AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 2, 2014, AT 4:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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 APRIL 2, 2014

PRESENTATION

Alicia Yerman, Public Information Representative, will share her recent “Water Academy” presentation given at the national American Water Works Association/Water Education Foundation Utility Management Conference in Savannah, Georgia.

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 – MARCH 19, 2014

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes
1.2 WARRANT LIST THROUGH APRIL 2, 2014 – $2,814,426.05

Recommendation: Approve Warrant List

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

ACTION ITEMS

2.1 AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR THE 2014 WATER, WASTEWATER, AND RECYCLED WATER MASTER PLAN

The 2014 Master Plan will update the District’s water and wastewater profile and incorporate approved land uses for each jurisdictional agency within the District’s boundary.

Recommendation: Approve Agreement

2.2 PROFESSIONAL SERVICES AGREEMENT FOR COMPLETION OF A RECYCLED WATER BUSINESS PLAN

The 2014 Master Plan will update the District’s water and wastewater profile, will identify and evaluate various water supply alternatives that may be available to the District now and in the new future, and will meet several Strategic Plan strategy items.

Recommendation: Provided for discussion and consideration

2.3 AWARD OF CONSTRUCTION CONTRACT FOR MEADOWLARK TANKS 1 & 2 REFURBISHMENT

The District’s steel tanks require major maintenance on a recurring basis.

Recommendation: 1) Increase of $17,000 to the approved budget
2) Award construction contract to Pacific Titan Inc.

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

REPORTS

3.1 GENERAL MANAGER

3.2 DISTRICT LEGAL COUNSEL

3.3 SAN DIEGO COUNTY WATER AUTHORITY
   - Capital Improvement Committee
   - Policy and Finance Committee

3.4 ENCINA WASTEWATER AUTHORITY
3.5 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

4.1 MEETINGS

WEF Flood Management Tour
May 14 - 15, 2014 – Begins/Ends in Stockton, CA

CSDA Special Districts Legislative Days
May 20 – 21, 2014 – Convention Center, Sacramento, CA

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

5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

CLOSED SESSION

6.1 CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957-
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL COUNSEL

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

7.1 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, March 28, 2014.

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

Capital Facilities Engineer Robert Scholl led the pledge of allegiance.

Present: Director Evans
        Director Hernandez
        Director Poltl
        Director Martin

Absent: Director Sannella

Staff Present: General Manager Lamb
              Assistant General Manager Scaglione
              Legal Counsel Scott
              Director of Engineering & Operations Gerdes
              Administrative Services Manager Emmanuel
              Finance Manager Fusco
              Operations & Maintenance Manager Pedrazzi
              District Engineer Gumpel
              Capital Facilities Engineer Scholl
              Accounting Supervisor Owen
              Public Information/Conservation Supervisor Urabe
              Public Information Representative Yerman
              Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 2, 2014

14-04-01 MOTION WAS MADE by Director Hernandez, seconded by Director Poltl, and carried unanimously, with Director Sannella absent, to adopt the agenda for the Regular Board Meeting of April 2, 2014.

PRESENTATION

Public Information Representative Alicia Yerman provided information on her recent Water Academy presentation given at the national American Water Works Association/Water Education Foundation Utility Management Conference in Savannah, Georgia.

ORAL COMMUNICATIONS

Mr. Michael Hunsaker, member of the public, addressed the Board stating that he is working with some mobile home parks on conversion of the utilities. They are finding more and more difficulties as they go along and water continues to be the most pressing issue and the most possibly intractable. They have a program started for gas and electric as these are obvious safety issues. They are also coming across safety issues with sewers in particular and some water. They have virtually no landscaping and no water for laundry. As a consequence, they use very little water. If they have to do a
hook-up to a 3/4 inch line to become part of the District’s system, then there is a very heavy hook-up fee. He thanked the Board.

General Manager Lamb addressed the Board stating that staff will be responding to Mr. Hunsaker. The mobile home park unto itself is private onsite; it has nothing to do with Vallecitos. The capacity fees that are paid for the existing meter is adequate for the park and the sewer fees already paid for the park are adequate. Assuming they don’t add any additional units inside the park, as far as water and sewer fees for Vallecitos’ concern, there is no impact/no involvement.

CONSENT CALENDAR

14-04-02 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, with Director Sannella absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes
   A. Regular Board Meeting – March 19, 2014

1.2 Warrant List through April 2, 2014 - $2,814,426.05

ACTION ITEMS

AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR THE 2014 WATER, WASTEWATER, AND RECYCLED WATER MASTER PLAN

General Manager Lamb provided historical background information.

Capital Facilities Engineer Scholl introduced the Master Plan team which includes staff from Black and Veatch. He stated that the 2014 Master Plan addresses two of the strategic focus areas of the District’s Master Plan. The first being Strategic Focus Area 1, Infrastructure Integrity of the Strategic Plan and the second being Focus Area 6, Resource Exploration. He presented and discussed the following:

- Purpose of the Master Plan
- Master Plan goals and objectives
- History of VWD Master Plans
- Land use
- Duty factors
- Water duty factors of past Master Plans
- Sewer duty factors of past Master Plans
- Historical water demands and water demand projections
- Historical sewer flows and sewer flow projections
- Water and sewer models
- Capital Improvement Projects
• Example of proposed CIPs in a Master Plan
• Integrated water resources and supply alternatives
• Program EIR
• Future Master Plan Board workshops
• Tentative schedule for complete Master Plan process
• Consultant selection process

General discussion took place.

Staff recommended approval of a professional services agreement with Black and Veatch in the amount of $713,082.00 for the preparation of the District’s 2014 Water, Wastewater, and Recycled Water Master Plan.

Mr. Hunsaker, member of the public, addressed the Board stating that Mr. Lamb was talking about mobile home parks, the difference between a private facility and public ownership of the line going to each home. There is a separate category needed in this plan for mobile home parks. He thinks this should be addressed in the Master Plan and he also would like to know if there is going to be any reserve for droughts in this plan or an analysis of the risks for Colorado River water being less available. He thanked the Board.

Director Hernandez asked staff if there is a category already there.

General Manager Lamb responded that it is there; the PUC cannot make a determination that the District has to take a public water supply inside of a mobile home park. They have a 6 inch meter that is more than adequate to serve the entire park. The fee ordinance already contains a category for mobile home parks that covers the capacity and the monthly service charge.

14-04-03 MOTION WAS MADE by Director Evans, seconded by Director Poltl, and carried unanimously, with Director Sannella absent, to approve the agreement.

The roll call vote was as follows:

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

PROFESSIONAL SERVICES AGREEMENT FOR COMPLETION OF A RECYCLED WATER BUSINESS PLAN

General Manager Lamb provided historical background information.
Capital Facility Engineer Scholl presented and discussed the following:

- Strategic Plan objectives
- History and approach
- Goals and objectives
- Recycled Water Business plan
  - Proposed Board Workshops
  - Grant funding proposal
  - Project Milestones

General discussion followed.

Staff recommended the Board 1) authorize a budget amendment of $185,000 to the FY 2013/14 budget for the inclusion of the Recycled Water Business Plan; 2) approve a professional services agreement with Black and Veatch in the amount of $158,630.00, contingent upon obtaining the $75,000.00 matching grant; and, 3) adopt a resolution for the application to the State of California Water Resources Control Board for a matching grant in the amount of $75,000.00 for the completion of a Recycled Water Business Plan.

14-04-04 MOTION WAS MADE by Director Hernandez, seconded by Director Evans, and carried unanimously, with Director Sannella absent, to approve 1) budget amendment of $185,000.00 to the FY 2013/14 budget; 2) agreement with Black and Veatch in the amount of $158,630.00 contingent upon award of $75,000.00 matching grant; and 3) adopt the resolution.

Resolution No. 1445 - The roll call vote was as follows:

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

AWARD OF CONSTRUCTION CONTRACT FOR MEADOWLARK TANKS REFURBISHMENT

Principal Engineer Gumpel stated that the District’s tanks require major maintenance on a recurring basis. Meadowlark Tanks 1 & 2 are scheduled to be refurbished this fiscal year due to corrosion. On March 13, 2014, staff received and opened bids from five contractors for the project.

Staff and counsel completed the evaluation of qualifications and determined that Pacific Titan, Inc. was the lowest responsive, responsible bidder. Harper and Associates Engineering Inc. provided design services and will provide inspection. Construction management will be performed by District staff.
Staff recommended that the approved budget be increased $17,700.00 due to a shortfall and award the construction contract to Pacific Titan Inc. in the amount of $467,581.00, subject to the provisions of the contract.

General discussion followed.

14-04-05 MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, with Director Sannella absent, to 1) increase the approved budget $17,700.00; and, 2) award the contract to Pacific Titan Inc.

The roll call vote was as follows:

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

REPORTS

GENERAL MANAGER

General Manager Lamb stated that a copy of the Union Tribune article regarding the District receiving the Transparency Certificate of Excellence was distributed; staff will be working on scheduling the first budget workshop; and, the May 7 Board meeting runs concurrent with the ACWA Conference at which three Board members will be attending, therefore, there will not be a quorum for that meeting – will need to decide whether to reschedule or cancel that meeting.

DISTRICT COUNSEL

Legal Counsel Scott reported on an important recent case, the City of San Jose vs. Smith, which held that the Public Records Act does not require public access to written communications between public officials and public employees using exclusive private cell phones or email accounts. Legal Counsel Scott pointed out that it was an important case that balances the public’s right to access public records and public officials’ rights of privacy.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated that she attended the Fiscal Sustainability Task Force meeting. The Task Force came before the Board last week at which the Board deferred the final decision to apply the debt and equity payments for the Carlsbad desalination plant to 2016 rates and in the interim to be sure that those rates apply to the supply rate and not the infrastructure access charge. They will maintain the current policy related to the application of non-commodity revenue, including the treatment.
Director Evans stated that the SDCWA’s model drought response ordinance has now been adopted for the entire state; the water bond is in the air, however, there are between 10 and 13 alternate bond issues being presented at this time; and, she participated in the self-guided water-wise garden tour.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated that the next Capital Improvement Committee meeting will be held on April 16.

Director Poltl reported on the March 26 Board meeting at which discussion took place regarding Board of Directors compensation and a report was given on the implementation of the employee wellness program.

Director Poltl reported on the Policy and Finance Committee meeting at which the budget was discussed.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

None.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Hernandez requested that Ordinance 186 be brought back before the Board to specifically discuss delinquent fee timelines.

Director Martin stated that accolades were printed in the Union Tribune newspaper on the District’s Transparency Certificate of Excellence Award from the Special District Leadership Foundation.

CLOSED SESSION

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957-
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL COUNSEL

14-04-06 MOTION WAS MADE by President Martin, seconded by Director Hernandez, and carried unanimously, with Director Sannella absent, to move into Closed Session pursuant to Government Code 54957.
REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 6:20 p.m. The Board, in Closed Session, directed staff to take appropriate action.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 6:21 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 16, 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:

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