

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 18, 2020, AT 5:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Evans called the Special meeting to order at the hour of 5:00 p.m.

Present: Director Elitharp (Via Teleconference)
Director Martin (Via Teleconference)
Director Sannella (Via Teleconference)
Director Evans (Via Teleconference)

Absent: Director Hernandez

Staff Present: General Manager Pruim
Legal Counsel Gilpin
District Engineer Gumpel
Executive Secretary Posvar

ADOPT AGENDA FOR THE SPECIAL MEETING OF MARCH 18, 2020

20-03-08 MOTION WAS MADE by Director Martin, seconded by Director Elitharp, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Special Board Meeting of March 18, 2020.

PUBLIC COMMENT

None.

CONSENT CALENDAR

20-03-09 MOTION WAS MADE by Director Martin, seconded by President Evans, and carried unanimously, with Director Hernandez absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Special Board Meeting – February 26, 2020
- B. Special Board Meeting – February 27, 2020
- C. Finance/Investment Committee Meeting – March 2, 2020

1.2 Warrant List through March 18, 2020 - \$2,907,382.13

1.3 Financial Reports

- A. Water Meter Count – February 29, 2020
 - B. Water Production/Sales Report – 2019/2020
 - C. Per Capita Water Consumption – February 29, 2020
 - D. Water Revenue and Expense Report – February 29, 2020
 - E. Sewer Revenue and Expense Report – February 29, 2020
 - F. Reserve Funds Activity – February 29, 2020
 - G. Investment Report – February 29, 2020
 - H. Legal Fees Summary – February 29, 2020
- 1.4 Final Acceptance of Water and Sewer Improvements for Fitzpatrick Town Homes, APNS 220-100-82, 220-100-83 & 220-100-85 (KB Home Coastal)
- 1.5 Approval of Construction Agreement for Orchard Hills Off-Site Sewer Improvements (Warmington Residential California, Inc.)
- 1.6 Adoption of Resolution Recognizing the Detachment of Certain Property Designated as the “Wilmott Detachment” APN 172-091-28 from the Vallecitos Water District
- 1.7 Request for Annexation of Certain Property Designated as “North Coast Church” APNS 228-370-39 & 228-370-20 into the Vallecitos Water District Sewer Improvement Districts 5 & 6 (North Coast Church)

ACTION ITEMS

CONSTRUCTION CONTRACT AWARD OF NORTH TWIN OAKS TANK NO. 1 REFURBISHMENT

District Engineer Gumpel stated the North Twin Oaks Tank No. 1 was built in 1961. Upon inspection in 2015, it was determined that the existing interior lining and exterior coating had deteriorated and requires full refurbishment. Staff received and reviewed bids from three contractors on February 18, 2020. Capital Industrial Coatings LLC was determined to be the lowest bidder at \$446,425. The Engineer’s estimate was \$425,000. Staff received a protest letter from the second lowest bidder, Paso Robles Tank, questioning the experience of the low bidder. Further review of the low bidder revealed that Capital Industrial Coatings LLC had the proper amount of experience necessary to perform the work. Two minor deviations were identified in Capital Industrial Coatings LLC’s bid; however, staff and counsel recommended waiving the deviations. Harper & Associates performed the design and will also provide specialty inspection services for the project. The project budget came in with a shortfall of \$54,131 primarily due to the project being over the Engineer’s estimate and the project had to be put out for bid twice to get a competitive bid.

Staff recommended the Board waive the two minor deviations in Capital Industrial Coatings LLC's bid, reject the protest letter from Paso Robles Tank, increase the project budget by \$54,131, and authorize the General Manager to execute a construction contract with Capital Industrial Coatings LLC in the amount of \$446,425, subject to provisions of the contract.

General discussion took place.

20-03-10 MOTION WAS MADE by Director Elitharp, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to approve staff's recommendations.

GENERAL MANAGER'S UPDATE REGARDING THE DISTRICT'S RESPONSE TO THE CORONAVIRUS OUTBREAK

General Manager Pruum discussed how the Coronavirus (COVID-19) is affecting the District's operation. Rapidly changing information is being received constantly from the state and federal government. The District's primary objective is to ensure the health and safety of its customers and employees, and to provide at all times adequate supplies of safe, reliable water and to ensure that the wastewater system continues to operate properly. To accomplish those goals, staff proposed the following actions:

- Monitor all COVID-19 related information to remain up to date.
- Reduction of staffing levels. Essential staff have been identified and they continue to report to work. Non-essential staff will be working from their homes. Technology needs are being assessed so that those working from home can be productive. Alternate work schedules will begin on March 23. Approximately 60% - 70% of staff will still report to work at the District which includes most of field operations, inspection personnel, meter readers, all managers, and General Manager Pruum.
- Assist employees in any way possible. There are no reported cases of COVID-19 at the District office and none of the employees' families have been affected. As the schools have been closed, some employees must stay home with their children.
- Enhancement of cleaning and disinfection protocols at all District facilities. The priorities of custodial staff have changed, and outside cleaning services have been contracted.
- Ensure adequate supplies necessary for District operation are maintained such as paper products and chemicals for facilities, lift stations, and wastewater treatment.
- Effective March 19, 2020, the District office will be closed to the public, as are most other agencies. Accommodations will be made for package deliveries and for customers wishing to pay their bills. The front doors will not be open, but signs have been placed on the doors to inform customers of alternative ways to pay their bill. This information is also on the District's website.

- Coordination of activities with fellow water and wastewater agencies including the San Diego County Water Authority (SDCWA) and Encina Wastewater Authority (EWA). A meeting is scheduled for March 23 to discuss a North County cooperative agreement so agencies can help each other share resources if needed. The District is participating in the SDCWA's web Emergency Operations Center where all member agencies can report on a daily basis how things are going, what is needed, and what resources they may be able to offer.
- Increased communication with the public on the District's website and newsletters. Discussed utilizing a reversed 911 system if necessary.
- Proposed placing a temporary suspension on disconnecting water service and late fee accrual to ensure all customers (residential and commercial) have access to water for health and sanitation reasons and to recognize financial hardships customers may be experiencing with job losses, etc.
- Tracking all COVID-19 response related costs for possible reimbursement from FEMA and other agencies.
- Cancellation of all large group face-to-face meetings and no scheduling of new meetings. Staff is not attending any functions that they have been invited to. No large staff meetings, in-person regional coordination meetings, conference travel, or community outreach events such as the San Marcos Street Fair.
- All Board meetings will be conducted remotely, and this should apply to Board committee meetings as well. Business will get done, just in an alternative method.

General Manager Pruim assured the Board and public that water and wastewater services will be reliable. Updates will be provided to the Board and the public as necessary and as conditions change.

General discussion took place during which Director Sannella suggested public outreach should include information regarding late payments and disconnections.

REPORTS

GENERAL MANAGER

None.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated things are changing rapidly regarding COVID-19. The meeting today was modified per the Governor's Executive Order issued last week. Another Executive Order was issued on March 17 amending the prior Executive Order with a change that would allow the public to participate telephonically or no longer require to have physical space available for them. The Board may want to consider a way for the public to participate so that a space does not have to be made available.

SAN DIEGO COUNTY WATER AUTHORITY

President Evans stated the SDCWA is adhering to all rules, regulations and cautionary measures relating to the COVID-19 situation. The Board meeting via teleconferencing is scheduled on March 26.

ENCINA WASTEWATER AUTHORITY

Director Martin reported that EWA has cancelled all of their Capital Improvement and Policy and Finance Committee meetings for the foreseeable future.

STANDING COMMITTEES

Director Martin stated the Finance and Investment Committee met on March 2. The Committee reviewed the schedule for the upcoming budget process. He requested any presentations be forwarded to the Committee prior to future meetings.

Director Martin stated the Ad Hoc Committee met with the consultant regarding the adjacent hillside property. He anticipates the Committee will provide a full report to the Board within the next few months.

Director Elitharp stated the Engineering and Equipment Committee met on March 9 at which the Committee received several updates on development, capital projects, septage hauling station, District-wide solar project, and the High Point condition assessment. The Committee heard a presentation on the District's asset management program and discussed groundwater grants.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Martin reported on his attendance to a General Plan Advisory Committee (GPAC) meeting on March 11. Future GPAC meetings have been cancelled.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Evans adjourned the Special Meeting of the Board of Directors at the hour of 5:29 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 1, 2020, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

Betty D. Evans, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruim, Secretary
Board of Directors
Vallecitos Water District