

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, JANUARY 7, 2015, AT 4:00 P.M.  
AT THE DISTRICT OFFICE  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT EVANS

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 JANUARY 7, 2015

INTRODUCTION

Human Resources Technician Bridget Anderson will introduce new employee, **Chris Robbins**, Public Information/Conservation Supervisor.

PRESENTATIONS

President Evans will present Eric Garcia, System Collection Worker III, with the H.R. LaBounty Safety Award from ACWA/Joint Powers Insurance Authority for designing an acrylic manhole cover for tour group safety and viewing.

President Evans will present Craig Durban, System Collection Worker II, with the H.R. LaBounty Safety Award from ACWA/Joint Powers Insurance Authority for constructing a manhole grate from leftover materials.

President Evans will present Jason Bakken, System Collection Worker I, and Ian Norton, System Collection Worker II, with the H.R. LaBounty Safety Award from ACWA/Joint Powers Insurance Authority for creating a drop manhole device.

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 - DECEMBER 10, 2014

*Approved minutes become a permanent public record of the District.*

**Recommendation: Approve Minutes**

1.2 WARRANT LIST THROUGH JANUARY 7, 2015 – \$4,636,067.46

**Recommendation: Approve Warrant List**

1.3 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR SAN ELIJO HILLS, PHASE 5, P.A. "S", UNIT 5 (RICHMOND AMERICAN HOMES)

*Installation of water and sewer facilities has been completed.*

**Recommendation: Final Acceptance**

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

ACTION ITEMS

2.1 APPROVAL OF AGREEMENT FOR CONSTRUCTION OF THE DESALINATED WATER CONNECTION TO THE VALLECITOS 9 FLOW CONTROL FACILITY

*The District will receive desalinated water from the Carlsbad Desalinated Water Facility and pipelines in 2016.*

**Recommendation: Approve construction agreement**

2.2 APPROVAL OF CONSTRUCTION AGREEMENT FOR NORTH CITY EAST – UNIT 1 (BLOCK C), APN: 220-200-02, 43, 52, 79, 81 & 82 (URBAN VILLAGES SAN MARCOS, LLC)

*The project is located north of Barham Drive at Campus Way and North City Drive.*

**Recommendation: Approve construction agreement**

2.3 COMMUNICATION AND OUTREACH PROGRAM - UPDATE

*For information only.*

**Recommendation: No action required**

2.4 REVIEW OF ORDINANCE NO. 190, BUSINESS OF THE BOARD

*Ordinance No. 190 established the business guidelines the Board operates under, including District memberships and per diems.*

**Recommendation: Request Board direction**

2.5 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 No. 190. Prior approval for per diem and expense reimbursement is required.*

**Recommendation: Request Board direction**

2.6 ANNUAL FINANCIAL INSTITUTION REGISTRY AND AUTHORIZATION

*The District conducts transactions with various financial institutions throughout the year.*

**Recommendation: Continue with current registry and authorizations of financial brokers/dealers**

\*\*\*\*\*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 Winter Conference scheduled January 21 – 23 conflicts with the regularly scheduled Board of Directors meeting on January 21.*

**Recommendation: Request Board direction**

**\*\*\*\*\*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., Tuesday, December 30, 2014.

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Diane Posvar

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY JANUARY 7, 2015, AT 4:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Director Hernandez led the pledge of allegiance.

Present: Director Elitharp  
Director Hernandez  
Director Martin  
Director Sannella  
Director Evans

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

Others Present: Tina Malott, Katz and Associates, Inc.  
Dr. Richard Parker, Rea and Parker Research  
Dr. Louis Rea, Rea and Parker Research

ADOPT AGENDA FOR THE REGULAR MEETING OF JANUARY 7, 2015

15-01-01 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to adopt the agenda for the Regular Board Meeting of January 7, 2015.

INTRODUCTION

Human Resources Technician Bridget Anderson introduced new employee, Chris Robbins, Public Information/Conservation Supervisor.

## PRESENTATIONS

President Evans presented Jason Bakken, System Collection Worker I, and Ian Norton, System Collection Worker II, with the H.R. LaBounty Safety Award from ACWA/Joint Powers Insurance Authority for creating a drop manhole device.

President Evans presented Craig Durban, System Collection Worker II, with the H.R. LaBounty Safety Award from ACWA/Joint Powers Insurance Authority for constructing a manhole grate from leftover materials.

President Evans presented Eric Garcia, System Collection Worker III, with the H.R. LaBounty Safety Award from ACWA/Joint Powers Insurance Authority for designing an acrylic manhole cover for tour group safety and viewing.

President Evans read aloud a letter the District received from a customer's neighbor, commending System Collection Supervisor McCrory and his staff for providing outstanding service while resolving a recent sewer problem.

## ORAL COMMUNICATIONS

None.

## CONSENT CALENDAR

15-01-02 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

A. Regular Board Meeting – December 10, 2014

1.2 Warrant List through January 7, 2015 - \$4,636,067.46

1.3 Final Acceptance of Water and Sewer Improvements for San Elijo Hills, Phase 5, P.A. "S", Unit 5 (Richmond American Homes)

Director Martin requested clarification on the warrant list with respect to payments made to Carson's Custom Concrete, Vortex Industries, Inc., and BKM Officeworks, to which staff responded.

## ACTION ITEMS

APPROVAL OF AGREEMENT FOR CONSTRUCTION OF THE DESALINATED WATER CONNECTION TO THE VALLECITOS 9 FLOW CONTROL FACILITY

District Engineer Gumpel stated that on November 21, 2012, the District adopted a Resolution of Intent to enter into a Uniform Member Agency Purchase Contract with the San Diego County Water Authority (SDCWA) for the direct purchase of 3,500 acre-feet per year of desalinated water. The final connection is between the SDCWA's 54-inch pipeline and the District's Vallecitos 9 flow control facility. Included in the connection is the construction of a new turnout, approximately 340 feet of 16-inch pipeline, and an isolation valve vault.

He further stated that on April 16, 2014, the Board approved a reimbursement agreement with the SDCWA for construction of the new turn-out connection and approximately 230 feet, of the 340 feet necessary, of 16-inch pipeline in the amount of \$220,000. This portion of the pipeline is on SDCWA property and will be constructed by the Desal contractor.

The desalinated water connection addresses and meets Strategy 6.1 of Strategic Focus Area 6, Alternative Water Sources of the District's Strategic Plan, and is the District's number one alternative water resource.

District Engineer Gumpel stated that the SDCWA has prepared an agreement obligating the District to be responsible for the cost of the design and construction of an isolation valve vault and the remaining 110 feet of 16-inch pipeline to complete the new turn-out connection, and fund a \$16,000 deposit used to reimburse the SDCWA for providing review and oversight.

Staff recommended the Board approve the agreement with the SDCWA in the amount of \$16,000 for the SDCWA's review of final plans, inspections, and project oversight.

General discussion took place.

15-01-03 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, to approve the agreement.

APPROVAL OF CONSTRUCTION AGREEMENT FOR NORTH CITY EAST – UNIT 1 (BLOCK C), APN: 220-200-02, 43, 52, 79, 81 & 82 (URBAN VILLAGES SAN MARCOS, LLC)

District Engineer Gumpel stated that the project is located in the University District area of the City's redevelopment area, north of Barham Drive at Campus Way and North City Drive. The project will construct approximately 2,235 feet of 12-inch diameter PVC water main, 764 feet of 8-inch diameter PVC sewer main and 591 feet of 12-inch sewer main. He further stated that all engineering fees and deposits have been paid, and bonds have been received.

Staff recommended the Board approve the construction agreement for the North City East – Unit 1 (Block C) project.

15-01-04 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to approve the construction agreement.

#### COMMUNICATION AND OUTREACH PROGRAM - UPDATE

General Manager Lamb stated that on October 16, 2014, the Board selected Katz & Associates to develop an updated outreach and communication program that furthers the Board's Strategic Plan.

The Board was provided with research findings recently reported by the San Diego County Water Authority and the City of San Marcos. President Evans requested the Board forward any questions to General Manager Lamb after they have had a chance to review the information.

Public Information Representative Urabe introduced Dr. Richard Parker and Dr. Louis Rae of Rae and Parker Research who will be leading the District's survey efforts, and Tina Malott of Katz and Associates, Inc. Ms. Malott provided an update on the survey to be conducted via telephone of 300 residents within the District. Based on feedback from the Board, the survey will explore the following topics:

- Awareness of the breadth of services the District provides
- Opinions and awareness of the value of water
- Customer perceptions pertaining to the drought, conservation, other drought-related efforts, and alternative water resources
- Communication preferences specific to the District's service area

General discussion took place. The Board made suggestions for additional topics to be included in the survey including reclaimed water, direct and indirect potable water, desalinated water, and customers' opinions of the District, future construction and dual plumbing.

This item was presented for information only.

#### REVIEW OF ORDINANCE NO. 190, BUSINESS OF THE BOARD

General Manager Lamb stated that this item was presented at the request of Director Sannella and discussed the list of District membership payments for the past five years.

Legal Counsel Scott provided background on Ordinance No. 190 and its purpose relating to AB 1234, specifically Section 2.1, Authorized District Memberships.

General discussion took place on the various membership levels, other local agencies who are members, and potential benefits of membership. During general discussion, Director Sannella stated that he would like the District to join the San Diego North Economic Development Council (SDNEDC) at the Board level of \$10,000 annually.



15-01-05 MOTION WAS MADE by Director Sannella, seconded by Director Martin, and failed 2-3, to authorize the District join SDNEDC at the Board level of \$10,000.

The roll call vote was as follows:

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

15-01-06 MOTION WAS MADE by Director Martin, seconded by Director Hernandez, and carried unanimously, to direct staff to provide more information to the Board on the activities and benefits of SDNEDC membership.

General Manager Lamb stated that as part of this agenda item, Director Hernandez had requested the Board consider approving attendance at a Boys and Girls Club event. It was also noted by Director Hernandez that if a Board member brought a spouse they would reimburse the District for that seat.

General discussion took place.

15-01-07 MOTION WAS MADE by Director Hernandez, seconded by Director Martin, and carried unanimously, to approve the District's purchase of a table for Board members and staff only to attend the Boys and Girls Club Annual Auction excluding Board member per diem compensation.

Director Martin requested that Ordinance No. 190, Section 2.1, be changed to state that Board members who are also Board members of either the San Marcos Chamber of Commerce or the SDNEDC attending a Board meeting of those organizations will receive per diem. After further discussion, President Evans suggested no changes be made to Ordinance 190, Section 2.1 at this time.

Director Hernandez requested that Board member per diem compensation, which is included in Section 2.2 of Ordinance No. 190, be brought back to the Board next month so that discussion on the per diem can take place.

General Manager Lamb stated that a survey is completed each year generally in the month of February. Once the survey has been completed, this item will be brought back to the Board.

President Evans also suggested modifying Ordinance 190, Section 2.5, Eligibility for Employee Benefits, to add the words, "as allowed by law or unless excluded by law" in order to clarify this for anyone in the public who may see this. Upon the consensus of the Board, General Manager Lamb stated the revision will be made and brought back to

the Board at the next Board meeting.

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

Director Martin opened this item up for discussion as to whether or not Board attendance at the San Marcos State of the City Address should be eligible for per diem and/or expense reimbursement.

General Manager Lamb provided the history on Board action for this event from the past two years. General discussion followed.

15-01-08 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to authorize expense reimbursement only for attendance at this function.

ANNUAL FINANCIAL INSTITUTION REGISTRY AND AUTHORIZATION

Finance Manger Fusco stated that the annual Financial Institution Registry is a list of financial institutions and staff authorized to transact business on behalf of the District. He further stated that during the calendar year 2014 there were no changes in authorized staff or financial institutions to existing resolutions.

Staff recommended continuing with the current registry and authorizations of financial institutions and broker/dealers.

15-01-09 MOTION WAS MADE by Director Sannella, seconded by Director Martin, and carried unanimously, to continue the current registry as presented by staff.

REPORTS

GENERAL MANAGER

General Manager Lamb distributed a brief outline of the audit process to the Board to provide insight into the process for discussion at a future Board workshop. He also distributed data pertaining to the District's new phone system which tracks the types of calls that are received by Customer Service.

DISTRICT LEGAL COUNSEL

None.

SAN DIEGO COUNTY WATER AUTHORITY

President Evans stated that the SDCWA Board will meet on January 22. She commented on recent potable water production data: statewide potable usage has decreased 9.8%; in the south coast region it has decreased 3.2% (from November 2013 to November 2014); and in the San Diego region it has increased 1.3%.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Board meeting at which discussion took place concerning committee meetings for the upcoming year and officers were elected to the Board.

Director Elitharp also reported on his attendance to the Board meeting.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

None.

OTHER BUSINESS

POSSIBLE CHANGE IN REGULAR BOARD OF DIRECTORS MEETING DATE

President Evans stated that the CASA Winter Conference scheduled for January 21 – 23 conflicts with the regularly scheduled Board of Directors meeting on January 21 and that a quorum would not be met for the Board meeting.

Director Sannella stated that at the last Board meeting he had requested a matter he wanted to discuss be placed on the agenda for this Board meeting and that Director Hernandez suggested that a workshop be scheduled to discuss the matter, to which he agreed with. He further stated that the Board workshop to discuss this matter has been pushed out to March and feels this is unacceptable. This matter garnered feedback from members of the business/development community and is a pressing matter to them. He stated that the Board should strive to move this meeting sooner than March and asked the Board to consider this. He clarified that the subject matter is capacity fees.

General Manager Lamb explained the meetings needing to be scheduled and the priority he understood from Board comments when the audit was presented. Should the Board choose to include the two items on the same agenda, this can be done.

The consensus of the Board was to reschedule the January 21 Board meeting to January 19 and to include the audit and capacity fee items on this agenda.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Martin commented that he has not seen drought/conservation signs on District, school district and City of San Marcos trucks. General Manager Lamb stated that District trucks have signs on the back of the trucks, and that City and school district staff are calling the District to report water waste.

ADJOURNMENT

There being no further business to discuss, President Evans adjourned the Regular Meeting of the Board of Directors at the hour of 6:33 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Monday, January 19, 2015, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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Betty D. Evans, President  
Board of Directors  
Vallecitos Water District

ATTEST:

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