AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MAY 20, 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 MAY 20, 2015

INTRODUCTION

Human Resources Technician Bridget Anderson will introduce new employee, Misael
Garcia, Meter Services Worker.

PRESENTATION

California Friendly Landscape Contest Winners: Third Place: Pamela Kass; Second
Place: Irene Acosta; First Place: Bruce and Patti Tait.

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 - APRIL 15, 2015
B. BOARD WORKSHOP MEETING – APRIL 29, 2015
Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH MAY 20, 2015 – $4,675,322.92

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS

A. WATER METER COUNT – APRIL 30, 2015
B. WATER PRODUCTION/SALES REPORT – 2014/2015
C. WATER REVENUE AND EXPENSE REPORT – APRIL 30, 2015
D. SEWER REVENUE AND EXPENSE REPORT – APRIL 30, 2015
E. RESERVE FUNDS ACTIVITY – APRIL 30, 2015
F. INVESTMENT REPORT – APRIL 30, 2015

1.4 FINAL ACCEPTANCE OF WATER IMPROVEMENTS FOR PERKINS SINGLE FAMILY RESIDENCE, APN: 178-170-45 (DAVID A. PERKINS)

Installation of water facilities has been completed.

Recommendation: Final Acceptance

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

ACTION ITEMS

2.1 BOND REFUNDING UPDATE

The Board authorized staff to move forward with contracts necessary to refund the District’s $53.8 million in 2005 Certificates of Deposits.

Recommendation: For discussion

2.2 REVISED DEBT MANAGEMENT POLICY RESOLUTION

The District’s existing debt management policy is proposed to be enhanced by adding provisions responsive to SEC rules regarding bond disclosure requirements.

Recommendation: Adopt Resolution

2.3 ORDINANCE ADOPTING EMERGENCY DROUGHT REGULATIONS

Governor Brown issued an Executive Order directing the State Water Resources Control Board to develop and impose restrictions to achieve a statewide 25% reduction in potable urban water use.

Recommendation: Adopt Ordinance
2.4 DROUGHT UPDATE

Recommendation: For information only

2.5 AWARD OF CONSTRUCTION CONTRACT FOR SOUTH LAKE SLUICE GATE REPLACEMENT

The District has been given a directive to repair or replace the existing sluice gate valve as a condition of its South Lake Dam Operating permit.

Recommendation: Award contract for South Lake sluice gate replacement to C&W Diving Services, Inc., in the amount of $160,000, subject to the provisions of the contract

2.6 COMMUNICATIONS SITE LICENSE AGREEMENT WITH THE COUNTY OF SAN DIEGO FOR THE INSTALLATION, USE, MAINTENANCE AND REPAIR OF RADIO COMMUNICATION FACILITIES

The County of San Diego is requesting the installation of radio communication facilities at the Coronado Hills Tank site.

Recommendation: Authorize a communications site license agreement with the County of San Diego

2.7 ACCEPTANCE OF THE LINDA VISTA EAST SEWER PROJECT

The project is intended to remedy surcharging conditions in Linda Vista Drive between Las Posas Road and Via Vera Cruz, and with an industrial area between Via Vera Cruz and Grand Avenue.

Recommendation: Accept the project, file a Notice of Completion, and authorize the release of retention funds following the 60-day notice period, provided no claims are filed

2.8 RESOLUTION TO ADOPT THE 2013 SAN DIEGO INTEGRATED REGIONAL WATER MANAGEMENT PLAN UPDATE

An Integrated Water Management Plan has been drafted which positions the San Diego Region to compete for funding opportunities.

Recommendation: Adopt Resolution

2.9 ACWA REGION 10 NOMINATING COMMITTEE SEEKING REGION 10 BOARD CANDIDATES

The Region 10 Nominating Committee is seeking ACWA members who are interested in leading the direction of ACWA Region 10 for the 2016-2017 term.
Recommendation: Request Board direction

2.10 SAN DIEGO NORTH ECONOMIC DEVELOPMENT COUNCIL (SDNEDC)

An initial meeting was held on the potential for a water summit with the SDNEDC.

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 MEETINGS/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

4.1 QUARTERLY BOARD EXPENSES

   For information only.

   Recommendation: No action required

4.2 MEETINGS

   CASA Annual Conference
   August 19 - 21 – Manchester Grand Hyatt, San Diego

*****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 54956.95 LIABILITY CLAIM – CLAIMANT: Wayne Boyer/Adele Boyer

6.2 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, May 15, 2015.

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

Director Elitharp 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
               Public Information/Conservation Supervisor Robbins
               Human Resources Technician Anderson
               Executive Secretary Posvar
               Administrative Secretary Johnson

               Jonathan Ash, Citigroup

ADOPT AGENDA FOR THE REGULAR MEETING OF MAY 20, 2015

15-05-01   MOTION WAS MADE by Director Sannella, seconded by Director Martin, and carried unanimously, to adopt the agenda for the Regular Board Meeting of May 20, 2015.

INTRODUCTION

Human Resources Technician Bridget Anderson introduced new employee, Misael Garcia, Meter Services Worker.

Director Hernandez recognized the Customer Service staff for the excellent service they provide to the District’s customers and expressed his appreciation.

President Evans noted that several of the participants of the recent Water Academy commented on how knowledgeable, friendly and courteous staff was during the event.
PRESENTATION

Public Information/Conservation Supervisor Robbins introduced the California Friendly Landscape Contest Winners: Third Place: Pamela Kass; Second Place: Irene Acosta (not present); First Place: Bruce and Patti Tait. The winners received a gift card to a local nursery and a California Native Plant book.

ORAL COMMUNICATIONS

Carl Weise, member of the public, addressed the Board stating he is the general manager of the LaCosta Oaks Community Association in Carlsbad. He recently moved from one of the District’s largest water users, Emerald Heights. The main reason he attended the meeting was to thank President Evans and the Operations staff, in particular, Director of Engineering & Operations Gerdes, for their response to a problem area near the Mahr Reservoir. The issue was directed to the right person at the right time. He stated that he and Director of Engineering & Operations Gerdes went to the site and saw that the graffiti has been cleaned up. The area has been a hangout for teens however, older individuals are beginning to use the area. It’s taken a little bit of pressure on Carlsbad Police Department so he is asking for continued support with Carlsbad police about enforcement out there.

He further stated that the community has 3,000 residents all around the reservoir. Some of the homes are very, very close and residents are very concerned about fire activity out there. Obviously the dry brush in that area is a big concern.

Mr. Weise stated that currently his community is working on approximately 500,000 square feet of turf replacement. When the City of Carlsbad initially allowed the LaCosta Oaks development, they requested grass strips between the curb and sidewalk. The SoCal water smart rebate will virtually take care of their replacement costs. Now, it’s a matter of getting the homeowners who bought with grass in front of their homes to be okay with the idea of changing to something different. He thanked the Board.

General discussion took place regarding possible security enhancements and increased police presence at the reservoir.

Malcolm Matheson, member of the public, addressed the Board to discuss the proposed water allotment and their cutbacks as they pertain to agricultural customers participating in the Transitional Special Agricultural Water Rate (TSAWR) program. As a commercial farmer, his business is water conservation. He fully understands the need for water restrictions and he was one of many local growers subject to mandatory 30% water cutbacks in 2010 and 2011. He complied by stumping four acres of mature avocado producing trees that year and subsequently began re-watering them. In 2012, VWD approached him to participate in the TSAWR program. By signing the agreement, he elected to comply with any mandatory water cutbacks that may exist in 2013 and
General discussion took place.

General Manager Lamb stated that the District just received information on its allocation last Thursday which goes into effect June 1. The amount of water the District actually has for agricultural customers will need to be determined, as well as if there is any extra water that can be moved around. It will be July, August or September before this can be determined. He will keep the Board informed of this issue.

Mike Hunsaker, member of the public, addressed the Board, thanking General Manager Lamb and Executive Secretary Posvar for providing information he had requested. They were very helpful and it was quite quantitative. He also thanked Mr. Hernandez for his presentation on smart meters.

He stated that there are some indications that there is interest in recycling and reclaiming more water, but there is a question of where to put the reservoirs. Considering the farsightedness of this District, he thinks that this should be addressed immediately and that it be factored into any CDC settlement. He thanked the Board.

CONSENT CALENDAR

15-05-02 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes
   A. Regular Board Meeting – April 15, 2015
   B. Board Workshop Meeting – April 29, 2015

1.2 Warrant List through May 20, 2015 - $4,675,322.92

1.3 Financial Reports
   A. Water Meter Count – April 30, 2015
   B. Water Production/Sales Report – 2014/2015
C. Water Revenue and Expense Report – April 30, 2015
D. Sewer Revenue and Expense Report – April 30, 2015
E. Reserve Funds Activity – April 30, 2015
F. Investment Report – April 30, 2015

1.4 Final Acceptance of Water Improvements for Perkins Single Family Residence, APN: 178-170-45 (David A. Perkins)

ACTION ITEMS

BOND REFUNDING UPDATE

Assistant General Manager Scaglione stated that on March 18, 2015, the Board authorized staff to move forward with contracts necessary to refund the District’s $53.8 million in 2005 Certificates of Participation (COPs). Since that time, a team has been formed to achieve this, consisting of Citigroup for investment banking/underwriter services, Sidley Austin as bond counsel, Stradling, Yocca, Carlson & Rauth for bond disclosure counsel, and Union Bank for trustee services. Legal documents, including the resolution and Preliminary Official Statement (POS), will be presented for the Board’s consideration at the Board meeting on June 3. He requested any comments on the POS be directed to him in advance of the June 3 Board meeting.

He further stated that staff and the District’s Financial Advisor, Fieldman Rolapp, presented to Fitch Ratings and S&P on May 12. Ratings are anticipated to be received by May 26. Assistant General Manager Scaglione provided a timeline of the refunding process with an anticipated closing date of July 9, 2015. He then introduced Robert Porr of Fieldman Rolapp who provided an update on current market conditions which included background of the 2007 COPs, general market conditions, and current savings estimates and options.

General discussion took place.

This item was presented for information only.

REVISED DEBT MANAGEMENT POLICY RESOLUTION

Assistant General Manager Scaglione presented proposed revisions to the District’s existing debt management policy in response to changes in the SEC rules regarding bond disclosure requirements. Proposed additions identify responsibilities of parties involved with debt financing of the District in regard to reporting and disclosures, and detail disclosure procedures that will ensure compliance with obligations and requirements under the federal securities laws.

Staff recommended the Board adopt the revised debt management policy resolution.
General discussion took place.

15-05-03 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to adopt the resolution.

Resolution No. 1468 - the roll call vote was as follows:

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

ORDINANCE ADOPTING EMERGENCY DROUGHT REGULATIONS

General Manager Lamb provided a brief chronology of events that have taken place since Governor Brown issued Executive Order No. B-29-15 on April 1, 2015, calling for a statewide 25% reduction in potable urban water use. He stated that all of the rules and laws contained in the Executive Order went into effect on May 15. On May 14, the San Diego County Water Authority (SDCWA) held a special meeting and took action on several items. Discussion at the meeting included:

- April 1 Northern Sierra snowpack at record low (5% of normal)
- Average Water Year Statewide Runoff – fourth consecutive dry year
- Lake Oroville storage
- San Luis Reservoir storage
- Prolonged Colorado River drought
- Temperature outlook – above normal
- Supply availability – Metropolitan Water District (MWD)
- SDCWA allocation from MWD – TSAWR and municipal and industrial (M&I)
- Estimated FY 2016 M&I potable supply scenario

He stated that at the May 14 meeting, the SDCWA allocated 99% to San Diego County. This means that the District will remain in Level 2 Drought Alert; however the District is still required to cut back urban potable water usage by 24%, which will be stored at Olivenhain Municipal Water District.

He further stated that new rules required by the State Water Resources Control Board are not included in Ordinance No. 162 and need to be adopted and enforced by the District. The new rules prohibit the following:

- Use of potable water for irrigation of ornamental turf within public street right of ways including adjacent landscape strips;
- Use of potable water outside of newly constructed homes and buildings inconsistent with regulations established by the California Building Standards Commission;
Application of potable water to outdoor landscaping during and after 48 hours of a measurable rain event; and
All leaks must be repaired within 48 hours of notification by the District unless other arrangements are made with the District General Manager.

The proposed ordinance also limits all outdoor irrigation, excluding certified agricultural or commercial growers, during the months of June through October to two days per week on a schedule to be determined. If significant reductions in demand are not achieved by limiting outdoor irrigation to two days per week by July 1, the District may reduce outdoor irrigation to one day per week and no more than 8 minutes per water station. Nurseries and commercial growers would remain exempt, as would systems using water-efficient devices, including but not limited to, weather based controllers with drip/micro-irrigation systems and stream rotors. In addition, the proposed ordinance includes violations and penalties.

Staff recommended the Board adopt the proposed ordinance adopting emergency drought regulations to be consistent with the State and SDCWA's actions.

General discussion took place.

15-05-04 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried 4-1, to adopt the ordinance as submitted.

Ordinance No. 195 - the roll call vote was as follows:

Ayes: Elitharp, Hernandez, Martin, Evans
Noes: Sannella
Abstain:
Absent:

DROUGHT UPDATE

Public Information/Conservation Supervisor Robbins provided an update on what the District is doing in response to the mandated 24% reduction of water usage. He stated that on May 11 the District initiated drought patrols throughout its service area during pre-dawn hours as well as during the day. Staff is looking for drought ordinance violations such as overspray and runoff into gutters, watering between 10:00 a.m. and 6:00 p.m., watering during and 48 hours after a rain event, and hosing down hard surfaces such as driveways. The District will send a warning to first time violators, prescribing corrective measures, and will work with these customers to educate them about the drought and water restrictions. The District is required to report these activities to the State Water Resources Control Board to show that the District is making efforts to enforce the drought restrictions.

He noted the following:
The District’s April 2015 water production decreased 6.92% from April 2014 and 11.91% from April 2013.

Residential customers used 92.1 gallons per day in April 2015, compared to April 2014, when customers used 99.1 gallons per day.

The Water Academy Tour and H₂O for HOAs were two recent community events presented by the District.

There was a dramatic increase in the number of drought-related phone calls received in April, demonstrating an upswing in public awareness.

During the first week of the District’s drought patrols, approximately 158 water waste violations were observed.

General discussion took place.

This item was presented for information only.

**AWARD OF CONSTRUCTION CONTRACT FOR SOUTH LAKE SLUICE GATE REPLACEMENT**

Operations & Maintenance Manager Pedrazzi stated that the existing sluice gate valve at the South Lake Dam is inoperable and needs to be replaced. The lake cannot be drained for environmental reasons; therefore, the replacement of the valve must be performed under water by a dive team. In February 2013, the District contracted with Metropolitan Water District (MWD) for the replacement; however, MWD’s dive team determined that the work was beyond their capabilities. MWD provided the District with an estimate of $171,513 for budget purposes and contact information for dive companies qualified to perform this type of highly specialized work.

He further stated that the District requested proposals from three dive companies. Only one company, C&W Diving Services, Inc., responded and provided a bid of $160,900. Staff completed the evaluation of qualifications and determined that C&W Diving Services, Inc. was the lowest responsive, responsible bidder.

Staff recommended the Board award the contract for the South Lake sluice gate replacement to C&W Diving Services, Inc. in the amount of $160,900, subject to the provisions of the contract.

General discussion took place.

15-05-05 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to award the contract to C&W Diving Services, Inc. in the amount of $160,900, subject to the provisions of the contract.
COMMUNICATIONS SITE LICENSE AGREEMENT WITH THE COUNTY OF SAN DIEGO FOR THE INSTALLATION, USE, MAINTENANCE AND REPAIR OF RADIO COMMUNICATION FACILITIES

Operations & Maintenance Manager Pedrazzi stated the District has been contacted by a representative of the University of California San Diego (UCSD) requesting the installation of radio communication facilities at the District’s Coronado Hills Tank site. The project will install an Ethernet radio link as part of a network for the benefit of public safety communities, especially firefighters in San Diego County, and will improve internet communications and emergency communications during major events such as the fires of last May.

He further stated that staff met with a network engineer from the Area Situational Awareness for Public Safety Network (ASAPnet), a public/private partnership-based extension of the UCSD’s High Performance Wireless Research and Education Network (HPWREN), and determined that the Coronado Hills Tank site where the District currently has a radio repeater would be an ideal location for a new radio repeater to be added to the network. Project partners include the County of San Diego, the California Department of Forestry and Fire Protection (CAL FIRE), the United States Forest Service, San Diego Gas & Electric, University of California San Diego, and San Diego State University.

Staff recommended the Board authorize the execution of a communications site license agreement with the County of San Diego for the installation, use, maintenance, and repair of radio communication facilities on the Coronado Hills Tank site.

General discussion took place.

15-05-06 MOTION WAS MADE by Director Sannella, seconded by Director Martin, and carried unanimously, to authorize the execution of the agreement.

ACCEPTANCE OF THE LINDA VISTA EAST SEWER PROJECT

District Engineer Gumpel stated that the project constructed approximately 3,280 feet of new 15-inch sewer pipe and abandoned approximately 1,470 feet of existing 8-inch pipe. The existing 8-inch pipeline exhibited significant inflow and filtration problems and was severely undersized in meeting future wastewater demands. The project also involved crossing under State Route 78 from the intersection of Bingham Drive and Los Vallecitos to Grand Avenue.

An additional 749 feet of 15-inch pipeline and appurtenances that were originally going to be constructed by the City of San Marcos were added to the project. Upon completion of the project, the City of San Marcos will reimburse $200,728 to the District in accordance with the Cost Sharing Agreement between the two entities.

He further stated that all work has been completed with one small change order.
resulting in a small credit to the District.

Staff recommended the Board accept the project, file a Notice of Completion, and authorize the release of retention funds to the contractor following the 60-day notice period, provided no claims are filed.

15-05-07 MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez, and carried unanimously, to accept the project, file a Notice of Completion, and authorize the release of retention funds to the contractor following the 60-day notice period, provided no claims are filed.

RESOLUTION TO ADOPT THE 2013 SAN DIEGO INTEGRATED REGIONAL WATER MANAGEMENT PLAN UPDATE

District Engineer Gumpel stated the District is eligible for State funding under Proposition 84 to be utilized for the Lift Station No. 1 pump improvement project and other projects considered for the next fiscal year. In order to receive funding, the District must adopt the 2013 update to the Integrated Water Management Plan (IRWM) drafted by the San Diego Regional Water Management Group.

He further stated that the District is seeking reimbursement in the amount of $338,300 for the Lift Station No. 1 pump improvement project and will also be seeking funding for future capital projects at the Meadowlark Treatment Plant and the Mahr Reservoir.

Staff recommended the Board adopt the proposed resolution to adopt the 2013 San Diego IRWM update.

General discussion took place.

15-05-08 MOTION WAS MADE by Director Sannella, seconded by Director Elitharp, and carried unanimously, to adopt the resolution.

Resolution No. 1469 - the roll call vote was as follows:

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

ACWA REGION 10 NOMINATING COMMITTEE SEEKING REGION 10 BOARD CANDIDATES

General Manager Lamb stated that the ACWA Region 10 Nominating Committee is seeking candidates for the Region 10 Board of Directors, which is comprised of a Chair, Vice Chair and up to five Board Member positions.
Director Martin stated he is currently serving on the Region 10 Board of Directors and would like to continue in that roll. A nomination form must be completed and a resolution of support from the candidate’s Board of Directors is also required.

General discussion took place.

15-05-09 MOTION WAS MADE by Director Hernandez, seconded by President Evans, and carried unanimously, to nominate Director Martin for the ACWA Region 10 Board of Directors.

SAN DIEGO NORTH ECONOMIC DEVELOPMENT COUNCIL (SDNEDC)

Director Sannella stated the District joined the San Diego North Economic Development Council (SDNEDC) on February 4, 2015 at the Board level which required the dues payment of $10,000. Of that amount, $5,000 was for membership, with the remaining $5,000 to be applied toward sponsorship of events of the Board’s choosing. The consensus of the Board at that time was that there was interest in sponsoring a water-themed event.

He further stated that the SDNEDC is in the preliminary planning stages for a water summit to be held on July 16 at the Vista Civic Center. Olivenhain Municipal Water District is agreeable with co-sponsoring the event with the District.

Director Sannella asked the Board to authorize him to make commitments on the District’s behalf pertaining to the water summit and allow up to $3,500 to be spent toward the event.

General discussion took place.

15-05-10 MOTION WAS MADE by Director Elitharp, seconded by Director Martin, and carried unanimously, to authorize up to $3,500 towards sponsorship of the SDNEDC water summit.

REPORTS

GENERAL MANAGER

General Manager Lamb stated that the Board had questions about several items that were discussed at the April 29 Board Budget Workshop. Additional information about those items was provided to the Board for further discussion at the Board Budget Workshop scheduled on May 27.

He also stated Palomar College’s Gear-Up Program has an Emmy Award winning multimedia group that will be producing a documentary about the drought. The group has requested the District to work with them on the documentary.
DISTRICT LEGAL COUNSEL

Legal Counsel Scott reported on the recent case of Los Angeles Supervisors versus the ACLU in which the court of appeals held that because the California Public Records Act expressly exempts attorney-client communications from the Public Records Act and therefore, attorney invoices are confidential communications exempt from disclosure under the Act. Mr. Scott also distributed a memo summarizing the recent Capistrano case related to tiered water rates. He indicated it was important that the Board familiarize itself with the case and legal principles.

SAN DIEGO COUNTY WATER AUTHORITY

President Evans commented that a lengthy discussion of the drought and mandate took place at the SDCWA Board meeting.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the Capital Improvement Committee meeting today at which discussion included finalizing contracts for inspection of the outfall and staffing needs.

Director Elitharp reported on his attendance to the Policy and Finance Committee meeting on May 12 at which discussion took place regarding the EWA operating budget, labor issues, and recommendation for approval of a shared employee leasing agreement between EWA/San Elijo and the Joint Powers Authority.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Elitharp’s written report on his attendance to the Council of Water Utilities meeting was provided electronically and is on file. Director Martin reported on his attendance to the ACWA Annual Conference at which he also attended the JPIA insurance meeting and Region 10 Energy Committee meeting.

Directors Elitharp and Hernandez reported on their attendance to the ACWA Annual Conference. Director Hernandez also reported on his attendance to the Groundwater Committee meeting while at the conference.

Director Sannella reported on his attendance to the CASA Public Policy Forum in Sacramento.

Directors Hernandez and Sannella reported on their attendance to the San Diego North Economic Development Council (SDNEDC) investor’s meeting.

OTHER BUSINESS
QUARTERLY BOARD EXPENSES

This information was provided per Ordinance 194; no action required.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Hernandez inquired about the security guard stationed in the District’s lobby area. General Manager Lamb stated that the guard is there during the Customer Service remodel and will no longer be needed after Friday, May 21.

Director Hernandez requested a list of employee telephone extensions. Director Martin asked when an update from Katz and Associates will be provided to the Board. General Manager Lamb stated that an update on the communication plan will be on the June 3 Board agenda.

Director Martin also asked if there are any security upgrades planned for the Engineering counter. General Lamb responded that the security upgrades for the Customer Service counter were mainly because of the cash transactions that occur. After conducting a vulnerability assessment, no practical solutions for the Engineering counter have been identified to accommodate the large number of people who visit Engineering to look at plans, maps, etc.

CLOSED SESSION

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95 LIABILITY CLAIM

Claimant: Wayne Boyer/Adele Boyer

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

15-05-11 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to move into Closed Session pursuant to Government Codes 54956.95 and 54956.9(a).

The Board reconvened to Open Session at the hour of 7:20 p.m. The Board, in Closed Session, rejected the claim of Wayne and Adele Boyer and directed staff to transmit the claim to ACWA/JPIA.

The closed session regarding existing litigation was not needed.
ADJOURNMENT

There being no further business to discuss, President Evans adjourned the Regular Meeting of the Board of Directors at the hour of 7:21 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, June 3, 2015, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

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