

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY APRIL 21, 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 – DIRECTOR GENTRY

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 APRIL 21, 2010

PRESENTATION

Water System Operator II, **Cheryl Minichilli**, received her certification for Water Distribution Operator Grade D5 from the State of California Department of Public Health.

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 – APRIL 12, 2010
- B. ADJOURNED BOARD MEETING – APRIL 14, 2010

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

- 1.2 WARRANT LIST THROUGH APRIL 21, 2010 - \$756,302.44

Recommendation: Approve Warrant List

- 1.3 FINANCIAL REPORTS

- A. WATER METER COUNT – MARCH 31, 2010
- B. WATER PRODUCTION/SALES REPORT – 2009/2010
- C. WATER REVENUE AND EXPENSE REPORT – MARCH 31, 2010
- D. SEWER REVENUE AND EXPENSE REPORT – MARCH 31, 2010
- E. APPROPRIATED FUND BALANCE ACTIVITY – MARCH 31, 2010
- F. INVESTMENT REPORT – MARCH 2010

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

ACTION ITEMS

- 2.1 LAKE SAN MARCOS PARTICIPATION AGREEMENT

The District has been actively working with interested parties on developing an agreement that addresses the issue associated with the water quality in Lake San Marcos.

Recommendation: Approve the Lake San Marcos Participation Agreement

*****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 PUBLIC INFORMATION AND CONSERVATION ACTIVITY REPORT FOR MARCH 2010
- 4.2 QUARTERLY INVESTMENT REPORT

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

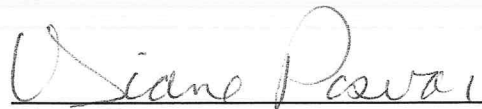
- 5.1 ADJOURNMENT

*****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.

AFFIDAVIT OF POSTING

I, Diane Posvar, Executive 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, April 16, 2010.



Diane Posvar

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 21, 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.

Director Gentry led the pledge of allegiance.

Present: Director Ferguson
Director Gentry
Director Hannan
Director Poltl
Director Shell

Staff Present: General Manager Lamb
Legal Counsel Scott
Finance Manager Scaglione
Administrative Services Manager Caudle
District Engineer Gerdes
Principle Engineer Gumpel
Operations & Maintenance Manager Arrant
Public Information/Conservation Supervisor Urabe
Public Information Specialist Webb
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 21, 2010

10-04-04 MOTION WAS MADE by Director Hannan, seconded by Director Shell, and carried unanimously, to adopt the agenda for the Regular Board Meeting of April 21, 2010.

PRESENTATION

Water System Operator II, Cheryl Minichilli, was presented with her certification for Water Distribution Operator Grade D5 from the State of California Department of Public Health.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

10-04-05 MOTION WAS MADE by Director Shell, seconded by Director Poltl, and carried unanimously, with Director Hannan abstaining from Item 1.1, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Regular Board Meeting – April 12, 2010
- B. Adjourned Board Meeting – April 14, 2010

1.2 Warrant List through April 21, 2010 - \$756,302.44

ACTION ITEMS

LAKE SAN MARCOS PARTICIPATION AGREEMENT

General Manager Lamb reported that he attended an all-hands (public agencies and private groups) meeting at the Regional Water Quality Control Board (RWQCB) yesterday. The intent of the meeting was to hear from all the interested parties as to the status of them participating in a common Participation Agreement, or whether or not they were willing to commit to the full process from study through cleanup. There appeared to be miscommunication/difference of opinion between RWQCB staff, RWQCB legal counsel and State Board staff as to who could qualify/benefit from cleanup and abatement funds and who can't. Jim Dodson and John Lorman with the City of San Marcos will address a letter to the RWQCB Executive Officer requesting a clear statement from the RWQCB on the allocation of funds if they're obtained. The City of San Marcos is acting as the lead agency in pursuing the cleanup and abatement funds. Questions were raised as to who is entitled to the funds and whether the funds can help offset a non-government entity that is a responsible party. It was also determined at the meeting that an agreement does not need to be in place in order to pursue cleanup and abatement funds. Therefore, there is not as much urgency this week to approve the agreement. General Manager Lamb stated that he would like to obtain more clearly defined answers to the questions being raised before the Board takes action on the agreement.

Following general discussion, General Manager Lamb recommended the Board table this item until the next Board meeting for action.

10-04-06 MOTION WAS MADE by Director Shell, seconded by Director Gentry, and carried unanimously, to continue this item to the May 11, 2010, Board meeting.

REPORTS

GENERAL MANAGER

None.

DISTRICT COUNSEL

Legal Counsel Scott reported on AB 2182 relating to allowing contractual assessments for private property owners to replace or upgrade onsite sewer laterals or septic tank conversions. The program is similar to the current program which allows contractual assessments in renewable energy improvements.

Legal Counsel Scott also reported on SB 972 relating to indemnity for design professionals.

SAN DIEGO COUNTY WATER AUTHORITY

Director Ferguson noted that the Board meeting will be held on April 22.

ENCINA WASTEWATER AUTHORITY

Director Gentry reported that he attended the Capital Improvement Committee meeting this week. Topics included final acceptance on the new Co-Gen engines, equipment failure at Agua Hedionda station, and the outfall protection project (Carlsbad Blvd. road work).

ACWA REGION 10

Director Gentry reported that the next meeting will be held at the ACWA Conference.

LAFCO

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

President Ferguson noted that a written report was provided electronically. The report is on file.

OTHER BUSINESS

PUBLIC INFORMATION AND CONSERVATION ACTIVITY REPORT FOR MARCH 2010

This item was for information only. No action was required.

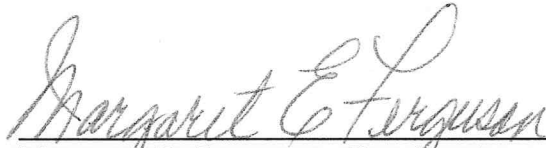
QUARTERLY INVESTMENT REPORT

Finance Manager Scaglione presented the Quarterly Investment Report. During the quarter, approximately \$2 million was invested in CD's, \$100,000 in CD's matured, \$1.5 million in agencies were called, and another \$1 million in agencies matured. The weighted average return for the month of March was 0.892% compared to 1.156% previously. The District is staying diversified by investment type to mitigate risk. Graphs on the weighted average maturity and liquidity targets were presented. Investments with maturities of at least 0-3 months are maintained in the lower target and at least one year in the higher target. Finance Manager Scaglione reviewed the yield comparison with other agencies, investments by fund and also by investment type.

ADJOURNMENT

There being no further business to discuss, President Ferguson adjourned the Regular Meeting of the Board of Directors at the hour of 4:39 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Tuesday, May 11, 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