

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, DECEMBER 20, 2017, AT 5:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Hernandez called the Regular meeting to order at the hour of 5:06 p.m.

Director Martin led the pledge of allegiance.

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

Staff Present: General Manager Pruim  
Legal Counsel Scott  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF DECEMBER 20, 2017

17-12-13 MOTION WAS MADE by Director Evans, seconded by Director Martin, and carried unanimously, to adopt the agenda for the Regular Board Meeting of December 20, 2017.

PUBLIC COMMENT

None.

CONSENT CALENDAR

17-12-14 MOTION WAS MADE by Director Sannella, seconded by Director Martin, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – December 6, 2017
- B. Regular Board Meeting – December 6, 2017
- C. Closed Session Board Meeting – December 12, 2017
- D. Closed Session Board Meeting –December 13, 2017

1.2 Warrant List through December 20, 2017 - \$2,199,722.09

1.3 Financial Reports

- A. Water Meter Count – November 30, 2017
- B. Water Production/Sales Report – 2017/2018
- C. Water Revenue and Expense Report – November 30, 2017
- D. Sewer Revenue and Expense Report – November 30, 2017

- E. Reserve Funds Activity – November 30, 2017
- F. Investment Report – November 30, 2017

- 1.4 Final Acceptance of Water and Sewer Improvements for Rancho Coronado Phase 2 Improvements, APN's 221-091-21, 222-080-59 & 222-170-28 (Brookfield Homes – Rancho Coronado, LLC)

### ACTION ITEMS

#### CONSIDERATION OF ADJUSTMENT TO THE GENERAL MANAGER'S EMPLOYMENT SALARY

Legal Counsel Scott stated the Board and the General Manager entered into a General Manager Employment Agreement (Agreement) on October 14, 2016. Section 3, Annual Salary, of the Agreement provides for merit increases at the discretion of the Board. During a closed session meeting held on December 6, 2017, the Board provided the General Manager with a performance evaluation.

The Board was provided a copy of the Second Amendment to the Agreement reflecting an eight percent merit increase effective January 1, 2018 which results in a salary of \$233,539. In addition, every time the District changes any of its salary ranges the California Public Employees' Retirement System (CalPERS) requires a new pay schedule to be approved by the Board. A resolution to adopt the District pay schedule was provided for the Board's consideration.

Mike Hunsaker, member of the public, addressed the Board stating he didn't understand Exhibit "A" of the resolution, Vallecitos Water District Personnel Classification and Monthly Pay Schedule, and requested an explanation.

President Hernandez requested staff meet with Mr. Hunsaker individually to explain the pay schedule.

General discussion took place. During general discussion, Director Martin requested the pay schedule be modified so that it can be more easily understood. Staff was directed to revise the pay schedule with a definition of the pay ranges and present it to the Board at a future Board meeting.

Director Sannella stated that although he believes General Manager Pruim is doing an excellent job, he cannot support the eight percent increase; however, he would support a smaller increase. Director Martin expressed a similar view.

- 17-12-15 MOTION WAS MADE by Director Evans, seconded by Director Elitharp, and carried 4 – 1, with Director Sannella voting no, to approve an eight percent adjustment to the General Manager's salary.

17-12-16 MOTION WAS MADE by Director Evans, seconded by Director Elitharp, and carried unanimously, to adopt the resolution with Exhibit "A", Vallecitos Water District Personnel Classification and Monthly Pay Schedule.

Resolution No. 1525 - The roll call vote was as follows:

AYES: Elitharp, Evans, Martin, Sannella, Hernandez

NOES:

ABSTAIN:

ABSENT:

## REPORTS

### GENERAL MANAGER

General Manager Prum reported that the Diamond Environmental Services matter is coming to a resolution. It is expected to be heard by the Courts in January 2018. More information on this will be provided to the Board at a future Board meeting.

### DISTRICT LEGAL COUNSEL

None.

### SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the Board passed the extension of the transfer agreement at their December 7 meeting. The agreement is extended until 2045.

### ENCINA WASTEWATER AUTHORITY

President Hernandez stated the Capital Improvement Committee did not meet this month.

Director Elitharp stated the Policy and Finance Committee did not meet this month.

### STANDING COMMITTEES

Director Martin stated the Finance/Investment Committee met on December 18 at which the status of Public Employees' Retirement System (PERS) and the District's Other Post Employment Benefits (OPEB) were discussed. It is expected that OPEB will be fully funded in 2018.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Evans stated the Council of Water Utilities (COWU) meetings will continue to meet on the third Tuesday of each month at 7:15 a.m. The venue for the COWU meetings for the next few months has changed to the Hotel Karlan San Diego. The cost of attending the meetings will increase to \$40. The location of the meetings may change after the new COWU President takes over responsibility of the meetings in March.

Director Martin requested information regarding the CalDesal Annual Conference scheduled for February 1 – 2 in Monterey.

Director Martin commented that the San Diego North Economic Development Council will begin meeting again in January.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Hernandez adjourned the Regular Meeting of the Board of Directors at the hour of 5:25 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, January 3, 2018, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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James Hernandez, President  
Board of Directors  
Vallecitos Water District

ATTEST:

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Glenn Pruiam, Secretary  
Board of Directors  
Vallecitos Water District