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 SEPTEMBER 2, 2015

INTRODUCTION

Human Resources Technician Bridget Anderson will introduce new employee, Joel
Johnson, Construction System Worker I.

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 - AUGUST 5, 2015

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH SEPTEMBER 2, 2015 – $5,693,975.32

Recommendation: Approve Warrant List
1.3 FINANCIAL REPORTS

A. WATER METER COUNT – JULY 31, 2015
B. WATER PRODUCTION/SALES REPORT – 2015/2016
C. WATER REVENUE AND EXPENSE REPORT – JULY 31, 2015
D. SEWER REVENUE AND EXPENSE REPORT – JULY 31, 2015
E. RESERVE FUNDS ACTIVITY – JULY 31, 2015
F. INVESTMENT REPORT – JULY 31, 2015

1.4 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR PRESTIGE ACADEMY PRE-SCHOOL, APN: 223-812-02 (PPO CARLSBAD, LLC)

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

Recommendation: Final Acceptance

1.5 FINAL ACCEPTANCE OF 12-INCH WATER MAIN RELOCATION (PALOMAR COMMUNITY COLLEGE DISTRICT)

*Installation of water facilities has been completed.*

Recommendation: Final Acceptance

1.6 FALL 2015 SPLASH! – VALLECITOS WATER DISTRICT QUARTERLY NEWSLETTER

Recommendation: Approve the Fall 2015 SPLASH Newsletter

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

ACTION ITEMS

2.1 DROUGHT UPDATE

Recommendation: For information only

2.2 CAPITAL IMPROVEMENT PROJECTS UPDATE

Recommendation: For information only

2.3 ACWA COMMITTEE APPOINTMENT NOMINATIONS FOR THE 2016-2017 TERM

*ACWA is requesting committee nominations from ACWA members for the 2016-2017 term.*

Recommendation: Request Board direction
2.4 ACWA REGION 10 ELECTION FOR THE 2016-2017 TERM

ACWA Region 10 is holding its election for officers and Board members who will represent and serve the members of Region 10 for the 2016-2017 term.

Recommendation: Request Board direction

2.5 2016 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) COMMITTEE AND EXPERT TEAM PARTICIPATION

CSDA is asking for volunteers to participate and contribute on one or more of their Committees and/or Expert Feedback Teams to assist in shaping CSDA.

Recommendation: Request Board direction

2.6 CALL FOR NOMINATIONS TO THE LOCAL AGENCY FORMATION COMMISSION AND THE SPECIAL DISTRICTS ADVISORY COMMITTEE

Nominations are being solicited for two positions on the Local Agency Formation Commission and eight positions on the Special Districts Advisory Committee.

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 MEETINGS

WEF San Joaquin River Restoration Tour
November 5 – 6, 2015 – Begins/Ends in Fresno, CA

*****END OF OTHER BUSINESS*****
5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

6.1 ADJOURNMENT

*****END OF AGENDA*****

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the Executive Secretary at 760.744.0460 ext. 264 at least 48 hours prior to the meeting.

Audio and video recordings of all Board meetings are available to the public at the District website www.vwd.org

AFFIDAVIT OF POSTING

I, Diane Posvar, Executive Secretary of the Vallecitos Water District, hereby certify that I caused the posting of this Agenda in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California by 3:00 p.m., Friday, August 28, 2015.

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

Finance Manager Fusco 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 Jackson
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
Human Resources Technician Anderson
Executive Secretary Posvar
Administrative Secretary Johnson

ADOPT AGENDA FOR THE REGULAR MEETING OF SEPTEMBER 2, 2015

15-09-01 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to adopt the agenda for the Regular Board Meeting of September 2, 2015.

INTRODUCTION

Human Resources Technician Bridget Anderson introduced new employee, Joel Johnson, Construction System Worker I.

ORAL COMMUNICATIONS

Henriette Faust, member of the public, addressed the Board stating that for the first time in her life she analyzed her water bill, and that she and her husband are very water
thrifty. She asked if it was possible for the District to adjust the service charges for seniors as a third of her bill is for service charges.

She further stated that she wants to save water, but doesn’t like the idea of living in a desert where we can’t enjoy life. When you have to scrimp and save, and not water and all of the yards look like Palm Springs, she doesn’t like that at all. She’s getting older and has to pay all of these fees, not just water. She’s happy to pay for water, but asked if there is any way to minimize the charge for sewer when there are only two people in the house, sometimes one. Forty dollars is a lot of money for just the sewer charge. It would be so great to lower these charges for seniors if at all possible. She wasn’t sure if this issue has to be put on a ballot or if the Board can do it at this meeting, but it would be something to think about because that’s a lot of money; a third of her bill, and not just her, everybody. She thanked the Board.

General Manager Lamb responded that Proposition 26, which was approved by voters two years ago, provides that water agencies cannot charge different rates for the elderly, infirmed, etc. because if allowed, others would have to subsidize the cost of the discount. He stated that the District used to provide a “frugal user” discount for customers who had lower water usage, but by law, is no longer able to offer that discount. The District did, however, adjust the rates so that the first five units of water are provided at the District’s cost without markup.

Catherine Dickerson, member of the public, addressed the Board stating that she is from Solana Beach. She thanked the District and all of the member agencies of the San Diego County Water Authority (SDCWA) for what they have done to diversify our water sources so that even in the fourth year of a drought, we have enough water and no shortage of water supply. It’s amazing and it really took independence and vision to build the largest desal plant in the western hemisphere and to be one of the pioneers in reclaiming water. She is so glad to live in San Diego.

She further stated that she is here today to ask the District to do more. The Governor doesn’t care about this. She’s been to a number of Water Board meetings and came from Helix today. Everyone says their hands are tied, they are talking to the Governor, he doesn’t listen, etc. But who doesn’t know? Your ratepayers. All of the work that’s been done to create this fabulous assorted supply of water; to take good care of us; you asked us for money; we said yes; you put it to good use; but when she goes on the District’s website and she has checked them all out, all she hears is conserve - every drop counts; shower with a bucket; water your plants with used ice cubes. There is nothing about the great work that’s been done. The SDCWA finally changed their website and instead of saying something like, every drop counts, they said the Governor has mandated cuts. That’s a little more honest. She asked the Board to seriously consider looking at the District’s website and outreach, and include some really
important facts. She would love to help the District to help others. She thanked the Board.

CONSENT CALENDAR

15-09-02 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes
   A. Regular Board Meeting – August 5, 2015

1.2 Warrant List through September 2, 2015 - $5,693,975.32

1.3 Financial Reports
   A. Water Meter Count – July 31, 2015
   D. Sewer Revenue and Expense Report – July 31, 2015
   E. Reserve Funds Activity – July 31, 2015

1.4 Final Acceptance of Water and Sewer Improvements for Prestige Academy Pre-School, APN: 223-812-02 (PPO Carlsbad, LLC)

1.5 Final Acceptance of 12-Inch Water Main Relocation (Palomar Community College District)

1.6 Fall 2015 SPLASH! – Vallecitos Water District Quarterly Newsletter

ACTION ITEMS

DROUGHT UPDATE

Public Information/Conservation Supervisor Robbins stated the State Water Resources Control Board, the California Department of Technology and Save Our Water announced the launch of SaveWater.CA.Gov. The new mobile-optimized website will allow residents to report suspected leaks and water waste anywhere in the state from their smartphones, tablets and computers. The San Diego County Water Authority (SDCWA) also has a similar website. To date, the District has received six notifications from the State and four from the SDCWA.

He noted the following:
- The District’s July 2015 water production decreased 36.54% from July 2014 and 37.73% from July 2013. Although not finalized, data suggests a reduction of approximately 27% for the month of August.
- In July 2015, residential customers used 83.8 gallons per day compared to July 2014, when customers used 121.1 gallons per day.
- The number of drought-related calls has dropped slightly, giving conservation staff time to send letters to customers with consistent high usage, urging them to cut back and take advantage of the conservation programs available.
- Fiscal year-to-date water sales through July are $0.6 million, or 27.5%, less than budgeted. The impact is mitigated by the $0.2 million favorable budget variance in water costs, and other favorable operating variances. As of July 31, 2015, $8.2 million is available in water replacement reserves.

General discussion took place. During general discussion, President Evans discussed a SDCWA presentation, “How San Diego Prepared for This Drought, and the Next One, and the Next One.” She requested the presentation be included in the District’s conservation/outreach materials.

This item was presented for information only.

CAPITAL IMPROVEMENT PROJECTS UPDATE

District Engineer Gumpel presented an overview of the Capital Improvement Projects (CIP) updates that are now available on the District’s website in the Departments/Engineering section. He demonstrated how to access the information on the website and what type of information is available to anyone. Information included on the website such as project descriptions and status, financial data, and change orders will be updated quarterly. He stated that going forward staff will present a fourth quarter CIP update with fiscal year-end financial information to the Board annually.

General discussion took place.

This item was presented for information only.

ACWA COMMITTEE APPOINTMENT NOMINATIONS FOR THE 2016-2017 TERM

General Manager Lamb stated that ACWA is requesting committee nominations from ACWA members for the 2016-2017 term. Committees are an integral part of ACWA’s activities, therefore, committees need active, involved individuals able to expend the time and provide their expertise if appointed.

All correspondence and forms regarding committee appointments must be submitted to
ACWA no later than September 30, 2015 to be eligible for consideration.

Presently, Assistant General Manager Scaglione is participating on the Finance Committee, Director Martin is participating on the Membership and Energy Committees, and Director Hernandez is participating on the Groundwater Committee.

General Manager Lamb stated that Assistant General Manager Scaglione has indicated he would like to continue participating on the Finance Committee. He requested those who are interested in remaining on or joining a committee to contact Executive Secretary Posvar.

General discussion took place.

**ACWA REGION 10 ELECTION FOR THE 2016-2017 TERM**

General Manager Lamb stated that ACWA Region 10 has distributed a ballot which includes the Region 10 Nominating Committee’s recommended slate as well as individual candidates running for the Region 10 Board positions of chair, vice chair and Board members.

General discussion took place.

15-09-03  MOTION WAS MADE by Director Hernandez, seconded by Director Martin, and carried unanimously, to vote for the slate recommended by the Nominating Committee.

The roll call vote was as follows:

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

**2016 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) COMMITTEE AND EXPERT TEAM PARTICIPATION**

General Manager Lamb stated that CSDA is asking for volunteers to participate and contribute on one or more of their Committees and/or Expert Feedback Teams to assist in shaping CSDA. Board members interested in participating should contact Executive Secretary Posvar before the October 9, 2015 deadline.

The Board took no action.
CALL FOR NOMINATIONS TO THE LOCAL AGENCY FORMATION COMMISSION AND THE SPECIAL DISTRICTS ADVISORY COMMITTEE

Mike Hunsaker, member of the public, addressed the Board stating he is interested in a report that the State is eliminating some of the Local Agency Formation Commission's (LAFCO) power in regard to annexation and formation of some special districts. If we are going to consider anyone for LAFCO, he thinks this issue should be addressed. If he has received false reports or fears, he would appreciate this information. He was told that our local LAFCO agency did file a letter to the State. He thanked the Board.

General Manager Lamb stated that the Board received a copy of the letter of opposition that was sent to the State. He explained that under the drought emergency regulations, Governor Brown did not take away LAFCO’s powers; however, he provided the State Water Resources Control Board emergency authority to consolidate small water districts that are running out of water and/or funds due to the drought with larger districts instead of going through LAFCO. This action has been opposed by many water districts.

General Manager Lamb stated that nominations are being sought for two positions on the local LAFCO and eight positions on LAFCO’s Special Districts Advisory Committee. Commission and committee nominations must be received by October 9, 2015.

General discussion took place.

The Board took no action.

REPORTS

GENERAL MANAGER

General Manager Lamb stated that additional information will be added to the District’s website to include metrics pertaining to the number of phone calls the District receives, how many miles of pipe the staff cleans, how many valves are turned, etc. A draft will be provided to the Board for their review before going live with the information within the next month or so.

General Manager Lamb invited the Board to stop by the Engineering Department to see the new digital smart board located where the paper maps were previously displayed. The new technology will enable staff and the public to view, annotate, print and send maps via email. The old paper maps will be phased out and recycled, however, staff will retain copies for backup purposes.

General Manager Lamb stated that the conservation/water reduction amount is being reviewed weekly.
DISTRICT LEGAL COUNSEL

Legal Counsel Jackson commented on a case he’s been following out of the First District Court of Appeals that interpreted a provision in the California Public Records Act (CPRA) that relates to when does an agency lose a protection that it is afforded by the exemption language of the CPRA, in the context of disclosing documents to a requestor that it later finds out shouldn’t have been disclosed because they were subject to privilege. This case is currently with the State Supreme Court. He will continue to follow the case and report back as new information is made available.

SAN DIEGO COUNTY WATER AUTHORITY

President Evans stated that the California Natural Resources Agency Secretary John Laird provided a presentation on the Delta Bay issue.

President Evans distributed the General Manager’s News and Notes which contained information about a SDCWA water symposium, “Charting a Sustainable Water Future,” that will be held on October 15 at the University of San Diego Joan Kroc Institute for Peace and Justice. Information was also included about Metropolitan Water District Tours.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported on his attendance to the ribbon-cutting ceremony for the Encina Wastewater Authority’s Fats, Oils and Grease (FOG) facility which is processing FOG and generating energy.

Director Elitharp stated he was unable to attend the August 11 Policy and Finance Committee meeting. Assistant General Manager Scaglione reported on his attendance to the meeting at which the tactical plan was discussed.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Sannella reported on his attendance to the San Diego North Economic Development Council (SDNEDC) Investors meeting and the California Special Districts Association (CSDA) San Diego Chapter Quarterly meeting.

Director Elitharp reported on his attendance to the Urban Water Institute (UWI) Annual Conference.
Director Martin reported on his attendance to the UWI Annual Conference, the California Association of Sanitation Agencies (CASA) Conference, the ACWA Region 10 Desalination Event, the SDNEDC Investors meeting and the CSDA San Diego Chapter Quarterly meeting.

Director Hernandez reported on his attendance to the CASA Conference.

President Evans reported on her attendance to the CASA Conference and the ACWA Region 10 Desalination Event.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Martin congratulated General Manager Lamb for being selected as General Manager of the Year by the California Special Districts Association.

Director Martin stated he is planning on attending three water forums hosted by California State University San Marcos, entitled, “Fresh Perspectives on California’s Water Future” and requested this be placed on the next Board agenda for consideration of per diem for attending the forums.

Director Sannella stated he has been contacted by the San Marcos Arts Council to support a project to paint water and conservation themed murals throughout the city. This topic will be placed on a future Board agenda for a possible presentation by the San Marcos Arts Council and the Board’s consideration of District support for the project.

Director Sannella requested a timeline for the District’s Master Plan. This information will be provided to all of the Directors.

Director Hernandez requested the South Lake lease renewal be placed on next month’s Board agenda.

Director Hernandez requested the District’s annexation policy for sewer and water be placed on a Board agenda within the next 60 days.

ADJOURNMENT

There being no further business to discuss, President Evans adjourned the Regular Meeting of the Board of Directors at the hour of 5:15 p.m.
A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, September 16, 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