AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, AUGUST 6, 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 AUGUST 6, 2014

INTRODUCTIONS

Human Resources Technician Bridget Anderson will introduce new employees, Jorge Aceves, Systems Collection Worker I; Jason Hubbard, Capital Facilities Senior Engineer; and Lisa Whitesell, Engineering Technician III.

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 - JULY 16, 2014
B. BOARD WORKSHOP MEETING – JULY 22, 2014

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes
1.2 WARRANT LIST THROUGH AUGUST 6, 2014 – $4,862,018.75

Recommendation: Approve Warrant List

1.3 FALL 2014 SPLASH! – VALLECITOS WATER DISTRICT QUARTERLY NEWSLETTER

Recommendation: Approve the Fall 2014 SPLASH Newsletter

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

ACTION ITEMS

2.1 FATS, OILS AND GREASE (FOG) PROGRAM UPDATE

Ordinance No. 191 established the rules and regulations for FOG control and provided for the recovery of reasonable costs associated with program compliance.

Recommendation: Continue fee deferral

2.2 AWARD OF CONSTRUCTION CONTRACT AND CONSTRUCTION MANAGEMENT CONTRACT FOR SAN ELIJO HILLS PUMP STATION PROJECT

The project will build a pump station to transport at least 2,750 acre feet of treated potable water each year from the Olivenhain Municipal Water District’s David C. McCollom water treatment plant.

Recommendation: 1) Increase budget by $680,000
2) Award construction contract to Canyon Springs Enterprises dba RSH Construction Services in the amount of $1,365,823
3) Award construction management contract to Valley CM in the amount of $112,104

2.3 FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR PARKVIEW APARTMENTS (PARKVIEW SAN MARCOS II, LP)

The project is located on Autumn Drive between Westlake Drive and Tiger Way including property that was occupied by the former Chinaberry Lane.

Recommendation: Approve final acceptance and authorization to file a notice of completion.
2.4 DROUGHT UPDATE AND RECOMMENDED ACTION

On July 24 the San Diego County Water Authority Board of Directors activated its Level 2 “Drought Alert” condition calling for mandatory water conservation measures in order to keep as much water as possible in storage for 2015 and comply with the emergency water conservation mandates adopted by the State.

Recommendation: Declare Level 2 “Drought Alert” pursuant to Ordinance No. 162, Drought Response Conservation Program

2.5 SEWER SYSTEM MANAGEMENT PLAN (SSMP) UPDATE

The SSMP must be updated every 5 years and must include any significant changes.

Recommendation: Adopt the updated SSMP

2.6 CHAMBER OF COMMERCE MIXER

Presented at the request of Director Sannella.

Recommendation: Request Board direction

2.7 PUBLIC WORKS CONTRACTS – PREVAILING WAGE

Presented at the request of Director Hernandez

Recommendation: Request Board direction

2.8 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
   - Capital Improvement Committee
   - Policy and Finance Committee
3.5 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

4.1 POSSIBLE CHANGE IN REGULAR BOARD OF DIRECTORS MEETING DATE

The CASA Annual Conference scheduled August 20 - 23 conflicts with the regularly scheduled Board of Directors meeting on August 20.

Recommendation: Request Board direction

4.2 QUARTERLY BOARD EXPENSES

For information only.

Recommendation: No action required

*****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 54956.9(a) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (ONE CASE)
Citizens Development Corporation, v. County of San Diego, et al.
United States District Court, for the Southern District of California
Case No. 12CV0334 IEG RBB

*****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, August 1, 2014.

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

Accounts Analyst Kirby led the pledge of allegiance.

Present: Director Evans
Director Hernandez
Director Poltl (Left meeting at 6:10 p.m.)
Director Sannella
Director Martin

Staff Present: General Manager Lamb
Assistant General Manager Scaglione
Legal Counsel Scott
Director of Engineering & Operations Gerdes
Administrative Services Manager Emmanuel
Finance Manager Fusco
District Engineer Gumpel
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Hubbard
Development Services Senior Engineer Scholl
Accounting Supervisor Owen
Public Information/Conservation Supervisor Urabe
Risk Management Supervisor Janus
Accounts Analyst Kirby
Engineering Technician Whitesell
Human Resources Technician Anderson
Source Control Technician Harrell
Administrative Secretary Johnson

ADOPT AGENDA FOR THE REGULAR MEETING OF AUGUST 6, 2014

President Martin requested Action Item 2.2 be continued to the next Regular Board of Directors meeting.

14-08-01 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella and carried unanimously, to adopt the agenda for the Regular Board Meeting of August 6, 2014.

INTRODUCTIONS

Human Resources Technician Bridget Anderson introduced new employees, Jorge Aceves, Systems Collection Worker I; Jason Hubbard, Capital Facilities Senior Engineer; and Lisa Whitesell, Engineering Technician III.
ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

14-08-02 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes
   A. Regular Board Meeting – July 16, 2014
   B. Board Workshop Meeting – July 22, 2014

1.2 Warrant List through August 6, 2014 - $4,862,018.75

1.3 Fall 2014 Splash! – Vallecitos Water District Quarterly Newsletter

President Martin requested clarification on the warrant list with respect to payments made to First Bankcard Center, Liebert Cassidy Whitmore, Pacific Pipeline Supply and Total Resource Management, Inc., to which staff responded.

ACTION ITEMS

FATS, OILS AND GREASE (FOG) PROGRAM UPDATE

General Manager Lamb stated that on December 10, 2013, the Board adopted Ordinance No. 191 which established the rules and regulations for FOG control and provided for the recovery of reasonable costs associated with program compliance. At that time the Board delayed the implementation of the fee component for six months to allow staff time to determine actual versus estimated costs.

Source Control Technician Harrell provided an update regarding the implementation progress of the FOG program. He has introduced the program to 143 Food Service Establishments (FSEs) since April with an additional 40 to 45 more to go.

General discussion took place regarding a program to pick up grease from FSEs. General Manager Lamb stated that Encina is in the process of developing a grease receiving facility with a hauler that will pick up white and brown grease and take it directly to Encina.

Staff recommended the Board continue the fee deferral for an additional six months and staff will provide another FOG Program update in December 2014, to which the Board concurred.
FINAL ACCEPTANCE OF WATER & SEWER IMPROVEMENTS FOR PARKVIEW APARTMENTS (PARKVIEW SAN MARCOS II, LP)

Director of Engineering & Operations Gerdes stated that Parkview San Marcos II, LP, owner of the project, has completed the installation of water and sewer facilities. The project is located on Autumn Drive between Westlake Drive and Tiger Way including property that was occupied by the former Chinaberry Lane.

The developer requested to take ownership of the existing 8” VCP sewer main along the former Chinaberry Lane alignment as a private sewer system. The District will quitclaim and abandon all rights and responsibilities related to the existing sewer main upon final acceptance of the new facilities. All water and wastewater Capital Facility Fees for the project have been paid.

The owner has provided the District with a cash deposit in the amount of $11,591.00 in lieu of the required warranty bond to guarantee repairs due to failure of materials or workmanship for a period of one year. All engineering and inspection fees and charges have been paid to date.

Staff recommended the Board approve final acceptance of the project and authorization to file a Notice of Completion.

14-08-03  MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, to approve final acceptance of the project and authorization to file a Notice of Completion.

The roll call vote was as follows:

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

DROUGHT UPDATE AND RECOMMENDED ACTION

Assistant General Manager Scaglione provided a brief chronology of events leading up to today’s discussion:

- January 17, 2014 – Governor Brown declared an emergency and asked for more conservation.
- July 15, 2014 – The State Water Resources Control Board adopted emergency statewide regulations ordering water suppliers to activate drought response plans
at a level that includes mandatory outdoor water use restrictions and prohibits certain water-wasting practices by all Californians.

- **July 24, 2014** – The SDCWA Board of Directors activated its Level 2 “Drought Alert” condition calling for mandatory water conservation measures in order to keep as much water as possible in storage for 2015 and comply with emergency water conservation mandates adopted by the State.

Assistant General Manager Scaglione stated that per Ordinance No. 162, a VWD Level 2 “Drought Alert” condition applies when SDCWA notifies VWD that a consumer demand reduction of up to 20 percent is necessary to have sufficient supplies to meet demand. SDWCA has notified District staff of the necessity of a reduction.

Staff recommended the Board declare a Level 2 “Drought Alert” which includes the following mandated water-use restrictions:

1. No more than three assigned days per week for landscape irrigation.
2. Limit 10 minutes per water station.
3. Irrigate between 6 PM and 10 AM only.
4. Use of a bucket or hand-held hose with positive shut-off nozzle for areas not irrigated by a landscape irrigation system.
5. Water leaks to be repaired within 72 hours of notification.
6. Prohibit operation of ornamental fountains and water features unless water is recirculated.
7. Current voluntary conservation practices become mandatory (washing paved areas prohibited, run-off or water flows onto non-targeted areas prohibited, wash vehicles with hand-held hose with positive shut-off nozzle, etc.)

Staff also recommended deferring drought rate implementation until either a mandated supply cutback percentage is specified, or post declaration monitoring indicates that conservation is not being achieved.

General Manager Lamb discussed a handout outlining the drought restrictions which will be available at the engineering counter and other locations. He also discussed a slide illustrating how quickly the drought restrictions can go from one level to the next.

General discussion took place regarding ways to get information about the drought out to the public. Director Poltl suggested magnetic signs that the City of San Marcos could place on their vehicles and possibly the school district as those vehicles are often seen traveling about the District. President Martin stated that the City of San Marcos has a group called the “sheriff’s volunteers” that drive around in white vehicles throughout the day. He suggested they could put magnetic signs on those vehicles as well.

Michael Hunsaker, member of the public, addressed the Board stating that Mr. Lamb has raised an interesting point that our reserves are not really under our control. We are at the mercy of outside events. Mr. Hunsaker further stated that considering the deepening drought and the concern that many scientists have about a really long
drought, he thinks it is important to get some reserves under our control. One of the things that has been considered is the reservoir for reclaimed water. South Lake is one consideration going forward and is apparently being limited by some park considerations. He thinks that should be explored, if it exists, and to expand that capacity as much as we can. Secondly, we have the desalinized water under contract—that should be water completely under our control and it should remain under our control and should remain as reserves. We should not put ourselves into a bigger and bigger water shortage hole by unrestrained development. We are scheduled under SANDAG’s population projections and even required to accept probably a much larger amount of population than we can support. This is also a big problem with the Newland project that is going up. Mr. Hunsaker believes the last time that was shot down was because we couldn’t guarantee water supplies. They are proceeding as if they are going to get an approval. He thinks that this needs to be considered very carefully as to what we are allowing as far as future projections, and the comments about unhappiness of people who conserve and then find that big developments are going in just as they are being asked to conserve is a political and practical problem to be resolved. He thanked the Board.

14-08-04 MOTION WAS MADE by Director Poltl, seconded by Director Evans, and carried unanimously, to declare Level 2 “Drought Alert.”

The roll call vote was as follows:

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

SEWER SYSTEM MANAGEMENT PLAN (SSMP) UPDATE

Risk Management Supervisor Janus stated that the District currently operates the sewer collection and conveyance system in accordance with General Waste Discharge Requirement (WDR) Order No. 2006-0003 DWQ adopted by the State Water Resources Control Board on May 2, 2006.

An important component of the WDR is a Sewer System Management Plan (SSMP). The intent of the SSMP is to ensure that key parts of the WDR are acknowledged. The SSMP must be updated every five years, must include any significant program changes, and must be approved by the Board at a public meeting. There are two significant changes to the SSMP: a revision to the District’s mission statement and the addition of the Fats, Oils and Grease (FOG) Program.

Staff recommended the Board adopt the updated SSMP.

General discussion took place.
14-08-05 MOTION WAS MADE by Director PoltI, seconded by Director Evans, and carried unanimously, to adopt the updated Sewer System Management Plan.

The roll call vote was as follows:

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

CHAMBER OF COMMERCE MIXER

President Martin announced he would be leaving the dais for this item and turning the meeting over to Vice President PoltI, due to a conflict of interest.

General Manager Lamb stated that the District hosted a mixer for the San Marcos Chamber of Commerce in January 2011 and January 2012. Approximately 60-70 people attended each event and the District was given a very brief time at each event to speak about the District. After the 2012 event the Board determined that the event would not be hosted again by the District.

General discussion followed regarding how a mixer event could be useful as a tool to get information out about the drought and conservation. A budget would need to be set not to exceed what has been spent on this type of event in the past. The District would be in charge of the event to ensure our expectations are met. This would be a one-time event to be considered thereafter.

14-08-06 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried 3-1, to approve the District hosting a mixer.

The roll call vote was as follows:

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

PUBLIC WORKS CONTRACTS – PREVAILING WAGE

General Manager Lamb stated that several weeks ago he, Director of Engineering & Operations Gerdes and Legal Counsel Scott met with Mr. Whitney Skala, representing Weir Asphalt Construction, along with his counsel and superintendent to address Mr. Skala’s allegation that the District does not require payment of prevailing wage. His concern was that the contractor who won the bid for the project that he had also bid on was not paying prevailing wage and did not pay overtime and double time pay for
weekend work.

General Manager Lamb stated that there was no basis for Mr. Skala’s claim. He further stated that the District follows the law; all contracts require payment of prevailing wage and submittal of certified payroll and the District conveys this to contractors during pre-bid meetings.

No action was taken.

QUARTERLY INVESTMENT REPORT

This item was provided for information only.

REPORTS

GENERAL MANAGER

General Manager Lamb stated that the District has received preliminary approval from the State for funding for the alternative water supply study.

DISTRICT LEGAL COUNSEL

None.

SAN DIEGO COUNTY WATER AUTHORITY

None.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated that the Capital Improvement Committee will not meet this month.

Director Poltl reported on his attendance at the Board meeting at which discussion included: revising the purchasing policy and procedures, a resolution appropriating funds for the fiscal year 2015 operating and capital program budgets, and establishing controls and provisions for the EWA 2040 Master Plan. Director Poltl stated that the Policy and Finance Committee will not meet this month and that the Board will meet on August 27.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Hernandez reported on his attendance to Washington D.C. as a North San Diego Water Reuse Coalition representative. Meetings took place with Representative Scott Peters as well as representatives from Senator Barbara Boxer’s office, Congressman Darrell Issa’s office, Congressman Duncan Hunter’s office, and the Army
Corps of Engineers. The purpose of these meetings was to discuss bills related to Water Resource Development Act funding.

Directors Hernandez, Sannella and Martin reported on their attendance at the Pure Water San Diego Demonstration Project Tour.

**OTHER BUSINESS**

**POSSIBLE CHANGE IN REGULAR BOARD OF DIRECTORS MEETING DATE**

General Manager Lamb stated that the CASA Annual Conference scheduled August 20-22 conflicts with the regularly scheduled Board of Directors meeting on August 20 and that a quorum would not be met for the Board meeting.

The consensus of the Board was to cancel the August 20 Board meeting.

**QUARTERLY BOARD EXPENSES**

This information was provided per Ordinance 190; no action required.

**DIRECTORS COMMENTS/FUTURE AGENDA ITEMS**

Director Evans requested the topic of the General Manager’s Review be placed on the September 3, 2014 Board meeting agenda.

Director Sannella commented that the video recordings of the Board meetings are not being posted to our website in a timely manner as the most recent recording on our website is the June 18 meeting. He also commented that he has not been able to locate the televised recordings on his Time Warner cable service. Staff will examine the process with the videographer to ensure the recordings are being posted on the website and aired on television in a timely manner.

**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.

US District Court, for the Southern District of California, Case No. 12CV0334 IEG RBB

**REPORT AFTER CLOSED SESSION**

The Board reconvened to Open Session at the hour of 6:52 p.m. The Board, in Closed Session, took no action.
ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 6:53 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, September 3, 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