	122558	24.00
Ewing Irrigation Products	PVC Supplies	122559	7.53
Ferguson Enterprises, Inc	Air Vac & Valve Inventory	122560	3,614.15
Fisher Scientific LLC	Potassium Phosphate, Petri Dishes, Lab Supplies	122561	694.49
Fleet Pride	Hardware Supplies	122562	58.94
Gallade Chemical Inc.	Sodium Hypochlorite, Muriatic & Phosphoric Acid	122563	770.66
Glenn Pruium	CSDA Conference 8-29-21	122564	99.83
Grainger Inc	Flammable Storage Cabinets - 5, Floor Mats, Hardware Supplies	122565	8,176.82
Green Thumb Nursery	Gift Cards - 6; Landscape Contest Winners Prj 20221-52	122566	475.00
Hawthorne Machinery Co.	Track Dozer Rental	122567	1,919.69
HDR Engineering Inc	2020 Urban Water Management Plan Prj 20211-730	122568	48,863.75
James R Hernandez	CASA Conference 8-11-21 & Urban Water Institute Conference 9-8-21	122569	697.23
Hodge Products Inc	Meter Locks - 200	122570	3,142.46

VALLECITOS WATER DISTRICT  
WARRANTS LIST  
October 6, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Infosend Inc	Postage, Printing, & Support Fee - July	122571	3,045.88
Infrastructure Engr Corp	Wulff Pressure Reducing Station Prj 20221-10	122572	4,830.00
Ingrid Stichter	Reimbursement - UPS Certified Mail Purchase	122573	7.00
Infinisource Inc.	HR Benefit Admin Svcs - Aug	122574	47.98
Jack Henry & Assoc Inc	Remit Plus Maintenance - Aug & Sept	122575	288.88
JCI Jones Chemicals Inc	Chlorine	122576	5,605.68
J.J. Keller & Assoc Inc	Safety & Regulation Compliance Subscription 21-22	122577	1,295.00
Knight Security & Fire Systems	Monitoring, Patrol, & Answering Svc - September	122578	656.69
Koch General Engineering Inc	Asphalt Repair & Seal Coating - 7 Tank Sites Prj 20211-21	122579	2,832.81
Lawnmowers Plus Inc	Hardware Supplies	122580	32.31
Lloyd Pest Control	Pest Control - Sept	122581	284.00
Lori Essrig	Overpayment Refund	122582	2,000.00
Mallory Safety & Supply, LLC	Safety Gloves, Coveralls, Miscellaneous Safety Supplies	122583	2,344.95
Matheson Tri-Gas Inc	Cylinder Rental	122584	174.13
Michael Baker International, Inc.	Montiel Lift Station Prj 20201-2	122585	5,393.71
Michael Rathsam	Self Improvement Program	122586	300.99
Mike Arthur	Meeting - Raftelis Consultant 9-16-21	122587	45.36
Mike Sannella	CSDA Dinner Meeting 8-19-21	122588	32.93
Mission Janitorial & Abrasive Supplies	Carpet Cleaning Chemicals	122589	930.52
North County Auto Parts	Fleet Supplies - Aug	122590	4,070.58
NV5, Inc.	Tres Amigos Waterline Assessment Prj 20201-3	122591	2,956.00
Olivenhain MWD	Treated Water - Aug	122592	80,424.60
One Way Solutions LLC	Plastic Pallets - Warehouse - 20	122593	1,652.80
Ostari Inc	IT Support Svcs July - September	122594	13,941.02
Pacific Pipeline Supply	Parts - LS1 Check Valve Failure & Parts For Fire Svc District HQ	122595	7,833.75
Penco, Inc.	Calcium Nitrate	122596	20,582.83
Rely Environmental	Fuel Island Maintenance - Aug	122597	174.51
Richard W. Gittings	Hillside Development & Rincon Payment - February & August	122598	8,400.00
Rusty Wallis Inc	Water Softener Service Mahr, Soft Water Tank Svc MRF - Sep	122599	1,131.00
SDG&E	Power - Aug	122600	89,072.68
Sensus USA, Inc.	Meter Reading Software 21-22	122601	1,949.94
SHI International Corp.	Cisco Catalyst Port Switches - 4 Prj 20201-23; LED Monitors - 2	122602	4,378.31
Snap-On Industrial	Hardware Supplies	122603	380.53
Southern Counties Lubricants, LLC	Diesel & Unleaded Fuel	122604	41,442.33
Standard Insurance Company	LIFE, LTD, & ADD Insurance June - Oct	122605	5,958.20
State of California	Pesticide Management Certification Renewal - J Mendoza	122606	60.00
Superior Ready Mix Concrete LP	Concrete - South Lake Antenna Prj 20201-4	122607	559.37
Terra Verde Energy LLC	Districtwide Solar Project Prj 20201-14	122608	2,251.00
Underground Service Alert	Dig Alert Svc & CA State Regulatory Fees - Aug	122609	753.90
Unifirst Corporation	Uniform Delivery	122610	1,305.33
Univar USA Inc	Sodium Hypo Liquichlor & Caustic Soda	122611	6,446.36
UPS	Shipping Svcs - Aug	122612	86.86
Urban Corps San Diego County	Weed Abatement Svcs - Aug	122613	3,966.68
Valley CM Inc	San Marcos Interceptor Prj 71004	122614	16,620.00
Verizon Wireless	Ipad Svc - Aug	122615	433.19
Vortex Industries Inc	Repairs - Back Gate District HQ	122616	400.00
Walters Wholesale Electric	Materials - South Lake Camera Prj 20201-4	122617	4,779.91
Erik Warner	Reimbursement - Pressure Gauge For Pressure Washer	122618	28.45
Waxie Sanitary Supply	Cleaning Supplies	122619	55.94
Work Partners Occupational Health	Covid Testing & Medical Svcs	122620	522.99
Workplace Services, Inc.	Carpet Installation & Floor Cleaning Svcs	122621	1,204.22
Bonsall Petroleum Constr Inc	Fuel Island & Over Fill Prevention Testing	122622	2,469.58
Boot World Inc	Safety Boots	122623	300.00
Coast Equipment Rentals	Excavator Rental - Las Posas Emergency Repair	122624	1,889.00
Commercial Mobile Systems	Covid 19 Trailer Rental - MRF	122625	511.82
DLT Solutions LLC	Auto Cad Subscription 21-22	122626	678.16
Electrical Sales Inc	Wireless Algae Meter - Mahr Prj 20221-34	122627	1,622.95
Grainger Inc	Hardware Supplies	122628	31.34
Hach Company	Lab Supplies	122629	178.75
Interstate Batteries	Batteries - 2 Mahr Algae Meter Prj 20221-34; Batteries - 3 Veh 173	122630	623.80
Kaman Industrial Technologies	Tipping Weir Actuators - 2 MRF, Hardware Supplies	122631	3,763.90
Lawnmowers Plus Inc	Hardware Supplies	122632	129.19

VALLECITOS WATER DISTRICT  
WARRANTS LIST  
October 6, 2021

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Pencco, Inc.	Calcium Nitrate	122633	5,304.31
Perrault Corporation	Gravel	122634	1,321.34
Raftelis Financial Consultants Inc	Water Cost of Service Study	122635	1,575.00
Scada Integrations	SCADA Trouble Shooting Svcs	122636	425.00
SHI International Corp.	Cisco Service Agreement 21-24 Prj 20201-23	122637	3,024.04
Steven Enterprises Inc	Paper - OCE Printer & Plotters	122638	264.84
Trussell Technologies Inc	Construction Phase Svcs - MRF Aeration Basin Prj 20191-2	122639	400.00
Turner Designs Inc	Algae Meter & Equipment Mahr - Prj 20221-34	122640	5,568.00
Unifirst Corporation	Uniform Delivery	122641	812.83
Work Partners Occupational Health	Covid Testing & Medical Svcs	122642	630.00
Total Disbursements (132 Checks)			<u>876,222.82</u>
 WIRES			
San Diego County Water Authority	August Water Bill	Wire	3,133,556.11
Public Employees Retirement System	Retirement Contribution - September 21, 2021 Payroll	Wire	78,024.14
Total Wires			<u>3,211,580.25</u>
 PAYROLL			
Total direct deposits		Wire	241,382.32
VWD Employee Association		122518	578.00
Payroll & Garnishments		122519	689.06
IRS	Federal payroll tax deposits	Wire	95,444.09
Employment Development Department	California payroll tax deposit	Wire	19,842.90
CalPERS	Deferred compensation withheld	Wire	18,675.07
VOYA	Deferred compensation withheld	Wire	7,864.96
Total September 21, 2021 Payroll Disbursements			<u>384,476.40</u>
 TOTAL DISBURSEMENTS			 <u><u>4,472,279.47</u></u>



**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: CHANGE ORDERS FOR THE MEADOWLARK RECLAMATION FACILITY – LIGHT EMITTING DIODE LIGHTING UPGRADE PROJECT**

**BACKGROUND:**

The Meadowlark Reclamation Facility (MRF) – Light Emitting Diode (LED) Lighting Upgrade Project involves replacing the existing outdoor lighting fixtures with LED fixtures at the MRF. This 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. 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:**

The Board awarded the contract for this project to Baker Electric, Inc. in the amount of \$172,609.85 during the regular meeting on March 3, 2021. Staff approved Change Order #1 and Change Order #2 as these were items needing additional attention discovered during the construction process. The total change order amount at that time remained under the Board-approved 10% contingency amount. The total value of change orders, including Change Order #3, exceeds the 10% contingency and requires additional Board approval. Change Order #3 is for installing new conduit and wiring to replace wires damaged during the installation of a new light pole. The existing conduit is in concrete, was not correctly marked out, is in bad shape and electricians were unable to pull new wire through it. The wires that were damaged provide power to valve actuators on three filter valves used during the backwash process. The General Manager approved the work to proceed as an emergency repair in order to return operations to normal as quickly as possible.

**FISCAL IMPACT:**

Funds were included in the 2020/21 Capital Budget for this project. The Board approved an adjusted budget amount during the regular meeting of March 3, 2021. The total estimated cost and budget summary are as follows:

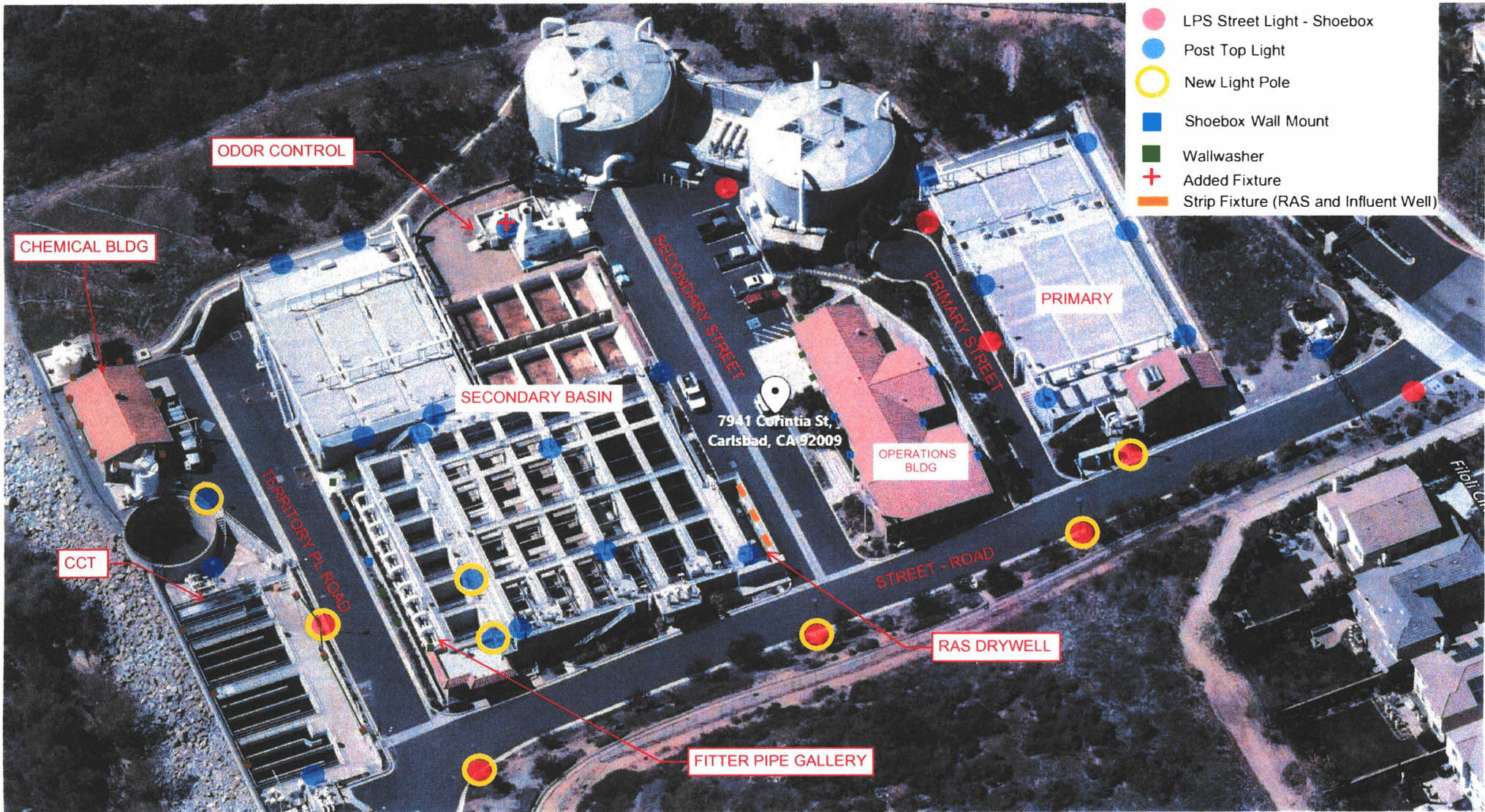
Adjusted Budget	\$178,297.85
Baker Electric, Inc.	\$172,609.85
Staff Time & Overhead	\$ 5,688.00
Change Order #1	\$ 733.00
Change Order #2	\$ 7,593.00
Change Order #3	\$ 19,762.00
Total	\$206,385.85
Projected Budget Shortfall	\$ 28,088.00

Staff does not expect the requested budget increase to have a financial impact on the overall capital budget 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 \$28,088.00.
2. Approve the three change orders with Baker Electric, Inc. in the amount of \$28,088.00, 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.

SWITCHGEAR BLDG.

New Pole with Solar Powered Fixture.

**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: APPROVAL OF CONSTRUCTION AGREEMENT FOR WULFF WATERLINE IMPROVEMENTS (TTLC CALWEST, LLC.)**

**BACKGROUND:**

TTLC Calwest, LLC, owner of the project, has completed the plan check process with the District. The project is located between Woodland Heights Glen Road and Rancho Luiseno Road near the existing Wulff Tank Reservoir.

**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.

TTLC Calwest is the Developer of the High Point project, which has been conditioned to construct approximately 1,751 feet of 12-inch diameter PVC water main which will tie into the High Point Development. The new Wulff Waterline will interconnect the High Point pressure zone with the Wulff pressure zone. This will allow water to flow both directions between pressure zones providing redundancy during emergencies and operational flexibility for better water quality.

Upon completion of the Wulff Waterline, High Point Development will be constructed in two phases consisting of a total 38 single family homes.

All engineering fees and inspection deposits have been paid prior to Board approval of the Construction Agreement. No water or wastewater capital facility fees will be due for this project. Water and wastewater capital facility fees will be paid with the Highpoint Development project.

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	\$252,798.00
Faithful Performance	\$252,798.00

**FISCAL IMPACT:**

None. Future water revenues will offset costs of service.

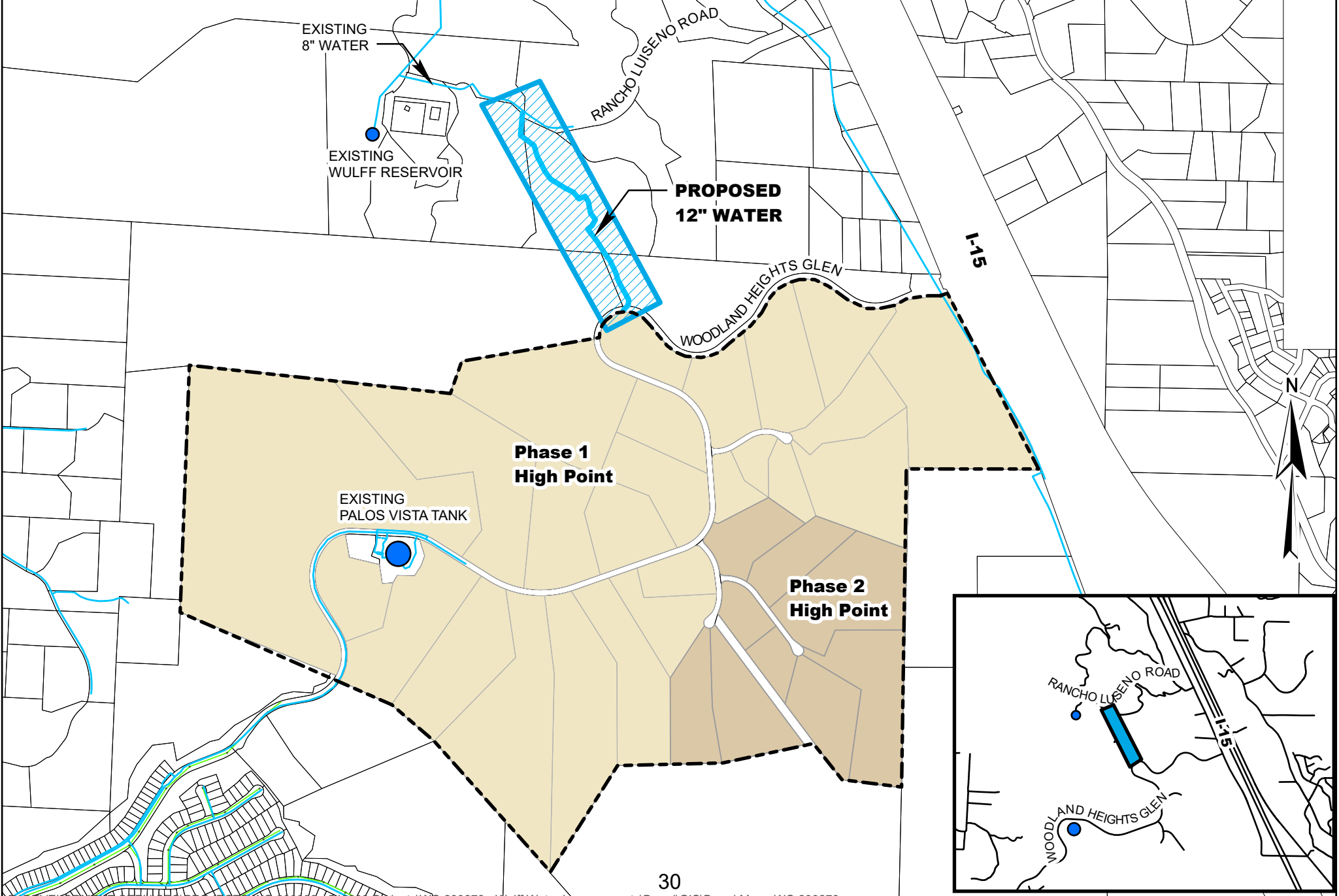
**RECOMMENDATION:**

Approve the construction agreement for Wulff Waterline Improvements.

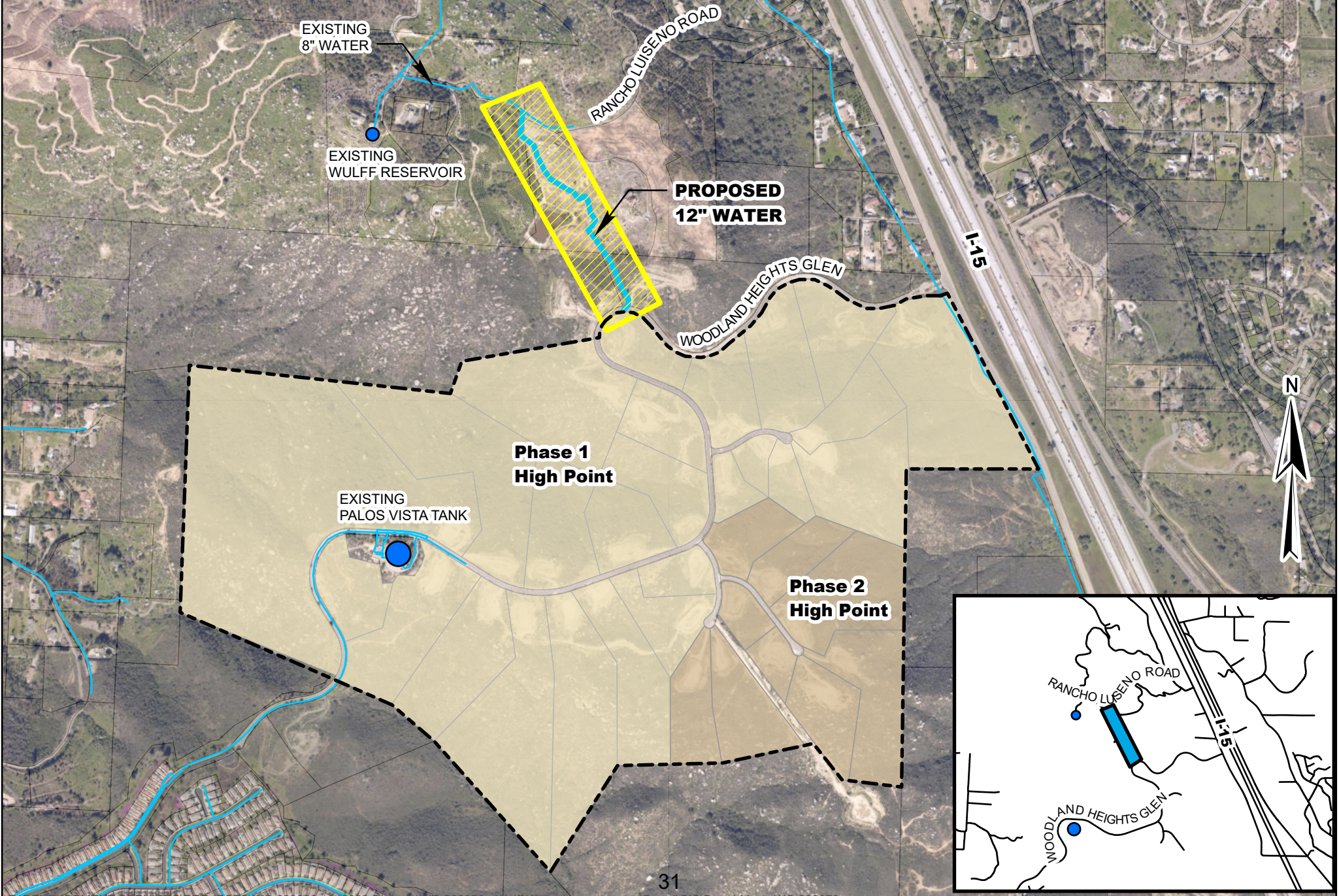
**ATTACHMENTS:**

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

# APPROVAL OF CONSTRUCTION AGREEMENT FOR WULFF WATER IMPROVEMENTS [TTLC CALWEST, LLC]



# APPROVAL OF CONSTRUCTION AGREEMENT FOR WULFF WATER IMPROVEMENTS [TTLC CALWEST, LLC]



**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 **T TLC CALWEST, LLC**, (“DEVELOPER”), a California Limited Liability Company.

**RECITALS**

1. DEVELOPER desires to improve certain real property which lies within the boundaries of the DISTRICT consisting of approximately .78 acres commonly described as Tax Assessor's Parcel Nos. **187-530-34, 187-530-37, 187-530-39 & 187-530-42** (“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 **HUNSAKER & ASSOCIATES, SAN DIEGO INC. – 9707 WAPLES STREET SAN DIEGO, CA 92121 PHONE: 858-558-4500** and are identified as **WULFF WATER SYSTEM CONNECTION & IMPROVEMENTS VWD WO# 239278**. 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 \_\_\_\_\_, 202\_\_\_. 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 **\$ 252,798.00**. 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 \$ 17,653.00 to cover all DISTRICT fees and costs associated with the FACILITIES. When this deposit has been drawn down to \$ 1,500.00, 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 \_\_\_\_\_.

**“DISTRICT”  
VALLECITOS WATER DISTRICT**

By: \_\_\_\_\_

Glenn Pruim, Secretary  
Board of Directors  
Vallecitos Water District

Dated: \_\_\_\_\_

**“DEVELOPER”**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

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: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: DISTRICT WIDE SOLAR PROJECT ACCEPTANCE**

**BACKGROUND:**

The Board of Directors expressed interest in 2017 in exploring the possibilities for a District wide solar power system to be located at various District owned properties. On September 18, 2017, the District submitted a Request for Proposals to five solar energy consulting firms. TerraVerde Renewable Partners (TerraVerde) was awarded a professional services agreement at the January 17, 2018, Board Meeting to provide professional services including evaluation, site selection, design-build administration, contract/regulatory services, program management, construction management, and facility performance verification. The Vallecitos Water District's (District) Solar Energy and Battery Storage Feasibility Assessment Findings Report (Report) identified three project locations for consideration. Those locations included the following:

- Net Energy Metering at Lift Station No. 1
- RES-BCT Project at Twin Oaks Reservoir Site
- Mahr Reservoir Floating Solar Project

Staff updated the Board on June 20, 2018, on the three project sites. All three projects were proposed as a Power Purchase Agreement (PPA) where an independent third party would build, maintain and operate the solar installation at no cost to the District. The PPA would generate a reduced electric rate for 25 years resulting in net savings to the District with no capital contributions.

TerraVerde completed the Report which was presented to the Engineering/Equipment Committee on July 23, 2018. The Committee recommended bringing the 3 projects forward to the Board for consideration.

On September 19, 2018, staff and TerraVerde presented the Report to the Board of Directors. The Board decided to pursue the Net Energy Metering at Lift Station No. 1 and RES-BCT Project at Twin Oaks Reservoir Site to the final design and permitting phases.

**DISCUSSION:**

Requests for proposals from solar providers were sent out in July of 2019, and interviews were conducted on September 19, 2019. The proposals and interview results were presented to the Engineering/Equipment Committee on October 1, 2019. An evaluation of potential environmental impacts was performed for each project site per the California Environmental Quality Act (CEQA). The Board took action on the Mitigated Negative Declaration on the October 17, 2019, meeting.

Staff and TerraVerde entered PPA negotiations with PCI Solar (SSA Solar of CA 5, LLC) after determining that PCI Solar aligned the best with the RFP evaluation criteria. Construction started in March, 2020, and permission to operate was achieved from SDG&E on June 17, 2021. Commercial Operation of both sites was achieved on September 8, 2021, and a ribbon-cutting ceremony was held with Directors of the Board, District staff, consultants, and contractor staff on September 16, 2021, at the Twin Oaks Reservoirs site.

**FISCAL IMPACT:**

The PPA does not require a capital investment from the District. The PPA generates a reduced electric rate of \$0.07766/kWh(ac) at 16 of the District's benefiting meters for 25 years, resulting in a net savings to the District with no capital investment.

The District's annual average electric demands and anticipated rate increases by San Diego Gas and Electric (SDG&E) are considered over time when estimating the annual District savings anticipated. Over a 25-year term of the PPA, the net benefit to the District is estimated to be over \$12,000,000.

**RECOMMENDATION:**

The District Wide Solar Project acceptance is presented as an information item.

**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: APPROVAL OF ADDITIONAL AS-NEEDED ENGINEERING PROFESSIONAL SERVICES AGREEMENT**

**BACKGROUND:**

Vallecitos Water District (District) routinely requires engineering, design, and construction management services for its budgeted capital projects and other unforeseen small projects. The level of effort and associated costs of these services does not require the formal engineering Request For Proposals selection process.

**DISCUSSION:**

Based on experience, it is often in the best interest of the District to negotiate standard fees for these types of services. Staff negotiates reduced rates on a bi-annual basis with selected engineering/design/specialty firms which have submitted resumes, provided statements of qualifications and/or proposals, and have successfully completed projects for the District. Staff and Counsel have reviewed the engineering services agreements and find them consistent with similar, past agreements.

Staff has selected Gerry Green, Inc. (GGI) for as-needed electrical engineering professional services. GGI was established in 2020 to continue providing engineering design services to existing clients of Moraes/Pham and Associates (MPA). MPA is a District as-needed consultant and is currently closing business operations with Mr. Joe Moraes' (President) retirement. Gerry Green, owner of GGI, worked for MPA and has experience with the District's projects and standards. Mr. Gerry Green is currently providing engineering consulting services for the District's Tesla Battery Energy Storage System Project. GGI specializes in electrical engineering for water and wastewater facilities and the District intends to utilize GGI on upcoming requests for professional services as part of its Capital Improvement Program.

**FISCAL IMPACT:**

There are no direct costs associated with the staff recommendation to enter into an as-needed consultant services agreement. Fees associated with specific work under these as-needed contracts will be directly reimbursed through developer deposits or charged to specific capital projects. GGI has submitted a statement of qualifications for professional services on a time and material basis. As-needed agreements are utilized for contracts in accordance with the District's purchasing policy.

**RECOMMENDATION:**

Authorize the General Manager to enter into an as-needed consultant professional services agreement with GGI.

**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: ASSET MANAGEMENT PROGRAM OVERVIEW**

**BACKGROUND:**

The Asset Management Program in the Vallecitos Water District was established in 2019 to develop a data-drive, asset-centric, industry standard approach to managing the existing infrastructure assets. It is a body of knowledge and management practices. The objective of Asset Management is to optimize the lifecycle of the asset in the most cost-effective manner. Asset Management is a comprehensive and continuous program focused on assessing the value and condition of infrastructure with the goal of minimizing the total lifecycle cost of ownership while providing the required Level of Service. An effective program integrates the disciplines of economics, engineering, maintenance, Operations, and IT working together to build and maintain a sustainable infrastructure.





**DISCUSSION:**

The practice of Asset Management is supported by various international standards including ISO55000, PAS 55 as well as guidance documents from the EPA, American Water Works Association, and other asset-intensive industry oversight agencies.



Asset Management is identified in Vallecitos' Strategic Plan:

Strategy 1.1 – Asset management

Fully utilize the capability of Computerized Maintenance Management System (CMMS), which includes all areas and functions of the Operations and Maintenance Departments as well as Geographic Information Systems (GIS) integration with the Engineering Department. CMMS provides valuable information on the life history and operating costs for all facilities, as well as ensures reliable preventative maintenance and replacement of all water and sewer facilities. This clear understanding of our current facilities allows for proper levels of maintenance, identification of funding requirements, and timely replacement or upgrades of our facilities.

Strategy 1.2 – Replacement schedule

The water and wastewater infrastructure continues to age and has a finite service life. The development and prioritization of an asset replacement schedule is crucial to minimize the financial burden of unplanned and costly breaks and repairs. Replacement funding must be developed in a fair and equitable manner ensuring appropriate funding sources for replacement of facilities.

Asset Management is comprised of standardized principles which every Program would incorporate. These consist of questions that are answered as the Program progresses

- What Do we Own?
- Where is it Located?
- What Condition is it in?
- What is the Remaining Useful Life?
- What is the Likelihood of Failure?
- What is the Consequence of Failure?
- What is the Desired Level of Service?
- What is the Optimum Maintenance Strategy?
- What is Investment Necessary to Sustain the Assets?

As Program strives to answer these questions and the creation of an Asset Management Plan is developed to document these answers. The Asset Management Plan is a living document, that is revised regularly as new information is collected, and this document is used to provide supporting information for setting financial standards within the District such as determining near-term financial forecasts and setting the reserve policy. It is a complementary document to the Master Plan.

As a guiding document for the Asset Management Program, the Asset Management Plan is a discrete tactical report that documents the existing asset inventory and its condition, determines remaining useful life, defines renewal and replacement methodologies based on risk profiles and provides a funding needs forecast to ensure adequate finances are available for long-term sustainability of the owned assets.

**FINANCIAL CONSIDERATIONS:**

This project, including the development of the Asset Management Plan, will be covered under the Asset Management Replacement Schedule Project which is identified in the FY 21/22 Budget with a budget amount of \$704,000. Remaining budget in this project is approximately \$510,000.

**RECOMMENDATION:**

For information only.

**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: ASTERRA UTILIS SATELLITE LEAK DETECTION COLLABORATION PROJECT WITH SAN DIEGO COUNTY WATER AUTHORITY**

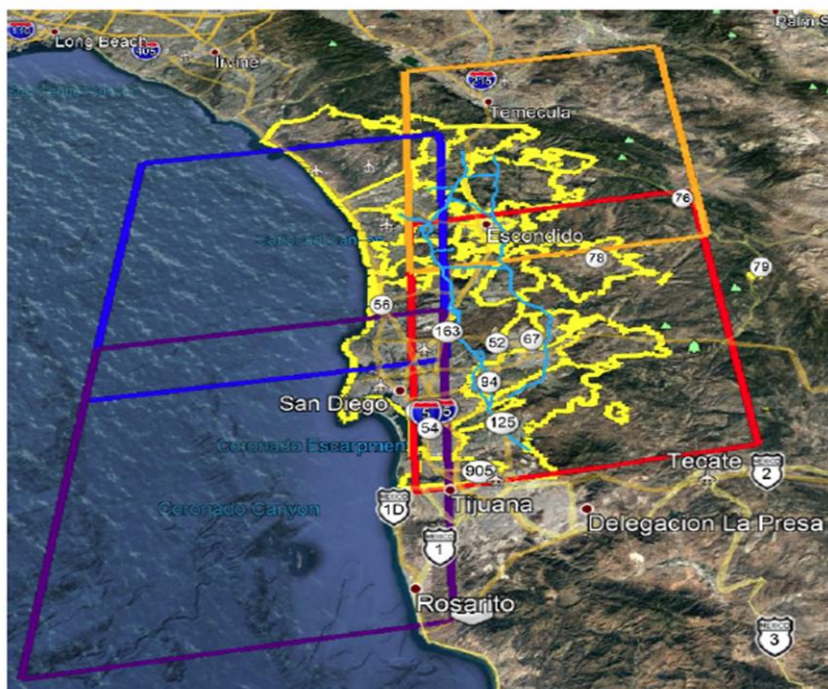
**BACKGROUND:**

Beginning in mid-2021, the San Diego County Water Authority initiated a regional asset management effort titled “Innovating Asset Management - A Regional Collaboration in San Diego” (Collaboration) which seeks to leverage the collaborative power of the region's water agencies to progress asset management. The Vallecitos Water District is actively participating in this collaboration which will enhance our ability to effectively manage our aging infrastructure and benefit from a regional approach that may provide economies of scale on efforts that affect multiple member agencies. Independent of this collaboration, the District is continuously looking for innovative technology to deliver services as efficiently and cost-effectively as possible.

The Collaboration is currently evaluating various condition assessment technologies such as leak detection that will assist with identifying deficient infrastructure. With this knowledge, the agencies will be able to proactively address these deficiencies.

**DISCUSSION:**

In August, the Collaboration was given a demonstration of emerging technology that utilizes satellites to pinpoint possible potable water leaks in the system. This is an excellent example of how the regional collaboration is a significant benefit as the satellite scanning is done on a large scale and agency boundaries are naturally crossed as the imagery is collected.



ASTERRA technology by Utilis provides data driven solutions for water utilities, government agencies, and the greater infrastructure industry. They use synthetic aperture radar (SAR) data from satellites and turn it into large scale decision support tools. The proprietary algorithms and highly educated staff of scientists and engineers are the key to the company's mission, to advance planet Earth's resource resilience through SAR analytics. Successfully commercializing their first product, leak detection in 2016, Utilis projects have resulted in saving more than 7000 million gallons of potable water and 17,000 MWH of energy per year, in support of United Nations Sustainable Development Goals.

The ASTERRA "Recover" tool locates and analyzes moisture leaking from underground pipes so that repairs can be planned and expedited using hard data. With "Recover", entire region-wide systems for drinking water (and wastewater) can be viewed and analyzed at once. Even leaks that are non-surfacing or have left no surface evidence at all are easily located. Leaks can be detected across all types of asset types (mains, customer services, valve, hydrant, etc.), across all types of ground cover (tarmac, earth, concrete, brick, etc.) and across all pipe materials. Specifically, L-band synthetic aperture radar (SAR) sensors are used for their day/night, cloudy/clear capabilities along with the ability to penetrate the first few meters of earth. ASTERRA "Recover" pierces clouds, forests, and even pavement to assess entire systems quickly and efficiently. Using a patented algorithm, "Recover" can filter out the signature of drinking water and provide these zones to the customer. The raw data is prepared for analysis by filtering out signals from buildings and other manmade objects, vegetation, hydrologic objects, and more. Results are then displayed in user-friendly GIS reports, overlaid with the pipe layer from the system owner to create a "highlighted pipe" image and direct the district's field crew to search within the zones to pinpoint the exact leak location. This technology has been adapted from the search for water on other planets, underscoring its innovative and outstanding capability here on Earth.

ASTERRA "MasterPlan" adds actionable data and insights to your asset management plan in one easy data layer. The "MasterPlan" tool uses an algorithm that's been trained on five years of system leaks discovered by ASTERRA "Recover". The trained algorithm then scores pipe segments exhibiting non-surfacing leaks detected in one or more images; it also analyzes leak location clusters within them. ASTERRA "MasterPlan" provides unique insights that are not available elsewhere, such as an actual measurement of non-surfacing pipe leaks — not a predictive analysis. Data points are then scientifically combined into a single GIS data output with pipes scored on a 1 – 5 scale: 1 indicates low levels of deficiency observed; 5 denotes high levels of deficiency. The data inputs easily to any GIS system or asset planning model. Utilities and engineers use "MasterPlan" to gain insight into the pipes' actual condition.



ASTERRA by Utilis is the recipient of the American Water Works Association’s inaugural Innovation Award. With this new award, the American Water Works Association (AWWA) recognized Utilis for fulfilling the vision of the Association’s Innovation Initiative. The ongoing initiative is to inspire and implement innovative thinking and best practices to address challenges within the water industry and achieve significant positive results.

**FINANCIAL CONSIDERATIONS:**

Each participating member agency will be requested to select one Option listed below:

**Option 1**

Full Package. The cost to VWD would be \$63,224.

SDCWA Group Discount of 30%.

Commit to an agreement by November 30, 2021.

Full package consists of:

- 2 satellite scans
- "MasterPlan" pipe deficiency map data
- Background leak analysis
- Boots-on-the-ground investigation
- Report on verified leaks
- Final report of overall project including amount of water saved based on verified leaks

#	UTILITY	POTABLE PIPE (MILES)	MSRP for MasterPlan, Boots on the Ground, & Report of Verified Leaks	SDCWA Individual Member Discount - 10%	SDCWA Collective Member Discount - 30%
1	Calsbad Muni Water	458	\$109,740	\$98,766	\$76,818
2	Fallbrook	270	\$70,900	\$63,810	\$49,630
3	Helix	728	\$164,840	\$148,356	\$115,388
4	Oceanside	615	\$142,150	\$127,935	\$99,505
5	Olivenhain Muni Water	465	\$110,650	\$99,585	\$77,455
6	Otay Water	731	\$166,030	\$149,427	\$116,221
7	Padre Dam	390	\$95,300	\$85,770	\$66,710
8	Rainbow	336	\$84,280	\$75,852	\$58,996
9	San Dieguito *	169	\$63,800	\$57,420	\$44,660
10	Santa Fe Irrigation *	151	\$62,200	\$55,980	\$43,540
11	SDCWA *	142	\$62,200	\$55,980	\$43,540
12	Vallecitos	364	\$90,320	\$81,288	\$63,224
13	Vista Irrigation District	430	\$103,700	\$93,330	\$72,590
	<b>COLLECTIVE PACKAGE</b>	<b>5,249</b>			<b>\$928,277</b>

Utilis has performed scans previously for City of San Diego, Fallbrook PUD and Sweetwater Authority.

**Option 2**

Satellite scanning only.

Single scan base pricing is \$80 per mile (minimum 225 miles). The cost to VWD would be \$26,208.

Two scans base pricing is \$65 per mile (minimum 225 miles) - i.e. \$130 per mile. The cost to VWD would be \$42,588.

Commit to an agreement by November 30, 2021.

Discount will start at 10% and increase up to 30% dependent upon number of agencies signing up.

**Option 3**

Deferred decision.

Agency is not able to commit to an agreement by November 30, 2021.

Interested in a future opportunity.

At least 10% discount will still apply.

**Option 4**

Opt out. Agency is no longer interested in participating in a regional collaboration with Utilis.

This project will be covered under the Asset Management Replacement Schedule Project which is identified in the FY 21/22 Budget with a budget amount of \$704,000. Remaining budget in this project is approximately \$510,000. The total cost for the Full Package (Option 1) to Vallecitos Water District, regardless of how many agencies participate, is \$63,224.

The San Diego County Water Authority (SDCWA) has the ability to contract with a vendor on behalf of member agencies. Under that scenario, the collaboration can establish obligations under simple Memorandums of Understanding (MOU) between SDCWA and each agency; each agency would not contract individually.

**RECOMMENDATION:**

Staff recommends the support of the Vallecitos Board of Directors to:

1. Approve the selection of Option 1 with an expenditure of \$63,224 for satellite leak detection services to be provided by Utilis, Inc.
2. Authorize the General Manager to proceed with establishing an MOU with the SDCWA to contract with Utilis for said services.

**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: DESIGN ENGINEERING PROFESSIONAL SERVICES AGREEMENT  
AWARD FOR THE MEADOWLARK RECLAMATION FACILITY  
CONVERSION TO SODIUM HYPOCHLORITE**

**BACKGROUND:**

The Meadowlark Water Reclamation Facility (MRF) currently uses 100% chlorine gas as a disinfectant to meet State regulations for treatment to reclaimed water standards. Chlorine gas is an acute hazard that presents a danger to District staff and the residents in the immediate area. Use of chlorine gas requires the District to maintain several extensive State and Federal safety programs, equipment, and a Hazardous Materials response team; requiring a considerable amount of staff time and District resources. The conversion from chlorine gas to bulk storage of sodium hypochlorite removes the acute hazard and replaces it with storage and injection of bleach solution (12.5%) that removes the District's requirement to maintain several of the safety programs and permits for the MRF site. Use of the bleach disinfectant does not create an acute hazard in the event of a spill.

The project is an operational priority to remove an existing acute hazard and reduce regulatory requirements, and operations and maintenance staff time at MRF. The project is scheduled for planning and design in the FY 2021/2022 CIP Budget.

**DISCUSSION:**

The District submitted a request for proposals to five local engineering firms on July 1, 2021. The firms were asked to present their experience in designing wastewater process and chemical feed improvement projects of similar nature. The five firms that staff requested proposals from included:

- MurraySmith
- Kleinfelder
- Kennedy/Jenks
- Infrastructure Engineering Corporation (IEC)
- Nolte Vertical Five (NV5)

On August 5, staff received proposals from four of the firms, MurraySmith, Kleinfelder, Kennedy/Jenks, and IEC. District staff reviewed the proposals and rated each firm based on their experience on similar projects, how well they addressed the RFP requirements, project approach, scope of work, fee/labor hours, and schedule.

Staff short-listed two of the firms, MurraySmith and Kleinfelder, who conducted virtual interviews on August 31 before the selection review panel. Staff followed up with MurraySmith on September 3 to request clarifications and refinement to the proposed scope of work. On September 13, staff presented this item to the Engineering and Equipment Committee. MurraySmith provided a revised scope of work and fee estimate on September 20, and MurraySmith was determined to be the most responsive and qualified consultant with a total fee of \$421,921 for design and bid phase professional engineering and environmental services. Staff brought this item to the Engineering and Equipment Committee meeting on September 13, 2021, to request committee support.



**FISCAL IMPACT:**

The project is identified in the FY 21/22 Budget with a budget amount of \$1,845,000. The project funding source is 100% from Reclaimed Water funds. The total estimated project cost and budget summary are as follows:

Budget	\$ 1,845,000
Design Engineering & Environmental	\$ 421,921
Design Management Staff Services	\$ 50,000*
Process Engineering Peer Review Services	\$ 50,000*
Overhead and Materials	\$ 115,000*
Construction Contract	\$ <u>TBD</u>
Total	\$ 636,921*

\*Estimated Fee

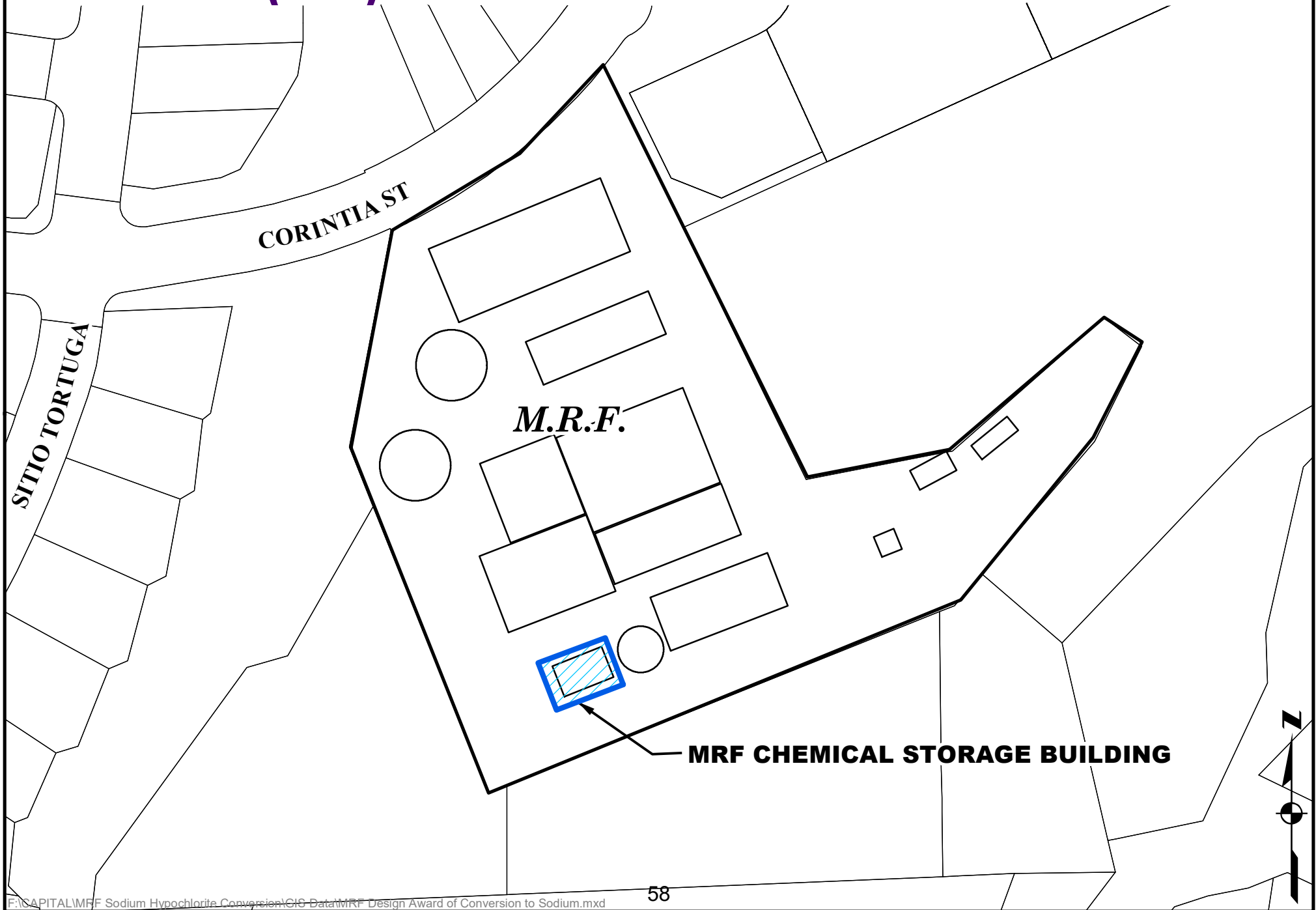
**RECOMMENDATION:**

Staff, with support from the Engineering and Equipment Committee, recommends that the Board of Directors authorize the General Manager to execute a professional services agreement with MurraySmith in the amount of \$421,921 for project design and bid phase engineering and environmental services for the MRF Conversion to Sodium Hypochlorite Project.

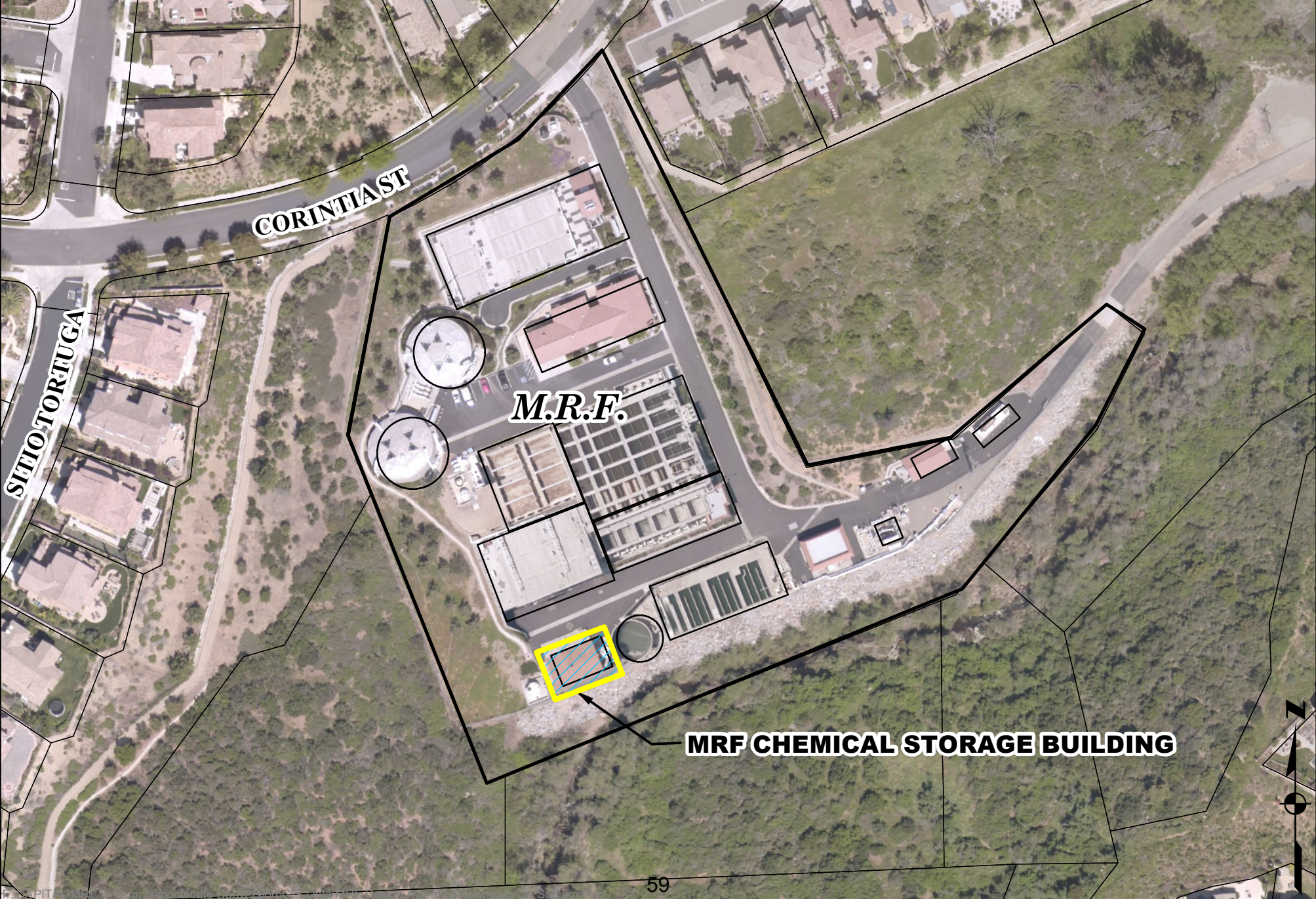
**ATTACHMENTS:**

Plat and aerial exhibit

# PROJECT DESIGN AWARD OF THE MEADOWLARK RECLAMATION FACILITY (MRF) CONVERSION TO SODIUM HYPOCHLORITE



# PROJECT DESIGN AWARD OF THE MEADOWLARK RECLAMATION FACILITY (MRF) CONVERSION TO SODIUM HYPOCHLORITE



**DATE: OCTOBER 6, 2021**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: NOTICE OF DRAFT INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR THE EMERGENCY BYPASS PIPELINE REHABILITATION PROJECT**

**BACKGROUND:**

The Board of Directors authorized a professional services agreement for engineering design and environmental services on March 17, 2021, to rehabilitate the District's existing Emergency Bypass Sewer Pipeline and the parallel Failsafe Outfall in an environmentally sensitive corridor between Rancho Santa Fe Rd. and Melrose Dr. Recent history of breaks resulting in spills and regulatory action have prioritized this project for District operations.

**DISCUSSION:**

The project is approaching final design phase and an evaluation of potential environmental impacts needs to be performed for the project per the California Environmental Quality Act (CEQA). Staff authorized a professional services agreement on March 17, 2021, which included services for Recon Environmental, Inc. (Recon) to prepare an Initial Study and Mitigated Negative Declaration for the project corridor between Melrose Drive and Carrillo Way in the City of Carlsbad. Recon compiled their environmental studies and completed an Initial Study to evaluate the effects of the proposed changes on the environment. Based on the reports contained in the Initial Study, staff determined that the proposed project may impact the environment. The proposed project scope has been revised to add specific trenchless technology measures to fully avoid or mitigate the potential impacts. Staff recommends, per CEQA Section 15070, that a Mitigated Negative Declaration be prepared.

As part of the CEQA effort, staff created a map and contact list for all properties within 500 feet of the project alignment and will submit a copy of the Notice of Preparation for a Mitigated Negative Declaration to each of the property owners. Those parties interested can contact the District to receive additional information. The draft Mitigated Negative Declaration will also be posted on the District's website.

CEQA Section 15073 requires that the Notice of Preparation, Initial Study, and draft Mitigated Negative Declaration be sent to agencies and interested parties concerned with the project. These parties have 30 calendar days to respond with comments. Following the public review period, the draft Mitigated Negative Declaration, together with any comments received during the public review process, will be submitted to the Board for consideration and approval.

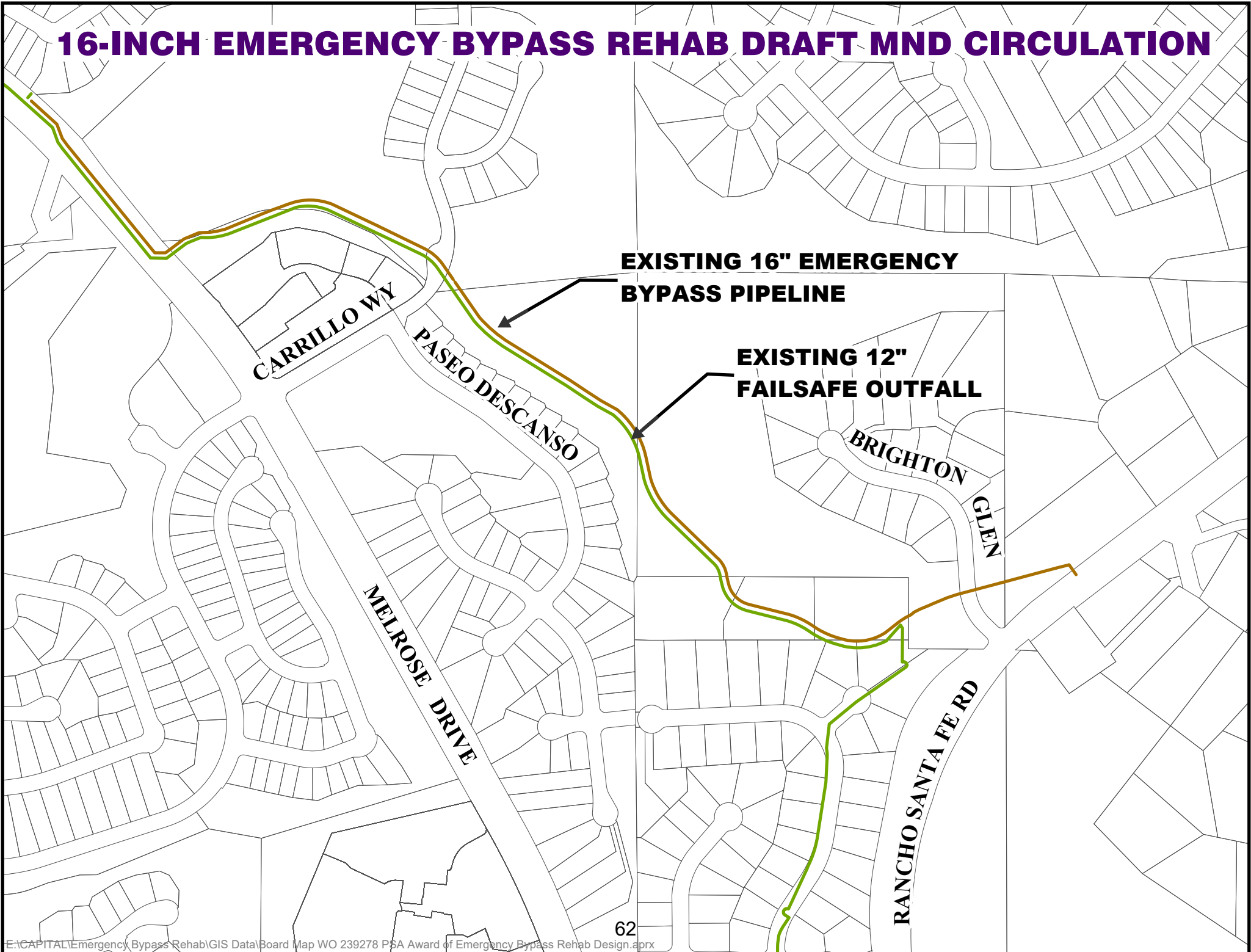
**FISCAL IMPACT:**

Funding for this project is provided entirely through the District's Sewer Replacement Fund 210. The project was planned in the District's FY 21/22 Budget with a total project amount of \$3,210,000.

**RECOMMENDATION:**

Authorize circulation of the Emergency Bypass Pipeline Rehabilitation Project Notice of Preparation, Initial Study, and draft Mitigated Negative Declaration for 30-day public review.

# 16-INCH EMERGENCY BYPASS REHAB DRAFT MND CIRCULATION



# 16-INCH EMERGENCY BYPASS REHAB DRAFT MND CIRCULATION

