AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JULY 6, 2011 AT 4:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT POLTL

PLEDGE OF ALLEGIANCE – DIRECTOR FERGUSON

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 JULY 6, 2011

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.

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. REGULAR BOARD MEETING – JUNE 15, 2011

*Approved minutes become a permanent public record of the District.*

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH JULY 6, 2011 - $3,377,228.57

Recommendation: Approve Warrant List
1.3 RESOLUTION TO TAX DEFER AMOUNTS WITHHELD FROM EMPLOYEE COMPENSATION FOR EMPLOYEE PERS CONTRIBUTION

The Last, Best and Final Offer adopted June 15, 2011, creates a second tier of employees (new hires) who are required to pay 50% of their employee contribution to PERS.

Recommendation: Adopt Resolution

1.4 FINAL ACCEPTANCE FOR SAN ELIJO HILLS PH. 3-P.A. V1 UNIT 4 (LENNAR HOMES OF CALIFORNIA, INC.)

The project is located on Festival Road which is located east of Wild Canyon Drive and north of San Elijo Road.

Recommendation: Final Acceptance

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

ACTION ITEMS

2.1 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) BOARD OF DIRECTORS ELECTION – REGION 6 SEAT C

CSDA has distributed a mail ballot for voting to elect a representative to the CSDA Board of Directors for Region 6 Seat C.

Recommendation: Request Board direction

2.2 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) PROPOSED BYLAWS AMENDMENTS

The CSDA Board of Directors has approved recommended changes to the CSDA Bylaws to bring forward to CSDA voting members for consideration.

Recommendation: Request Board direction

2.3 ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) CALL FOR CANDIDATE NOMINATIONS

ACWA's Nominating Committee is responsible for submitting a slate for President and Vice President to the general membership meeting during the Fall Conference.

Recommendation: Request Board direction

2.4 CITY OF SAN DIEGO ADVANCED WATER PURIFICATION FACILITY TOUR – TOUR ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL
The City of San Diego has extended an invitation to tour its Advanced Water Purification Facility. The City of San Diego is not on the list of organizations for which meetings/functions are considered compensable under District Ordinance 170; therefore, prior approval of per diem and expense reimbursement is required.

Recommendation: Request Board direction

2.5 APPROVAL OF CONSTRUCTION AGREEMENT FOR SAN ELIJO HILLS PHASE 3, P.A. “K”, UNIT 16 (SAN ELIJO HILLS)

The project is located on Costa del Sur at the northeastern end of Wild Canyon Drive, north of San Elijo Road.

Recommendation: Approve Construction Agreement

2.6 APPROVAL TO SATISFY REQUIREMENTS OF SUBDIVISION MAP AND FOR INSTALLATION OF METERS FOR SAN ELIJO HILLS PHASE 3, P.A. “K”, UNIT 14 (SAN ELIJO HILLS)

The project is located on Tuscan Drive at the northeastern end of Wild Canyon Drive, north of San Elijo Road.

Recommendation: Approve

*****END OF ACTION ITEMS*****

REPORTS

3.1 GENERAL MANAGER

3.2 DISTRICT LEGAL COUNSEL

3.3 SAN DIEGO COUNTY WATER AUTHORITY
- Summary of Formal Board of Directors’ Meeting – June 23, 2011

3.4 ENCINA WASTEWATER AUTHORITY

3.5 ACWA/REGION 10

3.6 LAFCO

3.7 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

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

4.1 MEETINGS

ACWA's 2011 Regulatory Summit
August 17, 2011 – Hilton Hotel, Pasadena, CA

Urban Water Institute 18th Annual Water Conference
August 25-26, 2011 – Hilton Mission Bay, San Diego, CA

CSDA Annual Conference
October 10-13, 2011 – Marriott & Convention Center, Monterey, CA

WEFTEC – The Water Quality Event
October 15-19, 2011 – Convention Center, Los Angeles, CA

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

CLOSED SESSION

5.1 CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (ONE CASE)
Crosser v. Vallecitos Water District
San Bernardino Superior Court Case No. CIVSS 707286

5.2 CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(b)(1) CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION (ONE CASE)

*****END OF CLOSED SESSION*****

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.
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 3:00 p.m., Friday, July 1, 2011.

Diane Posvar
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JULY 6, 2011, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Poltl called the Regular meeting to order at the hour of 4:00 p.m.

Director Ferguson led the pledge of allegiance.

Present:  Director Ferguson
          Director Gentry (4:01pm)
          Director Hernandez
          Director Shell
          Director Poltl

Staff Present: General Manager Lamb
              Legal Counsel Scott
              Legal Counsel Jackson
              Legal Counsel Dodson
              Administrative Services Manager Caudle
              Principal Engineer Gumpel
              Engineering Technician Gastar
              Public Information & Conservation Supervisor Urabe
              Public Information Specialist Webb
              Human Resources Technician Weaver

ADOPT AGENDA FOR THE REGULAR MEETING OF JULY 6, 2011

11-07-01  MOTION WAS MADE by Director Hernandez, seconded by Director Shell, and
carried unanimously, with Director Gentry absent, to adopt the agenda for the
Regular Board Meeting of July 6, 2011.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

11-07-02  MOTION WAS MADE by Director Gentry, seconded by Director Shell, and carried
unanimously, to approve the Consent Calendar as presented.

1.1  Approval of Minutes

A.  Regular Board Meeting – June 15, 2011

1.2  Warrant List through July 6, 2011 - $3,377,228.57

1.3  Resolution to Tax Defer Amounts Withheld From Employee Compensation for Employee
     PERS Contribution

1.4  Final Acceptance for San Elijo Hills PH. 3-PA V1 Unit 4 (Lennar Homes of California,
     Inc.)
ACTION ITEMS

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) BOARD OF DIRECTORS ELECTION – REGION 6 SEAT C

General Manager Lamb stated that CSDA has distributed a mail ballot for voting to elect a representative to the CSDA Board of Directors for Region 6 Seat C and that each member district is entitled to vote for one director.

No action was taken on this item.

CALIFORNIA SPECIAL DISTRICT ASSOCIATION (CSDA) PROPOSED BYLAWS AMENDMENTS

General Manager Lamb stated that the CSDA Board of Directors has approved recommended changes to the CSDA Bylaws to bring forward to CSDA voting members for consideration. The recommended changes only affect one section of the bylaws (Article VIII – Local Chapters). The primary reason for the proposed change to the bylaws is to require all newly formed chapters to have 100% of their members as dues paying members of the state association (CSDA) as well. Approving the bylaws change will not affect any existing CSDA chapter or its members; this is for newly formed chapters only.

Staff recommended approval of the proposed Bylaws amendments.

11-07-03 MOTION WAS MADE by Director Ferguson, seconded by Director Gentry, and carried unanimously, to approve the recommended amendments to the CSDA Bylaws.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) CALL FOR CANDIDATE NOMINATIONS

General Manager Lamb stated that ACWA’s Nominating Committee is responsible for submitting a slate for President and Vice President to the general membership meeting during the Fall Conference. Nominations must be received in the ACWA office by September 1, 2011, to be considered by the Committee.

No action was taken on this item.

CITY OF SAN DIEGO ADVANCED WATER PURIFICATION FACILITY TOUR – TOUR ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL

General Manager Lamb stated that the City of San Diego has extended an invitation to tour its Advanced Water Purification Facility. The City of San Diego is not on the list of organizations for which meetings/functions are considered compensable under District Ordinance 170; therefore, prior approval of per diem and expense reimbursement is required.
Minutes of the Vallecitos Water District Regular Meeting
July 6, 2011

Should the Board decide to approve this request, staff suggested that the Board approve per diem and expense reimbursement for the remainder of the year as the City of San Diego will be offering additional tours this year.

11-07-04  MOTION WAS MADE by Director Hernandez, seconded by Director Gentry, and carried unanimously, to approve per diem and expense reimbursement for City of San Diego Advanced Water Purification Facility tours through the remainder of 2011.

APPROVAL OF CONSTRUCTION AGREEMENT FOR SAN ELIJO HILLS PHASE 3, P.A. “K”, UNIT 16 (SAN ELIJO HILLS)

General Manager Lamb stated that the owner has completed the plan check process with the District. Upon completion of the water and sewer facilities, water and sewer service will be available to 30 single family homes within Unit 16. All current fees except water and sewer capital facility fees have been paid in accordance with District policy. The owner has submitted standard surety bonds to guarantee completion of the project.

Staff recommended approval of the construction agreement.

11-07-05  MOTION WAS MADE by Director Ferguson, seconded by Director Hernandez, and carried unanimously, to approve the construction agreement.

APPROVAL TO SATISFY REQUIREMENTS OF SUBDIVISION MAP AND FOR INSTALLATION OF METERS FOR SAN ELIJO HILLS PHASE 3, P.A. “K”, UNIT 14 (SAN ELIJO HILLS)

General Manager Lamb stated that the project is located on Tuscana Drive at the northeastern end of Wild Canyon Drive, north of San Elijo Road. Upon installation of the meters and all necessary appurtenances, water and sewer service will be available to 29 single family homes within Unit 14. All current fees except water and sewer capital facility fees have been paid in accordance with District policy. The owner is not required to submit bonds for the installation of services nor execution of the standard construction agreement because water and sewer services were installed (except meters and appurtenances) with the construction of Phases 3 & 5 On-Site Majors.

Staff recommended approval to satisfy the requirements of the subdivision map and also for the installation of meters and appurtenances for Unit 14.

11-07-06  MOTION WAS MADE by Director Ferguson, seconded by Director Gentry, and carried unanimously, to approve the project.
REPORTS

GENERAL MANAGER

General Manager Lamb stated that confirmation has been received from PERS that the District's percentage of payment for contributions to the employees was reduced from 21.33% to 14.8%. This is a result of the District funding the side pool.

General Manager Lamb stated that he provided the Board with a copy of a map and a list of protests received in response to the 218 Notice. One additional letter was received today for a total of 27 protests.

DISTRICT COUNSEL

Legal Counsel Scott reported on SB 293 relating to reducing retention proceeds for construction contracts from the current 10% to a maximum of 5%. Legal Counsel Scott noted that ACWA, League of Cities and CASA are all opposed to the bill, however, it has cleared the Business and Professions Committee and it is on the way to the Judiciary and Appropriations Committees.

SAN DIEGO COUNTY WATER AUTHORITY

The June 23, 2011 Summary of Formal Board of Directors' meeting was provided in the agenda packet. Director Ferguson stated that she is diligently watching the status of Poseidon and the extension of the sewer line.

ENCINA WASTEWATER AUTHORITY

Director Gentry stated that the meeting will take place later this month.

ACWA REGION 10

Director Gentry stated that committee meetings have taken place with the Local Government Committee and the Outreach Task Force by way of conference calls. Discussion items included the Governor's budget, California Forward, and the Alternative Delta Plan.

LAFCO

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

President Polti noted that written reports were provided electronically. The reports are on file.

OTHER BUSINESS

None.
CLOSED SESSION

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (ONE CASE)
Cresser v. Vallecitos Water District
San Bernardino Superior Court Case No. CIVSS 707286

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(b)(1) CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION (ONE CASE)

11-07-07 MOTION WAS MADE by Director Ferguson, seconded by Director Shell, and carried unanimously, to move into Closed Session pursuant to Government Code
Section 54956.9(a) – Conference with Legal Counsel and Government Code
Section 54956.9(b)(1) – Potential Litigation.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 5:16 p.m. The Board, in Closed Session, heard a report from Counsel concerning the existing and potential litigation items. Counsel was
directed to take appropriate action concerning the two matters.

ADJOURNMENT

There being no further business to discuss, President Poltl adjourned the Regular Meeting of the Board of Directors at the hour of 5:17 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for
Wednesday, July 20, 2011, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San
Marcos, California.

James W. Poltl, President
Board of Directors
Vallecitos Water District

ATTEST:

Dennis O. Lamb, Secretary
Board of Directors
Vallecitos Water District