

AGENDA FOR A COMMITTEE MEETING OF THE WHOLE  
SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
MONDAY, APRIL 9, 2012, AT 1:00 P.M.  
AT THE DISTRICT OFFICE  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT GENTRY

ORAL COMMUNICATIONS

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.

DISCUSSION/ACTION ITEMS

1. STAFF REORGANIZATION - PRESENTATION
2. VALLECITOS WATER DISTRICT PROPERTY OWNERSHIP FOR COMMERCIAL PURPOSES
3. REIMBURSEMENT (PAYBACK) POLICY
4. REVOCABLE LICENSE AGREEMENT WITH UNAVCO, INC. FOR THE INSTALLATION, USE, MAINTENANCE AND REPAIR OF A GLOBAL POSITIONING SERVICE MONUMENT

\*\*\*\*\*END OF DISCUSSION/ACTION ITEMS\*\*\*\*\*

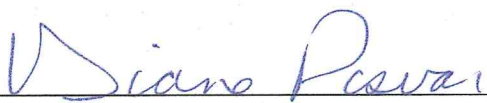
OTHER BUSINESS

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

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.

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 1:00 p.m., Thursday, April 5, 2012.

  
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Diane Posvar

MINUTES OF A COMMITTEE MEETING OF THE WHOLE  
SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
MONDAY, APRIL 9, 2012, AT 1:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Gentry called the Committee meeting to order at the hour of 1:00 p.m.

Present: Director Ferguson  
Director Gentry  
Director Hernandez  
Director Poltl  
Director Shell

Staff Present: General Manager Lamb  
Assistant General Manger Scaglione  
Legal Counsel Scott  
Director of Engineering & Operations Gerdes  
Administrative Services Manager Caudle  
Principal Engineer Gumpel  
Construction Engineer Scholl  
Information/Conservation Supervisor Urabe  
Executive Secretary Posvar

ORAL COMMUNICATIONS

None.

COMMITTEE ITEMS

STAFF REORGANIZATION

General Manager Lamb reviewed the District organization chart which included reorganizational changes of staff and management positions. The discussion included funded/vacant positions, unfunded/vacant positions, reorganization positions, and future positions. The funded/vacant positions may or may not be filled; carrying positions forward as needed for budget considerations and to maintain costs. The unfunded/vacant positions will remain vacant. The reorganization will save positions, time and allow flexibility in the future; cost savings will result from the changes. General discussion followed.

This item was provided for information only.

VALLECITOS WATER DISTRICT PROPERTY OWNERSHIP FOR COMMERCIAL PURPOSES

Director Hernandez stated that he requested this item be placed on the agenda for discussion. He stated that in attending various conferences he has found that there are other agencies that are doing things within their realm that are creating revenue to their districts. At a recent event, City colleagues were commenting on the revenues they are receiving from their lease properties. He wanted to bring this up for discussion to see what the possibilities are for the District.

Legal Counsel Scott asked if the District has any surplus property.

Director Hernandez stated that this isn't the only area of opportunity he is considering. He stated that when city staff are out in the community, if they find property they feel is valuable enough to purchase to lease back either now or in the future, they purchase it. They are getting 5% of their budget from the revenue source.

Legal Counsel Scott stated that water districts are districts of limited powers; as a water district, we do not have the same powers that cities or charter cities do. The district is a single purpose district (i.e. water, sewer). To get into the real estate business, the district would need to have some justification from a policy stand point; the revenue source would need to have a connection to the business of the delivery of water, or wastewater related, or be one of limited powers as enumerated in the water code. Generally, you don't see districts getting into this unless it is tied to something such as water reclamation. It would need to be limited to the specific powers we have as a special water district. Cities and counties are unique in that they do have more ability to initiate these types of revenue generating. There are constitutional provisions that relate to public funds and the use of public funds; these can be very restrictive. Overall, unless it can be tied to a water or sewer related project, the district would have a difficult time getting into the real estate business in general.

General discussion followed which included comparisons with Santee lakes recreational aspect, and the possibility of the Board considering this issue on a broader level (recreational) – looking at it under the proposal of revenue enhancement plans and activities that fit within the framework of water and wastewater; explore other revenue opportunities such as the FOG program. It was also suggested that the Board consider having staff explore recreational opportunities under the proposal of revenue enhancement plans and activities that fit within the framework of water and wastewater. If the Board favors looking at something on a comprehensive revenue enhancement strategy, staff should be given specifics to work with.

Following general discussion, General Manager Lamb stated that staff will explore potential opportunities and will combine this in the Goals and Objectives and include in the budget process for consideration by the Board. He will also verify what powers the district has as enumerated in the water code and will provide this information to the Board.

REIMBURSEMENT (PAYBACK) POLICY

Director Hernandez stated that he requested this item be placed on the agenda for discussion. He provided a copy of line items he outlined where he would like to see changes made in the policy. He stated that the premise of this is being fair and equitable.

General discussion took place during Director Hernandez's line item review. During general discussion, it was suggested that rather than review/comment on each line item, that this be turned over to staff to review all line items.

The Board Committee consensus was that staff review the line items and return at the next Board Committee meeting with a report explaining why the ordinance is written the way it is and the pros and cons to each suggested change as outlined in Director Hernandez's line items.

REVOCABLE LICENSE AGREEMENT WITH UNAVCO, INC. FOR THE INSTALLATION, USE, MAINTENANCE AND REPAIR OF A GLOBAL POSITIONING SERVICE MONUMENT

Director Ferguson stated that she read the report and understands what Unavco Inc. wants to do, but asked why the District isn't being paid for this being placed on District property. Staff responded that Unavco is a nonprofit group.

Director Ferguson further suggested that staff should pursue this request further. If Unavco receives grants then she feels the District should be paid. It was further suggested by President Gentry that the agreement incorporate language as to who is responsible for their CEQA and NEPA requirements, if there is a NEPA requirement.

Legal Counsel Scott stated that Legal Counsel Dodson reviewed the agreement and is satisfied with the contents and that specific exemption was identified. Identifying Unavco's responsibility can be added to the agreement.

The Board Committee consensus was to table this item to the next Board Committee meeting to allow staff time for further review of this agreement and determine if it is reasonable to charge the proponents for this type of accommodation and use of the District property.

OTHER BUSINESS

President Gentry stated that the Municipal Water District of Orange County and Disneyland is hosting an Orange County Water Summit on May 18. The summit will discuss state water issues and the impact of water supply challenges.

General Manager Lamb stated that the I-pads may arrive this week; training will be scheduled soon.

General Manager Lamb stated that due to attendance at the ACWA Spring Conference, the May 7 Board Committee meeting will need to be rescheduled. Following brief discussion, the consensus was to reschedule the meeting to May 14 at 7:30 a.m.

General Manager Lamb stated that EWA has been celebrating their 50<sup>th</sup> anniversary. Over the past six months they have been recognizing individuals who have been long term contributors to EWA. Until now, EWA has nominated these individuals through the committee process. General Manager Kevin Hardy is now requesting suggestions from their member agencies on individuals we would like to have honored. He is looking for individuals that have either served on the Board, was instrumental in decision making, or lifetime individuals who have provided support to the industry. Following brief discussion, the Board Committee consensus was to recommend Director Ferguson represent the District and be recognized for her years of service on the EWA Board.

General Manager Lamb stated that he notified the Board that Hollandia Dairy has offered to provide a tour of their new processing facility including the treatment process they built that allows them to meet the discharge permit requirements. There is interest by Board members to tour the facility. Following brief discussion, the Board Committee consensus was to schedule the tour on May 4 at 7:30 am.

General Manager Lamb stated that it's time for the annual employee recognition luncheon. The recognition luncheon also includes a promotional gift for employees. He is looking to schedule it either in May or June. Due to the current environment and public perception issues, he asked the Board if they are interested in continuing the luncheon and promotional gift for employees. Following general discussion, the Board Committee consensus was to continue with the luncheon and promotional gift for employees.

President Gentry stated that a request has been made by CSUSM for the District to provide water for the Relay for Life event on April 28. General Manager Lamb stated that the District can provide the water and stated that Public Information/Conservation Supervisor Lisa Urabe could coordinate the pickup with CSUSM.

Director Ferguson stated that she would like staff to rethink the District sponsoring the City of San Marcos with the Chamber and their awards event. She also feels the District should not be sponsoring the Kiwanis pancake breakfast. General Manager Lamb responded that the District did not sponsor a table at the Chamber awards event, and that individual seats were purchased for attendance. Director Hernandez requested that this topic be continued at another Board Committee meeting as he would like to discuss the issue of sponsorship further. General Manager Lamb stated he will

Minutes of a Committee Meeting of the Whole

Special Board Meeting of the Board of the Directors of the Vallecitos Water District

April 9, 2012

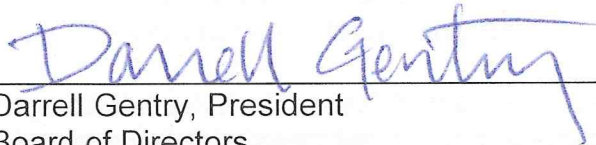
Page 5

be bringing the Board policy regarding meeting and conference attendance/per diem to the May Board Committee meeting and this topic can be discussed at that time.

ADJOURNMENT

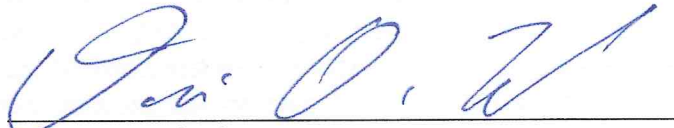
There being no further business to discuss, President Gentry adjourned the Board Committee meeting at the hour of 2:44 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 18, 2012, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.



Darrell Gentry, President  
Board of Directors  
Vallecitos Water District

ATTEST:



Dennis Lamb, Secretary  
Board of Directors  
Vallecitos Water District