

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 1, 2022, AT 5:00 PM, AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Present: Director Elitharp
Director Hernandez
Director Pennock
Director Sannella

Absent: Director Boyd-Hodgson

Staff Present: General Manager Pruim
Assistant General Manager Gumpel
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
District Engineer Hubbard
Operations & Maintenance Manager Pedrazzi
Principal Financial Analyst Arthur
Information Technology Technician Todd

Legal Counsel Gilpin led the pledge of allegiance.

ADDITIONS TO THE AGENDA

None.

ADOPT AGENDA FOR THE REGULAR MEETING OF JUNE 1, 2022

22-06-03 MOTION WAS MADE by Director Pennock, seconded by Director Sannella, and carried unanimously, with Director Boyd-Hodgson absent, to adopt the agenda for the Regular Board Meeting of June 1, 2022.

PUBLIC COMMENT

None.

CONSENT CALENDAR

22-06-04 MOTION WAS MADE by Director Sannella, seconded by Director Pennock, and carried unanimously, with Director Boyd-Hodgson absent, to approve the Consent Calendar as presented.

- 1.1 Appropriations Limit for Fiscal Year 2022/2023
- 1.2 Approval of Construction Agreement for Campus Pointe Storm Drain and Sewer Improvements (Carmel Enterprise, LLC by Nobel Canyon, LLC)
- 1.3 Adoption of Resolution Recognizing the Annexation into the Vallecitos Water District of Certain Properties Designated as Mosqueda Residence into the Sewer Improvement District (Mosqueda Residence)
- 1.4 Consumer Confidence Report

ACTION ITEM(S)

VALLECITOS WATER DISTRICT RECOMMENDED FISCAL YEAR 2022/2023 BUDGET

Principal Financial Analyst Arthur facilitated a presentation on the Recommended Budget for Fiscal Year 2022-2023 as follows:

- Budget Process and Calendar
- 2022/23 Budget – \$100,229,000
- 2022/23 Water Operating Expense Budget – \$47,715,000
- Water Sales/Purchases
- Water Purchases
- Water Sales – Distribution
- Water Sales – Revenue
- 2022/23 Wastewater Operating Expense Budget – \$14,237,000
- Wastewater Revenues
- Operating Budget – Salaries and Benefits
- Capital Improvement Projects by Function Total
- Water Reserves – Total
- Wastewater Reserves – Total
- Days In Cash
- Recommendations

General discussion took place during and after the presentation.

Staff recommended the Board approve the Recommended Fiscal Year 2022/2023 Budget.

22-06-05 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, with Director Boyd-Hodgson absent, to approve the Recommended Fiscal Year 2022/2023 Budget.

RESOLUTION DECLARING INTENT TO REIMBURSE CERTAIN EXPENDITURES WITH ONE OR MORE ISSUANCES OF TAX-EXEMPT OBLIGATIONS

General Manager Pruim stated that in order to use future debt proceeds for reimbursement of certain expenditures for project costs, the District must adopt an inducement resolution. Eligible project expenses are included in the Fiscal Year 2022/2023 Budget. The District adopts an inducement resolution annually.

Staff recommended the Board adopt the resolution.

22-06-06 MOTION WAS MADE by Director Sannella, seconded by President Elitharp, and carried unanimously, with Director Boyd-Hodgson absent, to adopt the resolution.

Resolution No. 1616 - The roll call vote was as follows:

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

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- The District issued a press release announcing that effective today through October 31, customers may water their lawns three days per week instead of two on days of their choosing.
- The District is experiencing a resurgence of COVID cases and is imposing restrictions regarding masks and employees moving between buildings. Public meetings will continue to be held in-person at the District office.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin commented that the spike in COVID cases is impacting other agencies he works with, specifically those that did not adopt virtual meetings which allow hybrid public meetings that Directors and staff may attend virtually if necessary.

Legal Counsel Gilpin stated the State Water Control Board adopted emergency regulations on May 24. The regulations will go into effect on June 10.

SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp stated that at their meeting on May 26, the SDCWA Board approved refunding its member agencies \$10.4 million in attorney's fee proceeds from the settled litigation between SDCWA and Metropolitan Water District of Southern California. More may be refunded if the SDCWA receives a favorable ruling concerning the current litigation. He further stated the SDCWA announced their rate increases of 5.2% (all in full treated rate) and 3.7% (untreated rate).

ENCINA WASTEWATER AUTHORITY

Director Sannella stated the EWA Board heard a presentation on new methodology for billing its member agencies at the May 25 Board meeting.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

None.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Sannella stated that members of Saint Elizabeth Seton Catholic Church located in Carlsbad contacted him recently regarding the construction of a new rectory on the church's property. The District is trying to resolve an issue with an existing backflow device in need of relocation before the construction can move forward. Director Sannella requested this item be placed on the next Board agenda.

ADJOURNMENT

There being no further business to discuss, President Elitharp adjourned the Regular Meeting of the Board of Directors at the hour of 5:32 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, June 15, 2022, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

Craig Elitharp, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruiam, Secretary
Board of Directors
Vallecitos Water District