

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, AUGUST 3, 2016, AT 5:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Director Elitharp led the pledge of allegiance.

Present: Director Elitharp  
Director Evans  
Director Hernandez  
Director Martin  
Director Sannella

Staff Present: Interim General Manager Scaglione  
Legal Counsel Scott  
Administrative Services Manager Emmanuel  
District Engineer Gumpel  
Finance Manager Fusco  
Operations & Maintenance Manager Pedrazzi  
Capital Facilities Senior Engineer Hubbard  
Development Services Senior Engineer Scholl  
Executive Secretary Posvar  
Administrative Secretary Johnson

ADOPT AGENDA FOR THE REGULAR MEETING OF AUGUST 3, 2016

16-08-01 MOTION WAS MADE by Director Evans, seconded by Director Martin, and carried unanimously, to adopt the agenda for the Regular Board Meeting of August 3, 2016.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board stating it is unfair to charge seniors and rate payers for 3/4-inch meter capacity when they have 5/8-inch meters or are expected to change to 3/4-inch in the future. He stated his opposition to the 5% increases. He thanked the Board.

CONSENT CALENDAR

16-08-02 MOTION WAS MADE by Director Martin, seconded by Director Evans, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Board Workshop Meeting – June 8, 2016
- B. Regular Board Meeting – July 20, 2016
- C. Special Board Meeting – July 26, 2016

1.2 Warrant List through August 3, 2016 - \$1,597,390.15

### ACTION ITEMS

#### SET PUBLIC HEARING FOR REPORT ON DISTRICT WATER QUALITY RELATIVE TO PUBLIC HEALTH GOALS

Operations & Maintenance Manager Pedrazzi stated California Health and Safety Code §116470 requires water utilities with more than 10,000 service connections prepare a special report once every three years, if their water quality constituents have exceeded any Public Health Goals (PHGs). PHGs are non-enforceable goals established by the Cal-EPA's Office of Environmental Health Hazard Assessment (OEHHA). The law also requires that where OEHHA has not adopted a PHG for a constituent, the water suppliers are to use the Maximum Contaminant Level Goals (MCLGs) adopted by USEPA. Only constituents which have a California primary drinking water standard and for which a PHG or MCLG has been established need to be addressed.

The law requires that a Public Hearing be held for the purpose of accepting and responding to public comment on the Report. The law requires that the Report be made available to the public at least 15 days prior to the acceptance of the Report. The Report will be available at the District office for public review.

Staff recommended the Board set the Public Hearing for September 7.

16-08-03 MOTION WAS MADE by Director Martin, seconded by Director Elitharp, and carried unanimously, to set the Public Hearing for September 7.

#### PROFESSIONAL SERVICES AGREEMENT – OPERATIONS BUILDING LOCKER ROOM EXPANSION

Capital Facilities Senior Engineer Hubbard stated the Operations & Maintenance men's locker room located in Building B is no longer large enough to accommodate the number of current employees utilizing it. The proposed expansion will double the size of the locker room, which will provide adequate space for current staff and allow for future growth.

He further stated the District sent a request for proposal for architectural design services to six firms. A panel of four staff members reviewed the three proposals received and rated each firm based on understanding of the work, project team experience and

qualifications, proposed project approach, detailed scope of work, proposed fee and schedule, and references. Staff selected Jeff Katz Architecture as the most qualified firm and negotiated a scope of work and fee with Jeff Katz Architecture for the amount of \$66,800.

Staff recommended the Board approve a professional services agreement with Jeff Katz Architecture in the amount of \$66,800 for the Operations Building Locker Room Expansion.

General discussion took place.

16-08-04 MOTION WAS MADE by Director Evans, seconded by Director Martin, and carried unanimously, to approve the professional services agreement with Jeff Katz Architecture in the amount of \$66,800.

#### CAPITAL PROJECTS QUARTERLY UPDATE

Capital Facilities Senior Engineer Hubbard presented an overview of the Capital Improvement Projects (CIP) quarterly updates that are available on the District's website. He demonstrated how to access the information on the website and what type of information is available. Information included on the website such as project descriptions and status, financial data, and change orders is updated quarterly. He then presented a fourth quarter CIP update which included fiscal year-end financial information.

General discussion took place.

This item was presented for information only.

#### APPROVAL OF TEMPORARY OFF-SITE WATER SERVICE AGREEMENT FOR BOFFEY RESIDENCE, APN: 222-080-55 (CHRIS BOFFEY & ALKA GURUNG)

Development Services Senior Engineer Scholl stated the property owners have requested approval of a Temporary Off-Site Water Service Agreement to provide water service for a single-family residence on property located within VWD's water service boundary at the south end of Vista Colina Drive. An existing 6-inch ductile iron water main is located in Vista Colina Drive; however, the main ends approximately 400 feet from the property. Extension of the water main will not provide minimum pressure and flow to the property and there are no current development plans which would require service to adjacent parcels. The adjacent property to the south is extremely steep with even higher elevations than the subject property. This adjacent property has also been designated as open space and is not likely to require water service.

He further stated staff considered several different ways in which to provide water service, and determined that a Temporary Off-Site Water Service Agreement would allow the water meter to be located at the end of the existing main where minimum pressure and flow can be provided. A private service line would be installed from the meter to the subject site with private booster pumps as needed to provide the required pressures on site.

Staff recommended the Board approve the Temporary Off-Site Water Service Agreement with the following conditions:

1. Execution of a Temporary Off-Site Water Service Agreement which will be recorded against the property.
2. Payment of \$500 administration fee and County recording fees.
3. Submittal of proof of recorded easement across adjacent property for a private water service line.
4. Installation of a water meter by owner's contractor with inspection by District personnel.
5. No water service will be allowed until payment of all current fees and charges (including Water Capital Facility Fees) and completion of the above conditions.

General discussion took place.

16-08-05 MOTION WAS MADE by Director Hernandez, seconded by Director Evans, and carried unanimously, to approve the Temporary Off-Site Water Service Agreement with conditions as presented.

#### TEMPORARY WATER SERVICE EXCHANGE AGREEMENTS WITH THE VISTA IRRIGATION DISTRICT

Development Services Senior Engineer Scholl stated Vista Irrigation District (VID) currently provides water service to three properties (Assessor Parcel Numbers 182-260-08, 182-260-09, and 182-020-31) via two 3-inch water meters near the intersection of Deer Springs Road and Sarver Lane. The VID pipeline that serves these properties is a 50-year-old main that has experienced several leaks and is in need of replacement.

He further stated Vallecitos Water District (VWD) also owns and maintains distribution infrastructure within Deer Springs Road and Sarver Lane along the frontage of these properties. As an alternative to replacement of their pipeline, VID has proposed to VWD to transfer the two 3-inch water meter service connections to VWD's pipelines. Under this arrangement, VWD would serve the properties on VID's behalf through Temporary Water Service Exchange Agreements. In addition, these properties lie within VWD's Sphere of Influence, and both agencies anticipate that these properties will ultimately be served by VWD as called for in VWD's 2008 Master Plan.

Staff recommended the Board approve the two Temporary Water Service Exchange Agreements between VID and VWD for Assessor Parcel Numbers (APN) 182-260-08, 182-260-09, and 182-020-31.

General discussion took place, during which Development Services Senior Engineer Scholl clarified that VID has agreed to incur all expenses for installing the two 3-inch meters on VWD's pipelines. No expenses will be paid by the District.

Mike Hunsaker, member of the public, addressed the Board stating concerns of not going through LAFCO, water availability, and rates. He thanked the Board.

General discussion took place, during which it was clarified that under the Temporary Water Service Exchange Agreements, if the District could no longer provide water, it would then be VID's responsibility. Director Elitharp pointed out that the water provided under the agreements comes out of VID's allocation, not VWD's.

16-08-06 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, to approve two Temporary Water Service Exchange Agreements between VID and VWD for APNs 182-260-08, 182-260-09, and 182-020-31.

#### ANNEXATION/DETACHMENT ORDINANCE REVISION

District Engineer Gumpel stated Ordinance No. 196, adopted February 3, 2016, established a per-acre charge for annexations/detachments as well as policy and procedure for annexations and detachments of land to and from the District. At its July 20, 2016 Regular Board meeting, the Board asked that this ordinance be presented for discussion at the next Regular Board meeting. During that discussion, the Board directed staff to revise the ordinance in order to alleviate confusion regarding open space dedications within developments.

He further stated that Ordinance No. 196 does not give staff the authority to deviate from policy. Staff has historically presented the annexation requirements per policy along with the variance alternative to the Board for consideration. Staff recommended some alterations to Section 2.13 that could streamline the discussion process by giving the General Manager the discretion to exclude contiguous open space dedications from annexation requirements on a case by case basis. Under these alterations, staff could provide a single annexation recommendation to the Board for consideration.

Staff requested guidance and direction from the Board.

General discussion took place.

Mike Hunsaker, member of the public, addressed the Board agreeing that open space should never have been annexed for sewer. He inquired regarding fees paid for detachment refunds versus annexation charges.

16-08-07 MOTION WAS MADE by Director Martin, seconded by Director Hernandez, and carried unanimously, to adopt the ordinance.

Ordinance No. 200 - The roll call vote was as follows:

AYES: Elitharp, Evans, Hernandez, Martin, Sannella

NOES:

ABSTAIN:

ABSENT:

#### ORDINANCE NO. 197, BUSINESS OF THE BOARD

Interim General Manager Scaglione stated that at the July 20, 2016 Board meeting, the Board requested removal of the San Marcos Chamber of Commerce membership from the authorized list referenced in Ordinance No. 197. Staff was also directed to reduce the membership level with the San Diego North Economic Development Council (SDNEDC) from \$5,000 to \$1,500.

He further stated that in addition to the changes directed by the Board, the San Marcos Economic Development Council was deleted from the draft ordinance as it no longer exists.

Staff recommended the Board adopt the revised ordinance repealing Ordinance No. 197.

General discussion took place, during which Director Evans stated for the record that she does not approve of the SDNEDC as an authorized organization.

16-08-08 MOTION WAS MADE by Director Martin, seconded by Director Elitharp, and carried unanimously, to adopt the revised ordinance repealing Ordinance No. 197.

Ordinance No. 201 - The roll call vote was as follows:

AYES: Elitharp, Evans, Hernandez, Martin, Sannella

NOES:

ABSTAIN:

ABSENT:

### QUARTERLY INVESTMENT REPORT

Finance Manager Fusco reported on the Districts investments for the quarter ended June 30, 2016. This item was presented for information only.

### REPORTS

#### INTERIM GENERAL MANAGER

Interim General Manager Scaglione discussed the following:

- Pump zone rates will be presented at the next Regular Board meeting for discussion. Director Hernandez requested a report within the next few months regarding the cost/benefit of installing solar panel zones.
- The Employee Handbook must be officially adopted by the Board in order to rescind associated obsolete resolutions.
- He clarified that when San Marcos' City Manager asks for an extension of the lease agreement for Lake San Marcos, he's really asking to extend the time for the completion of the project. The last extension to the 50-year lease was approved until December 31, 2018.
- He presented the "Pokemon Go!" video staff produced for the purpose of public outreach.
- The North San Diego Reuse Coalition is writing a response to the favorable report they received from the Grand Jury to address recommendations the Grand Jury had made. The membership has expanded from 4 agencies to 10; the use of reclaimed water in the 78 Corridor between Escondido and Oceanside has been increased; and the Coalition is looking into storm water recapture.
- The Discovery Channel would be broadcasting a documentary on the Colorado River later that evening.

#### DISTRICT LEGAL COUNSEL

None.

#### SAN DIEGO COUNTY WATER AUTHORITY

Director Evans reported the following:

- The SDCWA has invested several thousands of dollars in legal services to be proactive in the transition of the desalination plant to take over when the power plant closes.

- A new electric contractor for the Hoover Dam will be on board as of October 2017. The SDCWA was able to secure 1.6 megawatts which will save approximately \$14 million over the next 50 years.
- The SDCWA is in the process of purchasing 6 acres of riparian wetlands near Valley Center through a mitigation bank.
- The Board recently conducted a favorable evaluation of their General Manager.

#### ENCINA WASTEWATER AUTHORITY

None.

#### DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Martin reported on his attendance to the San Marcos Chamber of Commerce Meet the Elected Officials event.

#### OTHER BUSINESS

#### QUARTERLY BOARD EXPENSES

This information was provided per Ordinance No. 201; no action required.

#### DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Evans commented on a recent presentation regarding agriculture that Eric Larson of the California Farm Bureau provided to the SDCWA. The farmers have done an amazing job in reducing their water usage during the drought. San Diego County has a \$1.8 billion agricultural business and is the fifth largest farming county in the nation.

Director Martin stated that 15 to 20 individuals had responded to erroneous information that had been distributed pertaining to the recent San Marcos Highlands annexation. He asked if it was the responsibility of the District's outreach staff to respond to those individuals. General discussion took place regarding whether or not the District should respond.

Interim General Manager Scaglione clarified agenda items for the next Regular Board meeting: pump zones, adoption of the Employee Handbook and rescinding associated obsolete resolutions, and an update on solar.

#### CLOSED SESSION

#### PERSONNEL MATTERS PURSUANT TO GOVERNMENT CODE SECTION 54957(b) – TO CONSIDER APPOINTMENT OR EMPLOYMENT OF A PUBLIC EMPLOYEE



16-08-09 MOTION WAS MADE by Director Martin, seconded by Director Hernandez, and carried unanimously, to move into Closed Session pursuant to Government Code Sections 54957(b).

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 7:15 p.m. The Board, in Closed Session, continued consideration on the appointment of the General Manager.

ADJOURNMENT

There being no further business to discuss, President Sannella adjourned the Regular Meeting of the Board of Directors at the hour of 7:16 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, August 17, 2016, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

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Tom Scaglione, Secretary  
Board of Directors  
Vallecitos Water District