

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, SEPTEMBER 7, 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 Boyd-Hodgson
Director Elitharp
Director Hernandez
Director Pennock
Director Sannella

Staff Present: General Manager Pruim
Assistant General Manager Gumpel
Legal Counsel Gilpin
District Engineer Hubbard
Chief Financial Officer Owen
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Morgan
Development Services Senior Engineer Lopez
Capital Facilities Engineer Santos
Asset Management Supervisor Bennett
Public Information/Conservation Supervisor Robbins
Information Technology Analyst Todd
Senior Executive Assistant Flores
Executive Assistant Johnson

Others Present: John Bekmanis, Black & Veatch

Director Pennock led the pledge of allegiance.

ADDITIONS TO THE AGENDA

None.

ADOPT AGENDA FOR THE REGULAR MEETING OF SEPTEMBER 7, 2022

22-09-03 MOTION WAS MADE by Director Hernandez, seconded by Director Boyd-Hodgson, and carried unanimously, to adopt the agenda for the Regular Board Meeting of September 7, 2022.

PUBLIC COMMENT

None.

PRESENTATIONS

The Board presented scholarships in the amount of \$1,200 each to three of the five student winners of the District's scholarship contest.

CONSENT CALENDAR

22-09-04 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Public Awareness/Personnel/Policy Committee Meeting – August 1, 2022
- B. Closed Session Board Meeting – August 3, 2022
- C. Regular Board Meeting – August 3, 2022
- D. Engineering/Equipment Committee Meeting – August 4, 2022

1.2 Warrant List through September 7, 2022 - \$6,852,847.58

1.3 Financial Reports

- A. Water Meter Count – July 31, 2022
- B. Water Production/Sales Report – 2022/2023
- C. Per Capita Water Consumption – July 31, 2022
- D. Water Revenue and Expense Report – July 31, 2022
- E. Sewer Revenue and Expense Report – July 31, 2022
- F. Reserve Funds Activity – July 31, 2022
- G. Investment Report – July 31, 2022
- H. Legal Fees Summary – July 31, 2022

1.4 Final Acceptance of Water and Sewer Improvements for Villa Serena Phase 1 Improvements (VS Phase 1, LP)

1.5 Approval of Additional As-Needed Information Technology Professional Services Agreement with Ostari

1.6 Approval of As-Needed Consultant Professional Services Agreement with Quartic

1.7 Award of Construction Contract for the Fiscal Year 2022/2023 Vault Net Fall Protection Installation Project

1.8 Job Classification Retitle and Pay Adjustment for Finance Supervisor

- 1.9 Award of Construction Contract for the Meadowlark Water Reclamation Facility Battery Energy Storage System Retaining Wall Project
- 1.10 Adoption of Resolution Ordering the Annexation of Certain Property Designated as the “Montiel Road Partners/Ramirez Sewer Annexation” into the Sewer Improvement Districts 5 and 6 (Montiel Partners, LP)
- 1.11 Authorization to Execute an Agreement for Door Access Control System Expansion for Meadowlark Water Reclamation Facility and Mahr Reservoir
- 1.12 Approval of Temporary Off-Site Water and Sewer Service Agreements for Merriam Residence (Robert Merriam)
- 1.13 Fall 2022 Between the Pipes – Vallecitos Water District Quarterly Newsletter

PUBLIC HEARING

PUBLIC HEARING REGARDING A REPORT ON DISTRICT WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS

President Elitharp opened the hearing as duly noticed and posted. The hearing opened at 5:12 p.m.

General Manager Pruim provided information on the District’s legal requirement to prepare a Public Health Goals Report every three years and to hold a public hearing for the purpose of accepting and responding to public comments on the report. He noted that the District’s water meets regulatory standards.

There being no persons wishing to address the Board, President Elitharp closed the hearing at 5:16 p.m.

22-09-05 MOTION WAS MADE by Director Sannella, seconded by Director Boyd-Hodgson, and carried unanimously, to accept the Public Health Goals Report.

ACTION ITEM(S)

AWARD OF AMENDMENT NO. 3 FOR THE MONTIEL LIFT STATION AND FORCEMAIN REPLACEMENT PROJECT

Capital Facilities Senior Engineer Morgan provided details of the project and Amendment Nos. 1 and 2 that were included in the staff report. The Montiel Lift Station, constructed in 1985 as a temporary facility intended to be in operation for less than 5 years, has a history of operational ineffectiveness including occasional pump failure

requiring emergency action to make repairs. The 6-inch force main serving the Montiel Lift Station is in danger of failing and is in severe need of replacement, and the existing 8-inch gravity sewer transporting wastewater from the 6-inch force main through the Nordahl Shopping Center is undersized and cannot serve additional development in the Montiel sewershed without enlargement.

Capital Facilities Senior Engineer Morgan stated that on July 17, 2022, the District initiated a request for additional design engineering services to address continued coordination with the Hotel Leora Lane development. Staff received a final version of the proposal from Michael Baker International, Inc. (MBI) for Amendment No. 3 on August 25, 2022, with a time and materials not-to-exceed fee of \$74,281.

Staff recommended the Board authorize the General Manager to execute Amendment No. 3 under the current professional services agreement with MBI in the amount of \$74,281 for additional engineering design services for the Montiel Lift Station and Forcemain Replacement Project.

General discussion took place.

22-09-06 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to approve staff's recommendation.

ADOPTION OF RESOLUTION APPROVING AN ADDENDUM TO THE 2018 PROGRAM ENVIRONMENTAL IMPACT REPORT FOR THE MONTIEL LIFT STATION AND FORCEMAIN REPLACEMENT PROJECT

Capital Facilities Senior Engineer Morgan stated that as part of Michael Baker International, Inc.'s scope of work for the project, an Addendum to the Certified 2018 Water, Wastewater, and Recycled Water Master Plan Program Environmental Impact Report (PEIR) was prepared to address proposed infrastructure improvements under California Environmental Quality Act (CEQA) guidelines. No conditions were identified that would require the preparation of a subsequent EIR; therefore, pursuant to CEQA guidelines, the proposed Addendum is intended to inform the District's consideration and action on the project.

Staff recommended the Board adopt the resolution approving the Addendum to the Certified 2018 Water, Wastewater, and Recycled Water Master Plan PEIR for the Montiel Lift Station and Forcemain Replacement Project. The resolution also directs staff to file a Notice of Determination with the San Diego County Clerk and a Certificate of Fee Exemption with the California Department of Fish and Wildlife.

General discussion took place.

22-09-07 MOTION WAS MADE by President Elitharp, seconded by Director Sannella, and carried unanimously, to adopt the resolution.

Resolution No. 1624 - The roll call vote was as follows:

AYES: Boyd-Hodgson, Elitharp, Hernandez, Pennock, Sannella

NOES:

ABSTAIN:

ABSENT:

AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR THE ASSET MANAGEMENT PLAN PROJECT

Asset Management Supervisor Bennett facilitated a presentation, "Asset Management Plan (AMP) Update" as follows:

- Asset Management Principals
- Strategic Alignment
- Asset Management Activities Progression
- Asset Management Plan
 - Development Scope
 - Consultant Fee (Black & Veatch)
 - Budget
 - Next Steps

Asset Management Supervisor Bennett stated the project is identified in the Fiscal Year (FY) 2022/2023 budget with a total Capital Improvement Program (CIP) budget of \$704,000, of which approximately \$274,000 is allocated for the current fiscal year. To support the creation and implementation of the proposed AMP as well as other projects within the Asset Management Program under the CIP budget, \$401,650 will be needed in FY 2022/2023. Therefore, \$128,391 will need to be reallocated from FY 2023/2024 to the current fiscal year.

General discussion took place.

Staff recommended the Board authorize the General Manager to execute a professional services agreement with Black & Veatch in the amount of \$305,750 for the AMP project and reallocate \$128,391 from FY 2023/2024 to FY 2022/2023.

22-09-08 MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and carried unanimously, to approve staff's recommendation.

AWARD OF CONSTRUCTION CONTRACT FOR THE 16-INCH EMERGENCY BYPASS PIPELINE REHABILITATION PROJECT

Capital Facilities Engineer Santos reviewed background information on the project as detailed in the staff report. The Emergency Bypass pipeline, a critical infrastructure asset serving as a relief in the District's sewer system, has had three failures and repairs over the past five years and has been considered inoperable since 2019 due to the history of failures and regulatory risk. Rehabilitation or replacement of the pipeline was prioritized, and the planning phase of the project was initiated in Winter 2020. It was determined that the 12-inch diameter Meadowlark Failsafe Outfall (Failsafe) could be added to the project which would result in significant cost savings. The Failsafe has also experienced several failures in the past five years, requiring emergency repairs.

Capital Facilities Engineer Santos stated that during the design phase of the project, rehabilitation of the pipeline was selected over replacement for numerous reasons. Staff and District Counsel completed their evaluations of the project bids received on August 25, 2022, and determined that Burtech Pipeline was the lowest responsive and responsible bidder. Staff conducted a Request for Proposal solicitation for inspection, construction, and geotechnical services, and on July 22, 2022, selected Valley Construction Management.

Staff recommended the Board authorize the General Manager to execute a construction contract with Burtech Pipeline in the amount of \$1,696,000 subject to provisions of the contract, and to execute a contract with Valley Construction Management in the amount of \$285,080.

General discussion took place.

22-09-09 MOTION WAS MADE by Director Boyd-Hodgson, seconded by Director Sannella, and carried unanimously, to approve staff's recommendation.

FISCAL YEAR 2022 TACTICAL PLAN INITIATIVES FINAL REPORT

General Manager Pruim stated the Board adopted Strategic Plan 2022 on December 15, 2021. The Strategic Plan lays out the District's strategic direction for the next five to six years and is broken into six Strategic Focus Areas (SFAs). Each SFA contains a number of Supporting Strategies. The Board also adopted a Fiscal Year (FY) 2022 Tactical Plan on March 2, 2022. The Tactical Plan contains 37 initiatives covering the time period of March 2, 2022, through June 30, 2022. During that timeframe, 19 initiatives were completed, 16 were in process, but not fully completed, and 2 were not initiated. In total, 94.6% of the FY 2022 initiatives were either fully or partially completed. Initiatives not completed will be rolled forward into the FY 2023 Tactical Plan. General Manager Pruim briefly reviewed the FY 2022 Tactical Plan Initiatives Report Card.

General discussion took place.

This item was presented for information only.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- The District is currently experiencing a COVID outbreak in Building B. Three individuals tested positive for COVID in a 14-day period. As a result, the employee appreciation event currently scheduled for September 15 may need to be rescheduled.
- The District is doing everything possible to reduce its power consumption during the current heat wave.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin reported that Senate Bill 222, the Affordable Water Act, passed in the state legislature. He also commented that the Board currently approves committee minutes. As an alternative, some agencies list committee reports on their agendas and their Board of Directors receive the minutes but do not approve them.

SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp reported on actions taken at the SDCWA Board's regular meeting on August 25. He noted that David Edwards was appointed as the new General Counsel.

ENCINA WASTEWATER AUTHORITY

None.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Hernandez reported on his attendance to the Urban Water Institute Annual Conference August 24-26.

Director Pennock reported on his attendance to the California Association of Sanitation Agencies Annual Conference August 10-12 and the California Special Districts Association (CSDA) Annual Conference August 22-24.

Director Sannella reported on his attendance to the CSDA San Diego Chapter quarterly dinner meeting on August 18.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Boyd-Hodgson requested a presentation be provided to the Board regarding the Hillside Property Development Ad Hoc Committee.

Director Hernandez inquired about that status of South Lake. Assistant General Manager Gumpel stated the South Lake Agreement has been blessed by the San Marcos City Manager and reviewed by the City's legal counsel. District staff is currently addressing minor comments. The City is ready to make the necessary improvements to make South Lake safe and accessible.

ADJOURNMENT

There being no further business to discuss, President Elitharp adjourned the Regular Meeting of the Board of Directors at the hour of 6:56 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, September 21, 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