

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 5, 2017, AT 5:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT ELITHARP

PLEDGE OF ALLEGIANCE

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 5, 2017

PUBLIC COMMENT

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. Public comments are limited to three minutes. A Request to Speak form is required to be submitted to the Executive Secretary prior to the start of the meeting, if possible. Public comment should start by stating name, address and topic. The Board is not permitted during this time to enter into a dialogue with the speaker.

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 WORKSHOP MEETING – FEBRUARY 13, 2017
- B. REGULAR BOARD MEETING – MARCH 15, 2017
- C. FINANCE/INVESTMENT COMMITTEE MEETING – MARCH 27, 2017

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH APRIL 5, 2017 – \$3,772,609.99

Recommendation: Approve Warrant List

- 1.3 APPROVAL OF TEMPORARY OFF-SITE WATER SERVICE AGREEMENT FOR JOUBRAN RESIDENCE, APN: 228-030-47 (SUE JOUBRAN)

The property is located at 1516 Calavo Drive.

Recommendation: Approve Temporary Off-Site Water Agreement with Conditions

- 1.4 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR BLOCK "F" – ADAPTIVE RE-USE, APN: 220-200-53 (URBAN VILLAGES SAN MARCOS, LLC)

The installation of water and sewer facilities has been completed.

Recommendation: 1) Accept Project Improvements; 2) Approve Filing of a Notice of Completion

- 1.5 APPROVAL OF CONSTRUCTION AGREEMENT FOR RANCHO CORONADO CRAVEN ROAD SEWER REPLACEMENT (BROOKFIELD RANCHO CORONADO, LLC)

The project is located along Craven Road south of Discovery Street and west of South Twin Oaks Valley Road.

Recommendation: Approve Construction Agreement

- 1.6 CONSTRUCTION CONTRACT AWARD OF LIFT STATION NO. 1 WET WELL REPAIRS

The room above the Lift Station No. 1 wet well room is in need of repairs due to the corrosion from the concentration of hydrogen sulfide gases.

Recommendation: Award Construction Contract

- 1.7 AMENDMENT TO THE GENERAL MANAGER'S EMPLOYMENT AGREEMENT

The General Manager and the Vallecitos Water District entered into an employment agreement on October 14, 2016.

Recommendation: Approve amendment to the General Manager's Employment Agreement

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

ACTION ITEMS

- 2.1 PUMP ZONE CHARGES UPDATE AND ALTERNATIVES

Discussion of pump zone charges alternatives.

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
 - *Capital Improvement Committee*
 - *Policy and Finance Committee*
- 3.5 STANDING COMMITTEES
- 3.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

- 4.1 MEETINGS
 - CASA WaterReuse Public Policy Forum**
April 19, 2017 – The Sutter Club, Sacramento, CA

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

- 5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

*******END OF DIRECTORS COMMENTS/FUTURE AGENDA ITEMS*******

- 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. 264 at least 48 hours prior to the meeting.

Audio and video recordings of all Board meetings are available to the public at the District website www.vwd.org

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 4:00 p.m., Friday, March 31, 2017.

Diane Posvar

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 5, 2017, 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.

Director Martin led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Martin
Director Sannella

Absent: Director Hernandez

Staff Present: General Manager Pruiam
Assistant General Manager Scaglione
Legal Counsel Jackson
Administrative Services Manager Emmanuel
Finance Manager Fusco
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Hubbard
Development Services Senior Engineer Scholl
Accounting Supervisor Owen
Financial Analyst Arthur
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 5, 2017

President Elitharp suggested Item 1.7 of the Consent Calendar, Amendment to the General Manager's Employment Agreement, be tabled to the next Regular Board meeting to allow consideration by all Directors.

17-04-01 MOTION WAS MADE by Director Martin, seconded by Director Evans, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Regular Board Meeting of April 5, 2017 as amended.

PUBLIC COMMENT

None.

CONSENT CALENDAR

17-04-02 MOTION WAS MADE by Director Evans, seconded by Director Martin, and carried unanimously, with Director Hernandez absent, to approve the Consent Calendar as presented tabling Item 1.7 to the next Regular Board meeting.

- 1.1 Approval of Minutes
 - A. Board Workshop Meeting – February 13, 2017
 - B. Regular Board Meeting – March 15, 2017
 - C. Finance/Investment Committee Meeting – March 27, 2017
- 1.2 Warrant List through April 5, 2017 - \$3,772,609.99
- 1.3 Approval of Temporary Off-Site Water Service Agreement for Joubran Residence, APN: 228-030-47 (Sue Joubran)
- 1.4 Final Acceptance of Water and Sewer Improvements for Block “F” – Adaptive Re-Use, APN: 220-200-53 (Urban Villages San Marcos, LLC)
- 1.5 Approval of Construction Agreement for Rancho Coronado Craven Road Sewer Replacement (Brookfield Rancho Coronado, LLC)
- 1.6 Construction Contract Award of Lift Station No. 1 Wet Well Repairs
- 1.7 Amendment to the General Manager’s Employment Agreement

Item 1.7 was tabled until the next Regular Board meeting.

ACTION ITEMS

PUMP ZONE CHARGES UPDATE AND ALTERNATIVES

General Manager Pruim stated the Board agreed to increase pump zone charges to recover electricity costs incurred by the District in each pump zone on January 18, 2017. At the March 15, 2017 Regular Board meeting the Board heard the concerns of several pump zone customers, requested additional analysis, and directed staff to hold a public workshop on April 20.

General Manager Pruim provided a brief update on pump zone charges as follows:

- Previous Actions
- District Pump Zone Map
- Costs Associated with Pump Zones
- Issue Summary
- Allocation Considerations
- Charge Allocation
- Timing of Charges
- Staff Recommendations

General Manager Pruim clarified that he was not seeking specific direction from the Board at this meeting as that is the purpose of the April 20 workshop.

Staff recommended the District collect 95% of pump zone electrical costs through pump zone charges, allocating those electrical costs to customers based on the height water is being lifted (Weighted Lift Volume Approach.) General Manager Pruim recommended the Board direct staff to notify only pump zone customers of the April 20 workshop as they will be affected with the bulk of the pump zone charge increase.

General discussion took place during which Director Sannella asked what caused the deficit of electrical costs and how is the District going to clearly articulate this to its customers.

General Manager Pruim stated there were periods of time when the District was over collecting pump zone charges which created a balance. To correct this, charges were lowered to draw down the balance and at the same time electrical costs were increasing, drawing from the balance as well. As discussed at the January 18 meeting, the correction was made; however, it was made too late.

General discussion took place during which the Board directed staff to notify only the pump zone customers of the April 20 workshop.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- The District has completed all of its mandated school testing for lead. The results have been provided to the school district. The school district will take appropriate action as needed.
- Staff will be replacing poly water service lines in Twin Oaks Valley Road this evening beginning at 10:00 p.m.
- The District will be resuming its water line flushing program which was temporarily suspended during the drought.
- The District was recently audited by the Department of Homeland Security during which it was recommended the District have more security camera coverage. Additional closed-circuit cameras have been installed inside and outside of District buildings.

DISTRICT LEGAL COUNSEL

None.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the San Vicente Dam recently won an international award from the American Society of Civil Engineering for engineering achievement.

Director Evans stated the SDCWA recently completed its first local water transfer from Lake Hodges to Olivenhain Municipal Water District.

Director Evans distributed a summary of recent water bills and stated that since 1991, the SDCWA has sponsored 37 water bills that have been signed into law. She briefly discussed two of eight measures relating to long-term water efficiency that will be considered at the Assembly's Water, Parks and Wildlife Committee meeting on April 25.

Director Evans stated a Special Committee meeting is scheduled for April 13 and a Board meeting is scheduled for April 27.

ENCINA WASTEWATER AUTHORITY

President Elitharp stated the Policy and Finance Committee will meet on April 11 at which the 2017-2018 operating budget will be discussed.

STANDING COMMITTEES

Director Martin stated the Finance/Investment Committee met on March 27 of which the minutes are included in today's Board agenda packet. An audio recording of the meeting is available on the District's website.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

President Elitharp reported on his attendance to the Council of Water Utilities meeting on March 21.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Martin commented that Board members should be allowed to attend SDCWA and Encina Wastewater Authority Board meetings as a member of the audience if they choose to. Legal Counsel Jackson cautioned it is important that the attendance in those instances not be participation, as there could be the potential for a Brown Act violation.

Director Sannella requested an update on District Resolution No. 1484 relating to competing contracts with vendors that the District pays over \$100,000 annually.

ADJOURNMENT

There being no further business to discuss, President Elitharp adjourned the Regular Meeting of the Board of Directors at the hour of 5:52 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 19, 2017, 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 Pruiem, Secretary
Board of Directors
Vallecitos Water District