AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, FEBRUARY 6, 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 EVANS

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 FEBRUARY 6, 2013

INTRODUCTION

Human Resources Technician Anderson will introduce new employee - Mark Lee, Systems Construction Worker I.

PRESENTATION

Peter MacLaggan, Vice President of Poseidon Resources, will provide a presentation on the desalination project.

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 – JANUARY 16, 2013

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes
1.2 WARRANT LIST THROUGH FEBRUARY 6, 2013 – $3,472,148.67

Recommendation: Approve Warrant List

1.3 FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR WESTLAKE VILLAGE (NATIONAL COMMUNITY RENAISSANCE)

National Community Renaissance has completed the installation of water and sewer facilities for their project.

Recommendation: Final Acceptance

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

ACTION ITEMS

2.1 NORTH SAN DIEGO COUNTY RECYCLED WATER GROUP (NSDCRWG) - APPROVAL OF PER DIEM FOR DISTRICT BUSINESS TRIP

The Furman Group, authorized lobbyist, has scheduled meetings with several elected officials in Washington D.C.

Recommendation: Approve payment of travel expense and per diem

2.2 SAN MARCOS STATE OF THE CITY ADDRESS – MEETING ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL

The City of San Marcos is not on the list of organizations for which meetings are considered compensable under District Ordinance 178; therefore, prior approval for per diem and expense reimbursement is required.

Recommendation: Request Board Direction

2.3 RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT RESCINDING RESOLUTION NO. 1391 AND CONFIRMING OLIVENHAIN MUNICIPAL WATER DISTRICT’S REPRESENTATIVE TO VOTE IN THE ABSENCE OF VALLECITOS WATER DISTRICT’S REPRESENTATIVE TO THE SAN DIEGO COUNTY WATER AUTHORITY

Due to changes in agency appointments to the San Diego County Water Authority, Resolution No. 1391, which designates a representative to vote on VWD’s behalf in the absence of VWD’s representative, has been revised.

Recommendation: Approve Resolution

2.4 RESOLUTION CONCURRING IN THE NOMINATION OF CHARLES MUSE TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)
The Helix Water District has requested this District’s support in the nomination of Charles Muse to the Executive Committee of ACWA/JPIA. Nominations are due to the ACWA/JPIA office by March 22, 2013.

Recommendation: Request Board Direction

2.5 RESOLUTION CONCURRING IN THE NOMINATION OF MELODY A. MCDONALD TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

The San Bernardino Valley Water Conservation District has requested this District’s support in the nomination of Melody A. McDonald to the Executive Committee of ACWA/JPIA. Nominations are due to the ACWA/JPIA office by March 22, 2013.

Recommendation: Request Board Direction

2.6 DEFERRED COMPENSATION PLAN

The District has two providers for deferred compensation plans, ING and CalPERS. The PERS plan document applies to both plans and was amended and restated effective January 1, 2009.

Recommendation: Approve Resolution

2.7 AWARD OF CONTRACT AND BUDGET INCREASE FOR RECOATING OF THE MEADOWLARK RECLAMATION FACILITY PRIMARY EFFLUENT AND ROUGHING FILTER WET WELL

The existing coating system necessary to protect the concrete structures is failing.

Recommendation: 1) Increase the budget by $49,931
2) Award a contract to National Coating and Lining Inc. in the amount of $87,300

2.8 ENGINEERING SERVICES AGREEMENT – SAN ELIJO HILLS PUMP STATION (OMWD)

Upon completion of the contract with the SDCWA, OMWD will have additional treatment capacity available to Vallecitos Water District at a discounted rate.

Recommendation: Approve a professional services agreement with Infrastructure Engineering Corporation in the amount of $264,566.00

*****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 – January 24, 2013

3.4 ENCINA WASTEWATER AUTHORITY

3.5 LAFCO

3.6 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

4.1 MEETINGS

CSDA San Diego Chapter Quarterly Dinner Meeting
February 21, 2013 – 94th Aero Squadron, San Diego, CA

CASA Washington D.C., Conference

ACWA Washington D.C., Conference

*****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)
Citizens Development Corporation v. County of San Diego, et al
U.S.D.C., So. District of California, Case No. 12-CV-00334-GPC-KSC

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, February 1, 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 Hernandez  
          Director Martin  
          Director Poltl  

Absent: Director Ferguson  

Staff Present:  General Manager Lamb  
                Assistant General Manager Scaglione  
                Legal Counsel Scott  
                Director of Engineering & Operations Gerdes  
                Administrative Services Manager Emmanuel  
                Principal Engineer Gumpel  
                Risk Management Supervisor Janus  
                Water Operations Supervisor Pedrazzi  
                Information Technology Supervisor Fisher  
                System Administrator Drummond  
                Public Information/Conservation Supervisor Urabe  
                Public Information Representative Yerman  
                Human Resources Technician Anderson  
                Executive Secretary Posvar  

ADOPT AGENDA FOR THE REGULAR MEETING OF FEBRUARY 6, 2013

13-02-01 MOTION WAS MADE by Director Martin, seconded by Director Poltl, and carried unanimously, with Director Ferguson absent, to adopt the agenda for the Regular Board Meeting of February 6, 2013.

INTRODUCTION

Human Resources Technician Anderson introduced new employee Mark Lee, Systems Construction Worker I.

PRESENTATION

Peter MacLaggan, Vice President of Poseidon Resources, provided a presentation on the desalination project which included the following:

• Brief history of the project  
• Site configuration for the plant  
• Contract term  
• Project participants  
• Poseidon responsibilities
• San Diego County Water Authority responsibilities
• Performance guarantees
• Pipeline location
• Construction schedule
• Project benefits
• Construction outreach plan
• City of San Marcos oversight
• Project schedule
• Upcoming meetings

General discussion followed and it was noted by Mr. MacLaggan that the first outreach event would be held at Alvin Dunn School on February 13, 2013 beginning at 6:00 p.m. A second event would be scheduled at a later date when the final construction schedule is confirmed.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

Director Martin questioned the wording in the January 16, 2013 minutes with regard to the correction in the December 19, 2012 minutes. He requested the minutes reflect that the correction made was to Item 1.1 A, Regular Board Meeting, December 19 – removal of “Darrell Gentry, Chair” from the Representatives List for ACWA Region 10 Board.

13-02-02 …

MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, with Director Ferguson absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes
A. Regular Board Meeting – January 16, 2012

1.2 Warrant List through February 6, 2013 - $3,472,148.67

1.3 Final Acceptance of Water & Sewer Improvements for Westlake Village (National Community Renaissance)

ACTION ITEMS

NORTH SAN DIEGO COUNTY RECYCLED WATER GROUP (NSDCRWG) – APPROVAL OF PER DIEM FOR DISTRICT BUSINESS TRIP

General Manager Lamb stated that the eight agencies that comprise the NSDCRWG hired the Furman Group to lobby on behalf of the agencies. The House and Senate are currently going through their funding process. The past two years a delegation was
sent to Washington D.C. on behalf of the group to meet with as many representatives as possible. To date, the lobbying and grant activities have resulted in grant awards of approximately $5,000.00 for the group.

Kim Thorner, General Manager for Olivenhain Municipal Water District, will be attending on behalf of the NSDCRWG and has extended an invitation to Director Hernandez to attend on this District’s behalf.

General Manager Lamb stated this meeting is not a preapproved event as noted in Ordinance No. 178, therefore requires Board approval.

General Manager Lamb requested the Board’s approval to authorize Director Hernandez to attend the Washington D.C. meetings on behalf of the District as well as representing the rest of the agencies and to further authorize travel expenses and per diem be paid for the trip.

General discussion followed.

13-02-03 MOTION WAS MADE by Director Poltl, seconded by Director Martin, and carried unanimously, with Director Ferguson absent, to approve payment of travel expenses and per diem for Director Hernandez’s attendance on behalf of the District.

SAN MARCOS STATE OF THE CITY ADDRESS – MEETING ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL

General Manager Lamb stated that the City of San Marcos functions are not authorized under Ordinance No. 178 for attendance, therefore, prior approval for per diem and expense reimbursement is required.

The San Marcos State of the City Address will be held on February 26, 2013. Preapproval by the Board will be needed for payment of expenses and per diem should any of the Board wish to attend this function.

General discussion followed. Director Evans stated that that she felt the fee to attend should be paid, however, per diem should not be paid for attendance at this event.

Director Martin further stated that Board members should be paid per diem for City of San Marcos events that include water business or a reason for Board members to be at the event in an official capacity.

13-02-04 MOTION WAS MADE by Director Evans, seconded by Director Poltl, and carried unanimously, with Director Ferguson absent, to authorize the District to pay the attendance fee for the State of the City event only.
RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT RESCINDING RESOLUTION NO. 1391 AND CONFIRMING OLIVENHAIN MUNICIPAL WATER DISTRICT’S REPRESENTATIVE TO VOTE IN THE ABSENCE OF VALLECITOS WATER DISTRICT’S REPRESENTATIVE TO THE SAN DIEGO COUNTY WATER AUTHORITY

General Manager Lamb stated that SDCWA Board members have the option to select another Board member to serve as voter proxy in the absence of a Board member. He stated that, due to changes in agency appointments to the SDCWA, he has selected Bob Topolovac of Olivenhain Municipal Water District to vote on his behalf only when absent.

General discussion followed.

13-02-05 MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, with Director Ferguson absent, to approve the Resolution.

Resolution No. 1413 - The roll call vote was as follows:

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

RESOLUTION CONCURRING IN THE NOMINATION OF CHARLES MUSE TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

General Manager Lamb stated that the District has received a request from Helix Water District that this Board adopt a resolution concurring in their nomination of Charles Muse to the Executive Committee of the ACWA/JPIA.

General discussion followed.

13-02-06 MOTION WAS MADE by Director Poltl, seconded by Director Martin, and carried unanimously, with Director Ferguson absent, to approve the Resolution.

Resolution No. 1414 - The roll call vote was as follows:

AYES: Evans, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT: Ferguson
RESOLUTION CONCURRING IN THE NOMINATION OF MELODY A. MCDONALD TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

General Manager Lamb stated that the District has received a request from the San Bernardino Valley Water Conservation District that this Board adopt a resolution concurring in their nomination of Melody A. McDonald to the Executive Committee of the ACWA/JPIA.

General discussion followed.

13-02-07 MOTION WAS MADE by Director Martin, seconded by Director Poltl, and carried unanimously, with Director Ferguson absent, to approve the Resolution.

Resolution No. 1415 - The roll call vote was as follows:

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

DEFERRED COMPENSATION PLAN

Administrative Services Manager Emmanuel stated that the District offers two deferred compensation plans, ING and CalPERS. Employees have expressed an interest in being able to obtain loans from their personal accounts. This option is not currently provided under the CalPERS or ING plans, however, it is an administrative change that can be made by the General Manager or Assistant General Manager. There is no cost to the District to add the loan provision to the CalPERS plan. The resolution being considered is solely for the purpose of acknowledging that the District is following the amended and restated 2009 PERS plan document. Staff recommended approval of the resolution.

General discussion followed.

13-02-08 MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, with Director Ferguson absent, to approve the Resolution.

Resolution No. 1416 - The roll call vote was as follows:

AYES: Evans, Martin, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT: Ferguson
AWARD OF CONTRACT AND BUDGET INCREASE FOR RECOATING OF THE MEADOWLARK RECLAMATION FACILITY PRIMARY EFFLUENT AND ROUGHING FILTER WET WELL

Principal Engineer Gumpel stated that the bypass pumping contract was awarded to Charles King Company at the January 16, 2013 Board meeting. District staff requested bids from seven contractors for the recoating work and received three bids on January 9, 2013. The lowest, most responsible bidder was National Coating and Lining. The bid was evaluated by staff and legal counsel. The project is also in the 2012/2013 fiscal year budget. Both the cost of the bypass and the cost of coating came in slightly higher than expected. The total budget shortfall with the estimate is approximately $49,931.

Staff requested an increase to the budget in the amount of $49,931 and award the contract to National Coating and Lining in the amount of $87,300.

General discussion followed.

13-02-09 MOTION WAS MADE by Director Poltl, seconded by Director Martin, and carried unanimously, with Director Ferguson absent, to 1) increase the budget by $49,931 and, 2) award a contract to National Coating and Lining Inc., in the amount of $87,300.

ENGINEERING SERVICES AGREEMENT – SAN ELIJO HILLS PUMP STATION (OMWD)

Principal Engineer Gumpel stated that on November 21, 2012, the Board authorized staff to execute a Water Purchase Agreement with OMWD for the purchase of at least 2,750 acre-feet of treated water per year. In order to meet the conditions of delivery of treated water, the District would have to proceed with some capital improvements, which is the San Elijo Hills pump station. Those facilities are required to, by best efforts, take water by June 2014. Part of that process is to select the design consultant.

On December 7, 2012, the District sent a request for Statements of Qualifications to five local engineering firms in San Diego County. Infrastructure Engineering Corporation (IEC) was selected as the most qualified firm based on the Statements of Qualifications. Staff negotiated a scope of work and fee proposal with IEC for the amount of $264,566.00. This item was presented at the January 7, 2013 Board Committee meeting.

Staff recommended approval of a professional services agreement with IEC in the amount of $264,566.00 for the San Elijo Hills Pump Station design.

General discussion followed.
13-02-10  MOTION WAS MADE by Director Poltl, seconded by Director Evans, and
carried unanimously, with Director Ferguson absent, to approve a
professional services agreement with Infrastructure Engineering
Corporation in the amount of $264,566.00.

REPORTS

GENERAL MANAGER

General Manager Lamb asked the Board to allow 2+ hours for the Board Committee
meeting scheduled on Monday, February 11 due to the length of the agenda.

General Manager Lamb stated that the dates for the facility tours have been confirmed
with all. The offer to attend the tours has been extended to the San Marcos City
Council and City Manager.

General Manager Lamb stated that he provided the Board with a copy of his response
to the San Diego County Taxpayers Association report. There has been no further
contact by the San Diego County Taxpayers Association.

DISTRICT COUNSEL

Legal Counsel Scott reported on the possible overhaul of the California Environmental
Quality Act (CEQA) this year. The bill was signed into effect in 1970 by Governor
Reagan. The primary goal of CEQA is to ensure decision makers and the public are
made aware of environmental effects of a particular project and to make sure those
impacts are prevented or reduced significantly.

SAN DIEGO COUNTY WATER AUTHORITY

General Manager Lamb stated that the January 24 Summary of Formal Board of
Directors’ Meeting was provided in the agenda packet.

ENCINA WASTEWATER AUTHORITY

Director Poltl reported on the January 23 Board meeting. He further stated that the next
Policy and Finance Committee meeting will be held on February 13.

LAFCO

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Martin provided an oral report on his attendance to the San Marcos EDC
meeting on January 16, 2013. The topic of discussion was a presentation facilitated by
Supervisor Horn on Prosperity on Purpose. Supervisor Horn is attempting to get all
cities within his division to become members of this group because there is some money out there that might be available. The City of San Marcos is the only city that was a participant in doing this.

Director Martin provided an oral report on his attendance to the CASA Annual Mid-year Conference. There were a number of break-out sessions all three days of the conference.

Director Martin provided an oral report on his attendance to the Colorado River Aqueduct Inspection Tour hosted by Metropolitan Water District and the San Diego County Water Authority. It was a very interesting and educational tour with numerous stops, including the Geno Patton Museum on the return trip.

Director Evans reported on her attendance to the CASA Annual Mid-year Conference. It was very exciting to find that this District as well as the region has really been trying to be on the forefront as well as lots of good things regarding reuse, recycling and conservation. The focus of the conference was resource recovery. Felt excitement that they are trying to teach the public to rethink water is a resource and wastewater is a revenue resource. Was very excited about some of their ideas, the many examples presented, the representation given, what’s happening with the government, and that CEQA is being re-reviewed.

Written reports were also 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)
Citizens Development Corporation v. County of San Diego, et al
U.S.D.C., So. District of California, Case No. 12-CV-00334-GPC-KSC

13-02-11 MOTION WAS MADE by Director Poltt, seconded by Director Martin, and carried unanimously, with Director Ferguson absent, to move into Closed Session pursuant to Government Code Section 54956.9(a).

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 6:30 p.m. The Board, in Closed Session, directed Legal Counsel to take no further action on the CDC bankruptcy and to monitor its status.
ADJOURNMENT

There being no further business to discuss, President Hernandez adjourned the Regular Meeting of the Board of Directors at the hour of 6:31 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, February 20, 2013, at 4:00 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:

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