

MINUTES OF A MEETING OF THE  
FINANCE/INVESTMENT COMMITTEE  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, AUGUST 30, 2017 AT 4:00 P.M.  
AT THE DISTRICT OFFICE, 201 VALLECITOS DE ORO,  
SAN MARCOS, CALIFORNIA

Director Martin called the meeting to order at the hour of 4:00 p.m.

Present: Director Martin  
Director Sannella  
General Manager Pruim  
Finance Manager Fusco  
Accounting Supervisor Owen  
Financial Analyst Arthur  
Administrative Secretary Johnson

ITEMS FOR DISCUSSION

DISCUSS PROVISION OF DISTRICT'S PURCHASING POLICY REGARDING  
CONTRACTS IN EXCESS OF \$100,000 PER YEAR

General Manager Pruim distributed a list identifying vendors the District paid over \$100,000 during FY 2016-17. Vendors utilized in capital projects were not discussed as those vendors are competitively bid. The vendors discussed included goods and services such as chemicals, fuel, invoicing/e-billing, and printing and mailing services, of which some vendors are the sole source of the product (chemicals, proprietary meters.)

Directed Martin requested legal services be discussed in a closed session meeting.

Director Sannella stated legal services should be re-bid every five years to be compliant with the District's purchasing policy.

General discussion took place during which General Manager Pruim outlined the Request for Proposal (RFP) process.

The Committee directed General Manager Pruim to inform the Board that staff is proceeding with the RFP process for legal services.

MISCELLANEOUS FEE STUDY

General Manager Pruim stated that at the July 24, 2017 Finance/Investment Committee meeting, the Committee directed staff to prepare a chart detailing miscellaneous fees.

Finance Manager Fusco provided a chart which included current ordinances that contain miscellaneous fees, a brief description of each fee, current fees, fees calculated for FY 2017-18, and agency comparisons. He noted that the fee calculations are based on the level of effort required to provide a service taking in to consideration the length of time necessary to perform the service, staff's average hourly rates, and adding the

overhead rate. The agency comparisons were included as a general reference using other agencies' fee schedules when available.

Finance Manager Fusco stated the current adopted miscellaneous fees were not necessarily calculated fees when they were adopted. In some cases, the calculated fee was higher and it made more sense to keep the fee lower. When comparing the current fees to the calculated fees, it appears that some have a large increase when they really do not. The previous fees may not have been calculated.

The Committee reviewed the chart in detail, identifying calculated fees they had questions about or didn't agree with.

General discussion took place during which General Manager Pruim clarified that the calculated fees are based on the District's current costs, not staff recommendations.

The Committee suggested revisions to the chart such as:

- Clearly identifying fees that are deposits
- Clearly identifying residential, developer and commercial fees
- Not using acronyms, such as RTS for Ready-to Serve

Staff was directed to incorporate suggested revisions to the chart. When the chart is completed, General Manager Pruim will email it to Directors Martin and Sannella for their review and input before placing this topic on a future Board agenda for the Board's consideration.

Mike Hunsaker, member of the public, inquired about fees charged for granny flats and late payments, requests for larger meters, high usage calls, outsourcing of data processing, and refunding of fees, to which staff responded.

Finance Manager Fusco, Accounting Supervisor Owen, and Financial Analyst Arthur were dismissed from the meeting at 4:45 p.m.

#### OTHER BUSINESS

None.

#### PUBLIC COMMENT

None.

#### ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 5:04 p.m.