CALL TO ORDER – PRESIDENT MARTIN

PLEDGE OF ALLEGIANCE

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 19, 2014

PRESENTATION

Debbie Biggs, Director of Operations for Encina Wastewater Authority (EWA), will provide a presentation on EWA’s PureGreen 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 – FEBRUARY 5, 2014

      Approved minutes become a permanent public record of the District.
      
      Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH FEBRUARY 19, 2014 – $1,225,555.32

   Recommendation: Approve Warrant List
1.3 FINANCIAL REPORTS

A. WATER METER COUNT – JANUARY 31, 2014
B. WATER PRODUCTION/SALES REPORT – 2013/2014
C. WATER REVENUE AND EXPENSE REPORT – JANUARY 31, 2014
D. SEWER REVENUE AND EXPENSE REPORT – JANUARY 31, 2014
E. RESERVE FUNDS ACTIVITY – JANUARY 31, 2014
F. INVESTMENT REPORT – JANUARY 31, 2014

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

ACTION ITEMS

2.1 RESOLUTION OF APPRECIATION FOR DIRECTOR MARGARET E. FERGUSON

After serving the District for 35 years, Margaret E. Ferguson has retired from the Board of Directors.

Recommendation: Adopt Resolution

2.2 LEVEL 1 DROUGHT DECLARATION

The San Diego County Water Authority Board of Directors declared implementation of Stage 1, Voluntary Water Shortage Management of their Water Shortage and Drought Response Plan on February 13, 2014.

Recommendation: Support Drought Level 1 “Drought Watch” declaration

2.3 RESOLUTION MODIFYING GENERAL MANAGER’S SALARY

The Board of Directors has completed the process of evaluating the General Manager.

Recommendation: Request Board direction

*****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
   - Capital Improvement Committee
   - Policy and Finance Committee

3.5 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

4.1 MEETINGS

  WEF Executive Briefing
  March 27, 2014 – Red Lion Hotel, Sacramento, CA

*****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

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 14, 2014.

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

Alicia Yerman led the pledge of allegiance.

Present: Director Evans
         Director Hernandez
         Director Poltl
         Director Sannella
         Director Martin

Staff Present: 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
               Public Information/Conservation Supervisor Urabe
               Public Information Representative Webb
               Public Information Representative Yerman
               Executive Secretary Posvar

Others Present: Margaret E. Ferguson
                 Kevin Hardy, General Manager, Encina Wastewater Authority
                 Mike Steinlicht, Asst. General Manager, Encina Wastewater Authority
                 Debbie Biggs, Director of Operations, Encina Wastewater Authority

ADOPT AGENDA FOR THE REGULAR MEETING OF FEBRUARY 19, 2014

14-02-06 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to adopt the agenda for the Regular Board Meeting of February 19, 2014.

The vote was as follows:

AYES: Evans, Hernandez, Poltl, Sannella, Martin
NOES:
ABSTAIN:
ABSENT:
PRESENTATION

Debbie Biggs, Encina Wastewater Authority’s (EWA) Director of Operations, facilitated a presentation on EWA’s biosolids management project from onset to now. The 3-year project resulted in the conversion of biosolids to fertilizer pellets. The product is currently sold to local small businesses.

ORAL COMMUNICATIONS

Mr. Michael Hunsaker, member of the public, addressed the Board stating that he applauds the efforts and work to develop more transparency in government and would like to make a few suggestions. He would like to see a link on the home page for meeting agendas. He would also like the agendas to be downloadable immediately, that it can be searched and extracted. This is a subtle problem that has been creeping into various government agencies where with documents you cannot go to the link and immediately select out and search pages for a particular area. You have to download it and then take the download and do some search to a limited degree and can do some extractions of the pages wanted. This should be able to be done directly off of the link, not off a two stage process. He is also a little concerned about the special meetings that can be called in 24 hours’ notice and then to find that possibly, in some cases, these meetings were known a week in advance. He thinks the 24 hour notice is something that is not conducive to good, open transparency. He does a lot of research in government agencies and problems, and one of the areas he has been looking at is the City of Bell. He has been finding surprising parallels between San Marcos and the City of Bell. One of the things that they were promoting just before everything fell apart, was transparency and great audits/good financial reporting. One of the auditors is in deep trouble and one of the bond counsels, Best, Best and Krieger, is also being sued. In the day of digital communication and information, the website should be made as convenient to use and appropriate in a digital age. He would also like to have the archives searchable, so he can find where various subjects are coming up, such as drought, ordinances, etc. San Marcos does not have that feature and it is a real problem. He thanked the Board.

CONSENT CALENDAR

14-02-07 MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes
   A. Regular Board Meeting – February 5, 2014

1.2 Warrant List through February 19, 2014 - $1,225,555.32

1.3 Financial Reports
RESOLUTION OF APPRECIATION FOR DIRECTOR MARGARET E. FERGUSON

The Board of Directors presented retired Board member, Margaret E. Ferguson, with a resolution in appreciation for her 35 years of service on the Vallecitos Board of Directors.

14-02-08 MOTION WAS MADE by Director Hernandez, seconded by Director Evans, and carried unanimously, to adopt the Resolution.

The roll call vote was as follows:

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

LEVEL 1 DROUGHT DECLARATION

Assistant General Manager Scaglione stated that on February 13, 2014, the Board of Directors of the San Diego County Water Authority (SDCWA) declared implementation of Stage 1, Voluntary Water Shortage Management of their Water Shortage and Drought Response Plan. SDCWA took into account the Governor’s drought proclamation last month and action by the Metropolitan Water District Board. Although the region has reduced water use per capita by more than 25% since 2007 and Southern California has record levels of stored water, the action was taken to provide relief for other areas of the state more immediately affected by the drought and to protect storage reserves.

Ordinance No. 162 established the District’s Drought Response Policy and is modeled after the SDCWA’s drought response ordinance and includes four levels of drought response actions. Level 1 “Drought Watch” condition is declared by the District General Manager when the SDCWA notifies the District of the pending probability of supply shortages and that voluntary demand reduction up to 10% is required. The Board of Directors declares drought levels above Level 1. With the Level 1 Drought Watch, the District will increase public outreach and encourage conservation practices. If the District does not experience some level of conservation within a few months, efforts will
be increased in outreach to achieve some level of conservation.

Staff recommended the Board support the Level 1 Drought Watch declaration.

General discussion followed.

Mr. Michael Hunsaker, member of the public, addressed the Board stating that he will hold his comments until the next meeting. He expressed his concern about depending almost entirely on the Colorado River to bail us out as well as Metropolitan Water District.

14-02-09 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, to support the Level 1 Drought Watch declaration.

The vote was as follows:

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

RESOLUTION MODIFYING GENERAL MANAGER’S SALARY

President Martin requested that this item be continued to the March 19 Board meeting to allow for additional discussion in Closed Session.

14-02-10 MOTION WAS MADE by President Martin, seconded by Director Hernandez, and carried unanimously, to continue this item to March 19 for Closed Session.

The vote was as follows:

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

REPORTS

GENERAL MANAGER

Assistant General Manager Scaglione provided an update on Other Post Employment Benefits.
Assistant General Manager Scaglione stated that ACWA Region 10 Board is seeking candidates to fill a Board member vacancy in San Diego County. This item will be brought forth at the March 5 Board meeting in the event any Board member is interested. A resolution nominating a candidate will need to be adopted.

President Martin stated that he has an interest.

DISTRICT COUNSEL

Legal Counsel Scott reported on a recent case involving the Regents of the University of California and the Public Records Act. The legal issue was whether the Regents had to produce the records of individual investment funds that were maintained by private investment firms. The court held that because the Regents had not prepared, owned, or retained the records, the records were not public records.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans reported on the Board meeting which focused on the drought and the Bay Delta Conservation Plan.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on the Capital Improvement Committee meeting held this morning which included discussion on condition assessments and their purchasing policy.

Director Poltl reported on the Policy and Finance Committee meeting held on February 11 which included establishing the meeting dates for 2014 as well as discussion on supplemental research conclusions regarding prevailing wage, permission to write letters of support for the Congressional Clean Water Act Caucus, and study sessions for the budget.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Hernandez reported on his attendance to the ACWA Groundwater Committee meeting at which the highpoints were groundwater data collection, storage, and the drought.

Director Evans reported on her attendance to the Council of Water Utilities meeting at which Dana Friehauf, Acting Water Resources Manager for the San Diego County Water Authority, was the guest speaker. Ms. Friehauf provided information on the supply conditions that led to the drought declaration, what effect the dry conditions have had statewide, and what the potential impact is to the San Diego region.
Directors Hernandez, Poltl, and Martin were also in attendance at the COWU meeting and provided additional comments on the meeting.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Hernandez asked when the item related to late fees will be brought before the Board.

Assistant General Manager Scaglione stated that staff enacted the new policy on late fees. The bill will become late at 20 days; at 23 days, if the payment has not been made, staff will call the customer and let them know that if the payment is made within 2 days, a late fee will be incurred; if payment still is not received, another call will be made to the customer conveying that a late fee will appear on their next bill.

President Martin stated he would like to see this item placed on a future agenda in order to get clarity on the changes that were made.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 5:24 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, March 5, 2014, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

Hal J. Martin, President
Board of Directors
Vallecitos Water District

ATTEST:

Tom Scaglione, Treasurer
Board of Directors
Vallecitos Water District