

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY MARCH 17, 2010, AT 4:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT FERGUSON

PLEDGE OF ALLEGIANCE – GENERAL MANAGER LAMB

ROLL CALL

In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity which severely imperils public health, safety, or both. Also, items which arise after the posting of the Agenda may be added by a two-thirds vote of the Board of Directors.

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 17, 2010

ORAL COMMUNICATIONS

Persons wishing to address a matter not on the Agenda may be heard at this time; however, no action will be taken until the matter is placed on a future agenda in accordance with Board policy.

NOTICE TO THE PUBLIC

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.

CONSENT CALENDAR

- 1.1 APPROVAL OF MINUTES
 - A. BOARD COMMITTEE MEETING – MARCH 1, 2010
 - B. REGULAR BOARD MEETING – MARCH 3, 2010

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

- 1.2 WARRANT LIST THROUGH MARCH 17, 2010 - \$775,344.73

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS

- A. WATER METER COUNT – FEBRUARY 28, 2010
- B. WATER PRODUCTION/SALES REPORT – 2009/2010
- C. WATER REVENUE AND EXPENSE REPORT – FEBRUARY 28, 2010
- D. SEWER REVENUE AND EXPENSE REPORT – FEBRUARY 28, 2010
- E. APPROPRIATED FUND BALANCE ACTIVITY – FEBRUARY 28, 2010
- F. INVESTMENT REPORT – FEBRUARY 2010

1.4 STAFF REORGANIZATION

This reorganization furthers the Board's desire for cost efficiency while maintaining adequate staffing for efficient operation of the District. The proposed changes result in a net reduction in direct salary and benefits costs of approximately \$225,000 annually.

Recommendation: **Approve and accept the proposed reorganization as presented; direct staff to complete a 5-year staffing report for Board review; re-evaluate the need to fill vacant positions that may occur through retirements; do not fill unfunded/vacant positions pending completion of and approval of the 5-year staffing plan by the Board**

1.5 DRAFT REVISED EMPLOYEE HANDBOOK

One of the goals for Human Resources in the Strategic Plan for fiscal year 2009/2010 was to review and revise the Employee Handbook.

Recommendation: **Approve the draft revised Employee Handbook as presented**

1.6 RESOLUTION EXPRESSING APPRECIATION FOR THE SERVICES OF WILLIAM W. RUCKER

Resolution provides public recognition to William W. Rucker for his combined service of 32 years with the Vallecitos Water District.

Recommendation: **Adopt Resolution**

1.7 SPRING 2010 SPLASH - VALLECITOS WATER DISTRICT QUARTERLY NEWSLETTER

The Splash newsletter is mailed to District customers.

Recommendation: **Approve the Spring 2010 Splash Newsletter**

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

ACTION ITEMS

2.1 RECOMMENDATION TO CONTRACT WITH AUDIT FIRM

The prior 3-year contract the District had for auditing services expired in 2009, requiring staff to obtain proposals for audit services for fiscal years 2010, 2011, and 2012.

Recommendation: Approve a contract with Diehl, Evans & Company in the amount of \$82,500 for professional auditing services for the years ending June 30, 2010, 2011, 2012

2.2 CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS – SEAT B

The Elections and Bylaws Committee is looking for Independent Special District Board members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2010-2013 term.

Recommendation: Request Board Direction

*****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

3.5 ACWA/REGION 10

3.6 LAFCO

3.7 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS
ATTENDED

*****END OF REPORTS*****

OTHER BUSINESS

4.1 MEETINGS

Urban Water Institute - "Bridging the Gap: The Need For New Water"
May 26, 2010 – Hyatt Regency, Long Beach, CA

*****END OF OTHER BUSINESS*****

CLOSED SESSION

5.1 CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION
54956.95 – LIABILITY CLAIMS – CLAIMANTS:

- 1) Joe Dombrowski
- 2) Wawanesa Insurance

AGENCY CLAIMED AGAINST: Vallecitos Water District

*****END OF CLOSED SESSION*****


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. 261 at least 48 hours prior to the meeting.

AFFIDAVIT OF POSTING

I, Diane Posvar, 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 3:00 p.m., Friday, March 12, 2010.



Diane Posvar

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 17, 2010, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Ferguson called the Regular meeting to order at the hour of 4:00 p.m.

General Manager Lamb led the pledge of allegiance.

Present: Director Ferguson
Director Gentry (4:04 pm)
Director Hannan
Director Poltl
Director Shell

Staff Present: General Manager Lamb
Legal Counsel Scott
Director of Finance Scaglione
Director of Human Resources Caudle
Engineering Manager Gerdes
Operations Manager Arrant
Capital Facilities Engineer Gumpel
Public Information/Conservation Supervisor Urabe
Public Information Specialist Webb
Administrative Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 17, 2010

10-03-10 MOTION WAS MADE by Director Shell, seconded by Director Poltl, and carried unanimously, to adopt the agenda for the Regular Board Meeting of March 17, 2010.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

10-03-11 MOTION WAS MADE by Director Hannan, seconded by Director Shell, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Board Committee Meeting – March 1, 2010
- B. Regular Board Meeting – March 3, 2010

1.2 Warrant List through March 17, 2010 - \$775,344.73

1.3 Financial Reports

- A. Water Meter Count – February 28, 2010
- B. Water Production/Sales Report – 2009/2010
- C. Water Revenue and Expense Report – February 28, 2010
- D. Sewer Revenue and Expense Report – February 28, 2010
- E. Appropriated Fund Balance Activity – February 28, 2010
- F. Investment Report – February 2010

1.4 Staff Reorganization

1.5 Draft Revised Employee Handbook

1.6 Resolution Expressing Appreciation for the Services of William W. Rucker

1.7 Spring 2010 SPLASH – Vallecitos Water District Quarterly Newsletter

ACTION ITEMS

RECOMMENDATION TO CONTRACT WITH AUDIT FIRM

General Manager Lamb reported that the District has ended a three year term with Charles Fedak & Company. Request for Proposals were issued in January 2010 and proposals were presented at the March 1 Board Committee meeting. At Direction from the Board at the Committee meeting, interviews were conducted with three firms: Lance Sol and Lunghard, Diehl Evans & Company, and Charles Z. Fedak & Company. Following the interviews, the interview panel was unanimous in their decision to recommend awarding the next three-year period to Diehl Evans & Company in the amount of \$82,500.

Staff recommended the Board approve a contract with Diehl, Evans & Company in the amount of \$82,500 for professional auditing services.

10-03-12 MOTION WAS MADE by Director Hannan, seconded by Director Poltl, and carried unanimously, to approve a contract with Diehl, Evans & Company in the amount of \$82,500 for professional auditing services for the years ending June 30, 2010, 2011, 2012.

CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS – SEAT B

General Manager Lamb reported that the Elections and Bylaws Committee is looking for Independent Special District Board members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2010-2013 term.

President Ferguson recommended continuing this item to allow time for nominations to be made.

10-03-13 MOTION WAS MADE by Director Shell, seconded by Director Poltl, and carried unanimously, to continue this item to the May 5, 2010, Board meeting.

REPORTS

GENERAL MANAGER

General Manager Lamb reported that he attended the SDCWA Managers' meeting on March 16. Everything is moving forward on the desalination project and items will be forthcoming to the SDCWA Board for action. Through the last snow measurement, the State is at about 112% of average between the three areas measured. There will be one more measurement in April and it will be the final measurement for the year. The overall rainfall is about 98% of normal. The State Water Project has increased the allocation to 15% from 5%. It is currently looking favorable that the State Water Project allocation will be 35-40% as a final delivery. The final allocation amount will be determined following the final snow measurement.

DISTRICT COUNSEL

None.

SAN DIEGO COUNTY WATER AUTHORITY

Director Ferguson reported that the News & Notes was distributed. The next Board meeting will be held on March 25.

ENCINA WASTEWATER AUTHORITY

Director Hannan reported that she attended the Policy and Finance Committee meeting on March 16. The next Board meeting will be held on March 24.

Director Gentry reported that the Capital Improvement Committee meeting was cancelled.

ACWA REGION 10

Director Gentry reported that a conference call will take place on March 18 to discuss remaining business that needs to be finalized.

LAFCO

Director Poltl reported that the meeting for this month was cancelled.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

President Ferguson noted that written reports from Directors were distributed at the meeting. The reports are on file.

President Ferguson provided an oral report on her attendance to the San Marcos Economic Development Corporation meeting this morning. Handouts from the meeting were provided to each Board member.

OTHER BUSINESS

None.

CLOSED SESSION

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95
LIABILITY CLAIMS – CLAIMANTS:

- 1) Joe Dombrowski
- 2) Wawanesa Insurance

Agency Claims Against: Vallecitos Water District

10-03-14 MOTION WAS MADE by Director Shell, seconded by Director Hannan, and carried unanimously, to move into Closed Session pursuant to Government Code Section 54956.95 – Liability Claims.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 4:28 p.m. The Board, in Closed Session, unanimously denied the claims of Dombrowski and Wawanesa and directed staff to take appropriate action to notify the claimants.

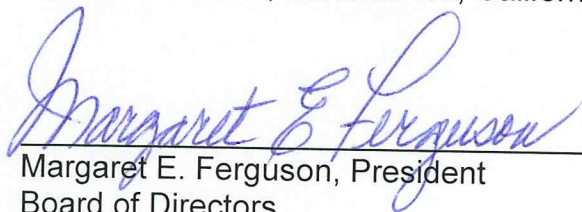
ADJOURNMENT

There being no further business to discuss, President Ferguson adjourned the Regular Meeting of the Board of Directors at the hour of 4:29 p.m.

Minutes of the Vallecitos Water District Regular Meeting
March 17, 2010

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A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 7, 2010, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.



Margaret E. Ferguson, President
Board of Directors
Vallecitos Water District

ATTEST:



Dennis O. Lamb, Secretary
Board of Directors
Vallecitos Water District