AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, OCTOBER 23, 2013, AT 4:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT HERNANDEZ
PLEDGE OF ALLEGIANCE – DIRECTOR MARTIN
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 OCTOBER 23, 2013

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 – OCTOBER 02, 2013
B. JOINT BOARD/CITY COUNCIL MEETING – OCTOBER 03, 2013

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH OCTOBER 23, 2013 – $ 1,149,346.04

Recommendation: Approve Warrant List
1.3 FINANCE REPORTS

A. WATER METER COUNT – SEPTEMBER 30, 2013
B. WATER PRODUCTION/SALES REPORT – 2013/2014
C. WATER REVENUE AND EXPENSE REPORT – SEPTEMBER 30, 2013
D. SEWER REVENUE AND EXPENSE REPORT – SEPTEMBER 30, 2013
E. RESERVE FUNDS ACTIVITY – SEPTEMBER 30, 2013

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

ACTION ITEMS

2.1 RESOLUTIONS FOR FINANCIAL TRANSACTION AUTHORIZATION

The District currently works with numerous financial institutions for the various fiduciary activities required to operate the District.

Recommendation: Adopt Resolutions

2.2 ENGINEERING FEES ORDINANCE

The proposed changes are within the Cost of Service Study Report recommendations for maximum fees.

Recommendation: Adopt Ordinance

2.3 WATER CAPITAL FACILITY FEE ORDINANCE REVISIONS

The proposed meter size and related changes are based on the Cost of Service Study Report recommendations.

Recommendation: Adopt Ordinance

2.4 REVISION TO ORDINANCE FOR CONDUCTING THE BUSINESS OF THE BOARD

Revises verbiage in Ordinance 178, General Provisions for Conducting the Business of the Board, related to Board meetings.

Recommendation: Adopt Ordinance

2.5 BUDGET AMENDMENT REQUEST FOR SCADA UPGRADES AT MEADOWLARK RECLAMATION FACILITY

SCADA (Supervisory Control and Data Acquisition) is a computer controlled system that allows staff to remotely monitor and control processes.

Recommendation: Approve $60,000 budget amendment for SCADA Improvements
2.6 REQUEST FOR TEMPORARY OFFSITE WATER & SEWER SERVICE FOR HIGH TECH ELEMENTARY SCHOOL; APN 219-210-41 (HIGH TECH LEARNING)

The proposed High Tech Elementary School is located on property adjacent to the existing High Tech High and Middle Schools located at San Marcos Boulevard north of Discovery Street.

Recommendation: Approve temporary offsite water and sewer service with conditions

2.7 QUARTERLY INVESTMENT REPORT

For information only.

Recommendation: No action required

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

REPORTS

3.1 GENERAL MANAGER

3.2 DISTRICT LEGAL COUNSEL

3.3 SAN DIEGO COUNTY WATER AUTHORITY

3.4 ENCINA WASTEWATER AUTHORITY

3.5 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

*****END OF REPORTS*****

OTHER BUSINESS

4.1 MEETINGS

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

5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

*****END OF DIRECTORS COMMENTS/FUTURE AGENDA ITEMS*****

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.

Audio and video recordings of all Board meetings are available to the public at the District website [www.vwd.org](http://www.vwd.org)

**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, October 18, 2013.

________________________________________
Diane Posvar
President Hernandez called the Regular meeting to order at the hour of 4:00 p.m.

Director Martin led the pledge of allegiance.

Present: Director Evans
Director Ferguson
Director Martin
Director Poltl
Director Hernandez

Staff Present: General Manager Lamb
Assistant General Manager Scaglione
Legal Counsel Scott
Director of Engineering & Operations Gerdes
Administrative Services Manager Emmanuel
Finance Manager Fusco
Principal Engineer Gumpel
Capital Facilities Engineer Scholl
Water Operations Supervisor Pedrazzi
Public Information/Conservation Supervisor Urabe
Risk Management Supervisor Janus
Executive Secretary Posvar
Administrative Secretary Rogers

ADOPT AGENDA FOR THE REGULAR MEETING OF OCTOBER 23, 2013

13-10-07 MOTION WAS MADE by Director Ferguson, seconded by Director Evans, and carried unanimously, to adopt the agenda for the Regular Board Meeting of October 23, 2013.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

13-10-08 MOTION WAS MADE by Director Evans, seconded by Director Martin, and carried unanimously, to approve the Consent Calendar.

1.1 A. Regular Board Meeting – October 2, 2013
B. Joint Board/City Council Meeting – October 3, 2013

1.2 Warrant List through October 23, 2013 - $1,149,346.04

1.3 Finance Reports
A. Water Meter Count – September 30, 2013
B. Water Production/Sales Report – 2013/2014
C. Water Revenue And Expense Report – September 30, 2013
D. Sewer Revenue And Expense Report – September 30, 2013
E. Reserve Funds Activity – September 30, 2013

Director Evans stated that the October 2 minutes did not reflect that the next Board meeting had been rescheduled from October 16 to October 23. She requested the minutes be changed to reflect the October 23 meeting date.

General Manager Lamb responded that the original document has already been corrected.

Director Evans requested clarification on the warrant list with respect to Day Electric and Nordahl Marketplace LLC to which staff responded.

Director Martin requested clarification on the warrant list with respect to Black and Veatch and City of Carlsbad to which staff responded.

ACTION ITEMS

RESOLUTIONS FOR FINANCIAL TRANSACTION AUTHORIZATION

Assistant General Manager Scaglione stated that the District currently works with numerous financial institutions for the various fiduciary activities required to operate the District. They include, Union Bank for deposit of monies and general banking services, the State of California’s Local Agency Investment Fund (LAIF), and the San Diego County Investment Pool (SDCIP) for investment of idle cash. Additionally, the District deposits funds with Mission Federal Credit Union and San Diego County Credit Union for Certificates of Deposit (CDs).

Historic authorization to execute deposits, withdrawals, wire transfers or transfer of funds from Union Bank, LAIF and SDCIP have been established by resolution for specific District officials to ensure both flexibility to operate when authorized officials are not present and ensure adequate internal controls.

The series of proposed Resolutions presented for consideration by the Board are intended to establish and update the authorized persons with access to District financial resources.

To ensure good public policy with respect to the fiduciary duties of the District, the proposed Resolutions and procedures were reviewed by the District’s auditors for internal controls and separation of duties.

Annual review of these resolutions will take place and any proposed changes will be brought to the Board for consideration as well as confirmation of policy that does not need modification.
General discussion took place.

13-10-09  MOTION WAS MADE by Director Poltl, seconded by Director Martin, and carried unanimously, to adopt the Resolution.

Resolution No. 1426 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES: 
ABSTAIN: 
ABSENT: 

13-10-10  MOTION WAS MADE by Director Ferguson, seconded by Director Evans, and carried unanimously, to adopt the Resolution.

Resolution No. 1427 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES: 
ABSTAIN: 
ABSENT: 

13-10-11  MOTION WAS MADE by Director Evans, seconded by Director Poltl, and carried unanimously, to adopt the Resolution.

Resolution No. 1428 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES: 
ABSTAIN: 
ABSENT: 

13-10-12  MOTION WAS MADE by Director Ferguson, seconded by Director Evans, and carried unanimously, to adopt the Resolution.

Resolution No. 1429 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES: 
ABSTAIN: 
ABSENT: 
13-10-13 MOTION WAS MADE by Director Martin, seconded by Director Poltl, and carried unanimously, to adopt the Resolution.

Resolution No. 1430 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT:

13-10-14 MOTION WAS MADE by Director Ferguson, seconded by Director Evans, and carried unanimously, to adopt the Resolution.

Resolution No. 1431 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT:

13-10-15 MOTION WAS MADE by Director Martin, seconded by Director Evans, and carried unanimously, to adopt the Resolution.

Resolution No. 1432 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT:

ENGINEERING FEES ORDINANCE

Assistant General Manager Scaglione stated that on August 21, 2013, the District accepted a Cost of Service Study (Report). The Report presented recommendations for the maximum fees for various engineering services.

Ordinance 169 established charges for various services provided by the District’s Engineering department. The proposed changes contained in the draft ordinance are within the maximums recommended by the District’s Cost of Service consultants in the Report. The consultants established the costs of service by interviewing staff and gathering information on the cost of time and materials involved in providing the specific services. Some proposed deposits and fees stayed the same.

General discussion took place.
13-10-16 MOTION WAS MADE by Director Ferguson, seconded by Director Poltl, and carried unanimously, to adopt the Ordinance.

Ordinance No. 187 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT:

WATER CAPITAL FACILITY FEE ORDINANCE REVISIONS

Assistant General Manager Scaglione stated the Cost of Service Study Report reviewed existing policy and included a recommendation for establishing the 3/4” meter as the District’s base meter, allowing both greater accuracy on meter reads as well as accommodating residential fire sprinkler systems without requiring a larger meter or the administrative burden of executing and monitoring a water service agreement. The current ordinance’s exhibit reflects the 5/8” meter as the District’s base meter. The only change proposed is to associate 1 EDU with the now base 3/4” meter instead of 1.5 EDU. All existing 3/4” meters would maintain their capacity at 1.5 EDUs. The proposed adjustment is only for new hook-ups.

General discussion took place.

13-10-17 MOTION WAS MADE by Director Ferguson, seconded by Director Evans, and carried unanimously, to adopt the Ordinance.

Ordinance No. 188 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT:

REVISION TO ORDINANCE FOR CONDUCTING THE BUSINESS OF THE BOARD

General Manager Lamb stated that the Ordinance for conducting the business of the Board has been revised to remove reference to the “Committee of the Whole”. Following the revision to the Ordinance as requested by the Board, and subsequent to completion of the agenda packet, it was determined that a previous revision to the ordinance had not been included in the current revision. The previous revision consisted of the addition of the San Marcos Economic Development Council and the San Diego North Economic Development Council to the list of authorized District Memberships. A redline copy of the Ordinance with the addition of the two organizations was provided to the Board for reference. He further stated that the purpose of this was to consolidate the two separate ordinances into one. He requested the Board adopt the Ordinance as currently revised.
13-10-18 MOTION WAS MADE by Director Ferguson, seconded by Director Evans, and carried unanimously, to adopt the Ordinance.

Ordinance No. 189 - The roll call vote was as follows:

AYES: Evans, Ferguson, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT:

BUDGET AMENDMENT REQUEST FOR SCADA UPGRADES AT MEADOWLARK RECLAMATION FACILITY

Water Operations Supervisor Pedrazzi stated that the District 2011/12 approved budget included several projects to upgrade Supervisory Control and Data Acquisition (SCADA) for District-wide operations and maintenance. SCADA is a computer controlled system that allows staff to remotely monitor and control processes. Since commencement of the upgrades and after the presentation of the 2013/14 budget, staff determined the need for additional software and work at the Meadowlark Reclamation Facility (MRF).

SCADA hardware installations have been completed as well as software for O&M operations at the administrative buildings. Integration issues have delayed completion of MRF’s SCADA upgrades. Various programs need to integrate and transmit data from MRF to the administrative servers at headquarters. This budget request includes the ability to maintain data at MRF and in the administrative servers enhancing security, redundancy, and complying with Title 22 regulations. The upgrade is the only way to ensure that data from MRF would not be lost in the event of a data transmission failure.

Staff requested the Board approve a budget amendment in the amount of $60,000.

General discussion took place

13-10-19 MOTION WAS MADE by Director Ferguson, seconded by Director Poltl, and carried unanimously, to approve a $60,000 budget amendment for MRF SCADA improvements.

REQUEST FOR TEMPORARY OFFSITE WATER & SEWER SERVICE FOR HIGH TECH ELEMENTARY SCHOOL; APN 219-210-41 (HIGH TECH LEARNING)

Director of Engineering & Operations Gerdes stated the proposed High Tech Elementary School is located on property adjacent to the existing High Tech High and Middle Schools located at San Marcos Boulevard north of Discovery Street. The existing High Tech High and Middle School property has frontage along San Marcos Boulevard and currently receives water and sewer service from mains located within San Marcos Boulevard. The proposed High Tech Elementary School property is located behind the high school/middle school property with no frontage along any District mains. All the surrounding properties
have frontages and existing services.

High Tech Learning has requested Board consideration and approval of a temporary off-site agreement to connect water and sewer services through the high school property per Ordinance 118. Temporary off-site services is available and appropriate in this particular case.

Staff recommended Board approval of the temporary off-site water and sewer service with conditions.

General discussion took place.

13-10-20 MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, to approve temporary offsite water and sewer service with the following conditions:

1. Payment of temporary offsite water and sewer service fee per Ordinance No. 118.
2. Submit proof of recorded easement across APN 219-210-40 for a private water & sewer service lines to serve APN 219-210-41.
3. Payment of inspection deposit.

QUARTERLY INVESTMENT REPORT

General Manager Lamb stated this is the standard quarterly update. This item was for information only; no action required.

REPORTS

GENERAL MANAGER

General Manager Lamb presented a video on the Citizen’s Centric Report. He stated that a link will be placed on the District’s website. An article will be placed in the newsletter to let customers know the video is available on the website.

DISTRICT COUNSEL

Legal Counsel Scott stated that the Governor has completed action on all bills before him. He signed 805 Bills and vetoed approximately 96, which represented 11% of the bills. That was the lowest percentage since he was Governor previously.
SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated that the Water Authority was following 178 bills that had potential effect on water agencies. They adopted positions on 17 and 9 of those were actually opposed positions. Although, none of those bills went any further. The Water Authority sponsored SB 322, which requests the Department of Public Health, in conjunction with the Department of Water Resources Control Board, to look into the feasibility of developing standard requirement criteria for recycling potable water. The Governor signed the bill on October 8 and issued a statement with it. She read the statement as follows: “I am directing the Water Board to ensure that this work is completed expeditiously. The three year timeframe mandated in this bill is too slow. California needs more high quality water and recycling is the key to getting there.” He would like it to be done December 31, 2016.

Director Evans also stated that tomorrow’s Board meeting is a full day’s meeting and there will be a presentation on another aspect on the Bay Delta Conservation Plan (BDCP), which will deal mostly with the environmental issues and different review processes. Due to the government shut down, the period of review has been postponed. Before the Water Authority makes a decision as to oppose or support, she would like to have a presentation at this Board meeting so that if Board members have information they would like her to relay, she will have it.

Director Evans further stated that the Water Authority is very excited about the school education program and has received additional grant money this year. She inquired as to how many San Marcos schools are using both the Splash program and videos.

Public Information/Conservation Supervisor Urabe addressed the Board stating that 14 water agencies in the county participate in the Splash Lab. Vallecitos is tied for first place with Vista Irrigation District for the most number of visits. A wide variety of the San Marcos schools have visited the Splash Lab. Since last October, almost 1,700 students have toured the Splash Lab at Vallecitos.

ENCINA WASTEWATER AUTHORITY

Director Poltl stated that a Policy and Finance Committee meeting did not take place this month. He reported on the Board meeting held today stating that there was only one action item on the agenda. Resolution 04-15 was rescinded, which was mainly in place during the Phase Five expansion.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Martin reported on his attendance to the WEF Northern California tour. The tour was very informative and interesting.

Director Evans reported on her attendance to the WEF Northern California tour. She was encouraged to see how much people are really trying to work out solutions and are showing success with respect to the dams.
OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Poltl stated that at the Encina Wastewater Authority Board meeting there was financial information on the agenda that for the first time was presented as a dashboard. He spoke with Assistant Manager Scaglione and was informed the District is close to starting that.

Director Poltl stated that he read an article regarding restriction on antennas and asked if that would affect the District in any way.

General Manager Lamb responded no, that the lessee of any antenna agreement is responsible for that type of regulation for our facilities.

Director Martin thanked the Board and the staff for the Joint meeting the District had with the City of San Marcos City Council. He thought it went remarkably well. There was discussion on another joint meeting in six months.

General Manager Lamb stated that he spoke with the City Manager and discussed the items covered in the meeting. One of the items discussed was not actually listed as a follow-up item which was the use of City Hall’s alcoves for display of District information. He has asked staff to report back to him by Mid-November with a status update on the items discussed.

Director Hernandez stated that when he was traveling in Europe he noticed that 95 percent of the toilets in Europe had the double flush plate. He was shocked that the U.S. is so advanced but still has toilets that flush 1.3 gallons of water every time. This will be on his topic at the next meeting.

Director Ferguson stated that she had two new low flush toilets installed and her normally 4 units of usage went down to 2 units of usage for the month.

Director Martin asked if the District requires low flow toilets in new developments.

General Manager Lamb stated that the plumbing code requires low flow toilets to be installed. The double flush plated toilets are not yet mandated.

Director Martin asked staff how well the District’s booth worked out at the Fire Station Open House a couple of weeks ago.

Public Information/Conservation Supervisor Urabe responded that it worked out excellent. The District’s booth was located by the Fire Station which was much busier than being in the regular Health Fair. Over 200 people visited the booth.
General Manager Lamb stated that CalOSHA approved the tunneling to begin for the piping installation. If any Board member would like to see how the tunnel boring works, let staff know so that a tour can be scheduled. This phase of the tunneling will be completed in approximately one week.

ADJOURNMENT

There being no further business to discuss, President Hernandez adjourned the Regular Meeting of the Board of Directors at the hour of 5:20 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Monday, November 4, 2013, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

James Hernandez, President
Board of Directors
Vallecitos Water District

ATTEST:

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