AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 17, 2013, AT 4:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT HERNANDEZ

PLEDGE OF ALLEGIANCE – DIRECTOR POLTL

ROLL CALL

In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity which severely imperils public health, safety, or both. Also, items which arise after the posting of the Agenda may be added by a two-thirds vote of the Board of Directors.

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 17, 2013

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 WARRANT LIST THROUGH APRIL 17, 2013 – $610,094.49

Recommendation: Approve Warrant List

1.2 FINANCIAL REPORTS

   A. WATER METER COUNT – MARCH 31, 2013
   B. WATER PRODUCTION/SALES REPORT – 2012/2013
   C. WATER REVENUE AND EXPENSE REPORT – MARCH 31, 2013
   D. SEWER REVENUE AND EXPENSE REPORT – MARCH 31, 2013
   E. RESERVE FUNDS ACTIVITY – MARCH 31, 2013

*****END OF CONSENT CALENDAR*****
ACTION ITEMS

2.1 AWARD OF CONSTRUCTION CONTRACT FOR SAN MARCOS INTERCEPTOR PHASE 1

Contract award for the completion of the balance of Phase 1 construction.

Recommendation: Award Construction Contract

2.2 PROFESSIONAL SERVICES AGREEMENT FOR METER SERVICES BETWEEN RINCON DEL DIABLO (RINCON) AND VWD

The VWD Meter Department is experiencing a temporary void in staff members.

Recommendation: Approve Professional Services Agreement

2.3 RESOLUTION DECLARING NATIONAL PUBLIC WORKS WEEK

The American Public Works Association requests support in recognizing the public works profession.

Recommendation: Adopt Resolution

2.4 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

3.5 LAFCO

3.6 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

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

4.1 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*****

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.

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, April 12, 2013.

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

Director Poltl led the pledge of allegiance.

Present: Director Ferguson  
Director Poltl  
Director Hernandez

Absent: Director Evans  
Director Martin

Staff Present: General Manager Lamb  
Legal Counsel Scott  
Director of Engineering & Operations Gerdes  
Administrative Services Manager Emmanuel  
Finance Manager Fusco  
Water Operations Supervisor Pedrazzi  
Accounting Supervisor Owen  
Engineering Technician Stichter  
Human Resources Technician Anderson  
Public Information Representative Webb  
Public Information Representative Yerman  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 17, 2013

13-04-08 MOTION WAS MADE by Director Poltl, seconded by Director Ferguson, and carried unanimously, with Directors Evans and Martin absent, to adopt the agenda for the Regular Board Meeting of April 17, 2013.

ORAL COMMUNICATIONS

Ginger Hitzke, member of the public, addressed the Board stating she is the President of Hitzke Development; she’s a local developer in San Marcos. She stated that she knows there is nothing that can be done today for what she is going to speak about, because she is speaking during District public comment period, but she felt that she needed to actually come here and say something to someone. She is hoping perhaps afterwards she will get a phone call and work on some things afterwards. They have been presented with an agreement for construction of facilities for a project and have been told that they must sign a boiler plate agreement without any consideration of any comments whatsoever. In order for this document to be presented to them as a Board for consideration, it is her understanding that when they are considering something as a Board, she should have an opportunity to actually discuss it at a public setting and that’s the whole purpose for being at a public setting. And they’re being told that they must
execute the agreement, pay fees, issue bonds and do all sorts of other things that sort of act as though they are in complete agreement with the agreement. Prior to coming to the public hearing, at which the Board actually approves the agreement, this does not seem legally appropriate. And so they are requesting, they have requested and have been denied, to bring at least a redline or at least their comments and just at least have an opportunity to be shot down in public. But at least to have this item heard and to contest the provisions in this agreement. They are asking for words like reasonable to be included instead of sole or absolute. The response that they received back supposedly from counsel, which she has a very hard time believing actually came from counsel, seemed to not understand the legal definition of reasonable with respect to discussion. It is a defined term, she is accustomed to negotiating that in all of her agreements and it has nothing to do with whether or not she believes something is reasonable. It has to do with their responsibility to actually provide her with a reason when she requests it. That's all. They can still do whatever they want, they are just legally obligated to tell her why, versus sole which means they don't have to tell her anything. So the things that they're asking for, there also little minor changes which may not seem to be a very big deal to everyone here, but when you're out in the field and your trying to do them, it's very, very difficult. And they're just saying listen, there are a couple of things in here that are not really practical and they want to change them. If the Board wants to say no, fine. But at least give them the opportunity to argue in public. She understands there is nothing that can be done here today. She appreciates their time. If they have any questions for her, let her know. She thanked the Board.

President Hernandez directed staff to look into this and asked if staff has any comments.

General Manager Lamb stated this is the first he’s ever heard of it. It’s a standard agreement that’s been used numerous times. Ms. Hitzke actually executed a similar agreement when she had her other project. So he’s not sure if there’s feedback or not or it just wasn’t brought up. He will give her a call.

Legal Counsel Scott stated that the only one he was aware of was some request to have the subcontractor post bonds instead of the general contractor. They are the owner and we don’t really have any contract with the subcontractor.

Ms. Hitzke stated she is willing to have a conference call if that is what’s being offered.

**CONSENT CALENDAR**

13-04-09 MOTION WAS MADE by Director Ferguson, seconded by Director Politi, and carried unanimously, with Directors Evans and Martin absent, to approve the Consent Calendar as presented.

1.1 Warrant List Through April 17, 2013 - $610,094.49

1.2 Financial Reports
A. Water Meter Count – March 31, 2013
B. Water Production/Sales Report – 2012/2013
C. Water Revenue And Expense Report – March 31, 2013
D. Sewer Revenue And Expense Report – March 31, 2013
E. Reserve Funds Activity – March 31, 2013

ACTION ITEMS

AWARD OF CONSTRUCTION CONTRACT FOR SAN MARCOS INTERCEPTOR PHASE 1

General Manager Lamb stated that The balance of the Phase 1 construction is the subject of this contract award and includes the area from the south side of SR 78 to east of Johnston Lane. District staff received and opened bids from five contractors. All bids were reviewed for compliance with the contract documents along with Counsel. Staff and counsel evaluated the qualifications and references of the apparent low bidder GRFCO Inc. and found irregularities. GRFCO did not meet the contract requirement of a minimum 5 years of experience and after checking supplemental references provided by GRFCO, many of the references were not the public agencies or owners of the projects. GRFCO is also currently involved in a prevailing wage issue dispute under its previous ownership name.

Staff and counsel completed the evaluation of qualifications and reference checks for the second apparent low bidder, James W. Fowler & Co., and found the firm to be qualified for this project and met all requirements of the bid documents.

The fiscal impact, as based upon the award to the second low bidder. Based upon review of the bids and contacts provided in the bid, staff recommended that the contract be awarded to James W. Fowler & Co., as the lowest responsible bidder, in the amount of $4,526,000 for the San Marcos Interceptor Phase I project. This would be subject to all provisions of the document.

Legal Counsel noted for the record that no one from GRFCO Inc. was present.

13-04-10  MOTION WAS MADE by Director Ferguson, seconded by Director Poltl, and carried unanimously, with Directors Evans and Martin absent, to award the construction contract to James W. Fowler & Co. in the amount of $4,526,000.

PROFESSIONAL SERVICES AGREEMENT FOR METER SERVICES BETWEEN RINCON DEL DIABLO (RINCON) AND VWD

General Manager Lamb stated that the Meter Department is down one full-time staff member who is out on disability and anticipating another member to be out on an extended leave. Rincon del Diablo Water District (Rincon) has offered to assist the
District by providing a meter services worker to help fill the void until staffing returns to normal levels.

Staff believes by executing this agreement, the Meter Department will immediately have the skilled resources needed to assist with daily operations of the meter department and bring current the backlog of meter maintenance.

General Manager Lamb stated that the scope was not completed in the agreement at the time the Board packet was completed. He read the scope into the record as follows:

Section 1. Scope of Work: Meter reading, meter reading starts and stops, meter replacements, register replacements, delivery of shutoff notices, lock and unlock meters, MXU transmitter and maintenance replacement, replace meter box lids.

Staff recommended the Board approve the agreement with the stated scope of work.

General discussion followed.

13-04-11 MOTION WAS MADE by Director Poltl, seconded by Director Ferguson, and carried unanimously, with Directors Evans and Martin absent, to approve the Professional Services agreement.

RESOLUTION DECLARING NATIONAL PUBLIC WORKS WEEK

General Manager Lamb stated that in 1960, President John F. Kennedy proclaimed National Public Works Week as an annual reminder of the many ways public works contribute to our quality of life. The American Public Works Association will be celebrating National Public Works Week May 19 – 25, 2013, with the theme “Because of Public Works”. The resolution recognizes the valuable contribution made by the public works profession.

Staff recommended approval of the resolution.

13-04-12 MOTION WAS MADE by Director Ferguson, seconded by Director Poltl, and carried unanimously, with Directors Evans and Martin absent, to adopt the resolution.

Resolution No. 1418 - The roll call vote was as follows:

AYES: Ferguson, Poltl, Hernandez
NOES:
ABSTAIN:
ABSENT: Evans, Martin
QUARTERLY INVESTMENT REPORT

General Manager Lamb stated this is the standard quarterly update provided.

No action was required.

REPORTS

GENERAL MANAGER

None.

DISTRICT COUNSEL

None.

SAN DIEGO COUNTY WATER AUTHORITY

None.

ENCINA WASTEWATER AUTHORITY

President Hernandez reported on the Capital Improvement Committee. The ongoing strategy and plan of taking their byproduct and turning it into fertilizer is working tremendously. In 2008 EWA spent $1,000,000 hauling the byproduct off; last month they made $10,000. This is at a sales price of $30 per ton. If they are able to manufacture and package correctly, they could make up to $400 per ton.

LAFCO

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

None.

OTHER BUSINESS

QUARTERLY BOARD EXPENSES

General Manager Lamb stated this information was provided per Ordinance 178. No action is required.
DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Ferguson asked Legal Counsel Scott if they were to keep the report provided by him.

Legal Counsel Scott stated it was provided for information.

ADJOURNMENT

There being no further business to discuss, President Hernandez adjourned the Regular Meeting of the Board of Directors at the hour of 4:17 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, May 1, 2013, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

James Hernandez, President
Board of Directors
Vallecitos Water District

ATTEST:

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