

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, OCTOBER 4, 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 Hernandez
Director Martin
Director Sannella

Absent: Director Evans

Staff Present: General Manager Pruiam
Assistant General Manager Scaglione
Legal Counsel Jackson
District Engineer Gumpel
Operations & Maintenance Manager Pedrazzi
Accounting Supervisor Owen
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF OCTOBER 4, 2017

17-10-01 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to adopt the agenda for the Regular Board Meeting of October 4, 2017.

PUBLIC COMMENT

None.

CONSENT CALENDAR

17-10-02 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

A. Regular Board Meeting – September 20, 2017

1.2 Warrant List through October 4, 2017 - \$3,921,948.73

ACTION ITEMS

ORDINANCE ESTABLISHING RATES, RULES AND REGULATIONS FOR WATER SERVICE RATE INCREASE

General Manager Pruim stated an ordinance establishing the water and sewer rates for calendar years 2018 and 2019 was presented to the Board for adoption. A public hearing to consider the rates was noticed and held at the Vallecitos Water District on Wednesday, September 20, 2017 in accordance with Proposition 218. The rates and charges were developed based on a Cost of Service and Rate Structure Study approved by the Board on June 7, 2017. The Board considered written protest, heard public comments at the hearing, and approved the proposed rate changes. The proposed ordinance formally establishes the new rates.

Staff recommended the Board adopt the ordinance establishing water rates for 2018 and 2019.

Mike Hunsaker, member of the public, addressed the Board questioning the rate structure for small agriculture where the first 26 units of water are charged at the residential rate and the agricultural rate applies thereafter. He asked what happens when there is a drought and restrictions on water use, and what happens to their ability to get the ag water if they can't use the first 26 units. He thanked the Board.

Assistant General Manager Scaglione stated that regardless of the size of the agriculture, when combined domestic and agriculture water is flowing through one meter, the first 26 units of water are charged at the residential rate. The District does not have a drought rate; the rate is the same during times of drought.

17-10-03 MOTION WAS MADE by Director Martin, seconded by Director Hernandez, and carried unanimously, with Director Evans absent, to adopt the ordinance.

Ordinance No. 207 – The roll call vote was as follows:

AYES: Hernandez, Martin, Sannella, Elitharp

NOES:

ABSTAIN:

ABSENT: Evans

RECLASSIFY VACANT SENIOR ELECTRICAL/INSTRUMENTATION TECHNICIAN POSITION TO CONTROL SYSTEMS TECHNICIAN

General Manager Pruim stated District management routinely reviews staffing levels and job titles, and when the type of work performed and skills set changes, sometimes there is a need for reclassification. Additionally, as new technology allows more control of processes at remote facilities, it reduces the need to send staff to the remote facilities

to monitor and control the performance of those facilities.

General Manager Pruim further stated an opportunity to increase efficiency and cost savings was recently identified when a Senior Electrical/Instrumentation Technician position became vacant on July 8, 2017 due to retirement. The District has three Electrical/Instrumentation Technicians of which the senior position currently performs electrical work as well as some work on the Supervisory Control and Data Acquisition (SCADA) system. SCADA programming is currently outsourced to private contractors; however, it is becoming increasingly difficult and more expensive to obtain these services in a timely fashion due to a shortage of qualified contracting firms.

The Operations and Maintenance Manager and Mechanical/Electrical Supervisor reviewed the needs of the department and determined the Senior Electrical/Instrumentation Technician position could be better utilized by including SCADA programming duties in addition to electrical work. Once filled, this position will allow staff to catch up on a backlog of SCADA programming and stay on top of the SCADA workload going forward. After the backlog of programming work is completed, the reclassified position would spend at least 75% of the time performing programming and 25% on electrical duties. The remaining electrical work will continue to be distributed among existing staff and augmented with contractors for large capital projects. The salary range for the recommended position will be the same as the current position.

Staff recommended the Board approve the reclassification of the existing vacant Senior Electrical/Instrumentation Technician to a Control Systems Technician and adopt the revised salary schedule to comply with requirements of the California Public Employees' Retirement System.

General discussion took place.

17-10-04 MOTION WAS MADE by Director Hernandez, seconded by Director Martin, and carried unanimously, with Director Evans absent, to approve the reclassification and adopt the revised salary schedule.

PROFESSIONAL SERVICES AGREEMENT FOR OUTSIDE SERVICES TO PROVIDE EXTERNAL INFORMATION TECHNOLOGY MANAGEMENT

General Manager Pruim stated an additional opportunity for cost savings and improved efficiency was identified with the recent retirement of the Information Technology (IT) Supervisor. The IT Supervisor position is responsible for overseeing the IT department, including network administration, internal application development and technical support, as well as supervising assigned staff. The District has an existing contract with Ostari, a consulting firm that provides IT support in the areas of infrastructure monitoring, help desk and network support.

General Manager Pruim further stated the proposed Professional Services Agreement with Ostari is for a term of one year to provide technical administrative support, administrative support, and account management. Supervisory responsibility should not be contracted out and has been reassigned to the Administrative Services Manager. The District will reassess the need to fill the IT Supervisor position after the first three months and determine if the services should continue for the remaining length of the term. The cost of the agreement with Ostari to provide external IT management services is \$7,500 per month, for a total of \$90,000 if the agreement continues for one year which could save over \$100,000 per year.

Staff recommended the Board approve the Professional Services Agreement with Ostari.

General discussion took place. During general discussion, Director Hernandez requested a report be provided to the Board after the 90-day period containing a recommendation of whether to continue with the one-year contract or go in another direction.

Mike Hunsaker, member of the public, addressed the Board asking who is responsible for the maintenance of the District's website and billing system, and if there will be any software changes. He thanked the Board.

General Manager Pruim stated no software changes are proposed in the agreement; however, Ostari may make recommendations as needed. Staff currently maintains the content in the website and will continue to do so.

17-10-05 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to approve the Professional Services Agreement with Ostari.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- Staff recently released a Request for Proposal inviting companies to submit proposals to identify solar electricity generating opportunities. The firm selected will not be constructing facilities, but will serve as a technical advisor to review opportunities and the cost/benefit analysis, and help the District select an option if they choose to move forward.
- Water utilities are required to clean and inspect their water storage reservoirs and tanks on a regular basis. A diving company has been retained to perform the inspection and cleaning of some of the District's facilities. All facilities are inspected on a rotating three-year cycle. The 33-million-gallon tank in Twin Oaks is scheduled to be inspected tomorrow.

- It is expected that 90% of the men's locker room plans will be received at the end of this month. After staff reviews the plans and provides comments to the consultant, the final plans will be prepared and staff will move forward with advertising the project.
- The Engineering/Equipment Committee will meet on Monday, October 9 at 2:00 p.m. at which updates on the solar, locker room, and groundwater projects will be provided as well as information on local development.
- The Public Awareness/Personnel/Policy Committee will meet on Monday, October 16 at 3:00 p.m. to discuss the 48-hour disconnect policies in practice as well as the billing discrepancy policy.
- A Finance/Investment Committee meeting is scheduled for Thursday, October 26 at 4:00 p.m.

DISTRICT LEGAL COUNSEL

None.

SAN DIEGO COUNTY WATER AUTHORITY

None.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated he had nothing new to report on the Capital Improvement Committee meeting.

Director Elitharp stated the Policy & Finance Committee has not met since the last Board meeting.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Martin and Elitharp reported on their attendance to the California Special District Association (CSDA) Conference at Monterey last week.

Director Hernandez reported on his participation in a CSDA committee meeting regarding their video contest.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Elitharp adjourned the Regular Meeting of the Board of Directors at the hour of 5:41 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, October 18, 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 Pruim, Secretary
Board of Directors
Vallecitos Water District