

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, FEBRUARY 21, 2018, AT 5:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Hernandez called the Regular meeting to order at the hour of 5:00 p.m.

Director Elitharp led the pledge of allegiance.

Present: Director Elitharp  
Director Martin  
Director Sannella  
Director Hernandez

Absent: Director Evans

Staff Present: General Manager Pruim  
Legal Counsel Scott  
Administrative Services Manager Emmanuel  
Operations & Maintenance Manager Pedrazzi  
Public Information/Conservation Supervisor Robbins  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF FEBRUARY 21, 2018

18-02-03 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to adopt the agenda for the Regular Board Meeting of February 21, 2018.

PRESENTATION

General Manager Pruim acknowledged Wastewater Treatment Plant Supervisor Dawn McDougale for receiving the San Diego County California Water Environment Association's Supervisor of the Year award. A short video chronicling her time with Vallecitos Water District was presented.

PUBLIC COMMENT

None.

CONSENT CALENDAR

18-02-04 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to approve the Consent Calendar as presented.

- 1.1 Approval of Minutes
  - A. Closed Session Board Meeting – January 17, 2018
  - B. Regular Board Meeting – January 17, 2018
  - C. Finance/Investment Committee Meeting – January 30, 2018
  - D. Public Awareness/Personnel/Policy Committee Meeting – February 12, 2018
- 1.2 Warrant List through February 21, 2018 - \$6,510,242.56
- 1.3 Financial Reports
  - A. Water Meter Count – January 31, 2018
  - B. Water Production/Sales Report – 2017/2018
  - C. Water Revenue and Expense Report – January 31, 2018
  - D. Sewer Revenue and Expense Report – January 31, 2018
  - E. Reserve Funds Activity – January 31, 2018
  - F. Investment Report – January 31, 2018
- 1.4 Operations & Maintenance Metrics Quarterly Report – December 31, 2017
- 1.5 Final Acceptance of Water and Sewer Improvements for Montessa (CalAtlantic Group, Inc.)
- 1.6 Construction Contract Award of Fulton Road, NCTD Easement, Laurels Subdivision – Sewer Lining and Repairs
- 1.7 Local Agency Investment Fund Investment Authorization Resolution
- 1.8 Resolution Adopting the District Pay Schedule
- 1.9 2017 Year in Review

Mike Hunsaker, member of the public, addressed the Board regarding Item 1.5, Final Acceptance of Water and Sewer Improvements for Montessa (CalAtlantic Group, Inc.), expressing his appreciation to staff for reporting this item in detail, namely the number of proposed units, fees that have been paid, and the size of the piping. He stated it is important to include these details in Board agenda packets so that any apparent discrepancies can be explained. He inquired on the definition of an apartment EDU, and asked why internal documents use EDUs for sewer- and water-consumption-based figures for sewer waste treatment. He thanked the Board.

ACTION ITEMS

PROPOSED REVISION TO PURCHASING POLICY

General Manager Pruim stated the proposed modification to the purchasing policy is intended to provide clarity regarding the purchase of items already approved in the budget and would increase the efficiency of procuring these items as items already approved in the budget would not need Board approval at the time of purchase. The current purchasing policy, Resolution No. 1484, includes language in Section 2.4 pertaining to professional services and construction contracts. General Manager Pruim recommended removing the words, “professional services or construction” from that section so that it reads, “purchases of materials, equipment, inventory and capital items above \$50,000 and not approved in the current fiscal year’s budget shall be presented to the Board of Directors for approval.”

General Manager Pruim stated all professional services and construction contacts over \$50,000 will be presented to the Board for approval even if they were approved in the budget; however, more routine items such as chemicals or parts approved in the budget will not need further Board approval.

18-02-05 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to adopt the revised resolution.

Resolution No. 1529 - The roll call vote was as follows:

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

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

General Manager Pruim stated the San Marcos Chamber of Commerce is hosting the annual State of the City Address featuring the Chamber Board Installation & Awards Luncheon on Wednesday, March 7, 2018. The Chamber of Commerce is not on the list of organizations for which meetings are considered compensable under District Ordinance No. 203; therefore, prior approval for per diem and expense reimbursement is required.

General discussion took place during which Director Martin noted the event is on the same day as the Regular Board meeting and stated per diem would not be appropriate. General Manager Pruim stated in the event the Regular Board meeting is cancelled, approval of per diem for attending the State of the City Address would be necessary.

- 18-02-06 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, with Director Evans absent, to approve per diem for attendance to the San Marcos Chamber of Commerce State of the City Address only in the event the Regular Board meeting on March 7 is cancelled.

## REPORTS

### GENERAL MANAGER

General Manager Pruim reported the following:

- The Department of Water Resources recently conducted the second of five annual snow pack surveys. The February 1 survey indicated a measurable improvement over the early January survey; however, the snow pack is well below average for this time of year, approximately 20% of historical average.
- The Northern Sierra Precipitation 8 Station Index is only at 63% of average as of February 12.
- The National Drought Mitigation Center map indicates that 80% of California is under abnormally dry conditions.
- The Department of Water Resources reported the state-wide surface water storage in reservoirs is at 24.7 million acre feet which is above the historical average (106%). Last year's wet conditions allowed refilling of the reservoirs.
- The Bureau of Reclamation operates the Colorado River system and releases from Lake Mead and Lake Powell, and are not projecting shortages in Colorado River storages in calendar year 2018. Due to the dry conditions, the chance of a shortage possibility in 2019 has increased from 15% to 17%.
- Metropolitan's Diamond Valley Reservoir put in 143,000 acre feet of additional storage this past year compared to the year before.
- The San Diego County Water Authority is preparing a water demand forecast reset of their Urban Water Management Plan, and is projecting annual water demand in the next 25 years to decrease 10% than originally predicted.
- The State Water Resources Control Board is currently putting together regulations that would permanently prohibit certain wasteful water uses.

### DISTRICT LEGAL COUNSEL

Legal Counsel Scott reported on the filing of an amicus brief of the California Association of Sanitation Agencies before the California Supreme Court along with the League of Cities and California Special Districts Association in the Plantier vs. Ramona Municipal Water District case relating to the challenge of the methodology used by the Ramona Municipal Water District in setting its sewer rates.

Legal Counsel Scott also reported on the City of Oroville v. Risk Management case which is pending before the California Supreme Court in which the City of Oroville was found liable for damage to private property from a sewer overflow resulting from a blockage in the city's sewer main, despite the fact that the private property owner failed to install a device – one that was legally required to be installed that would have prevented the damage.

#### SAN DIEGO COUNTY WATER AUTHORITY

None.

#### ENCINA WASTEWATER AUTHORITY

President Hernandez reported on his attendance to the Capital Improvement Committee meeting on February 21. EWA is moving forward with an \$11 million refurbishment project. The project has been delayed approximately one year due to bankruptcy pertaining to the tank covers. Also discussed at the meeting were estimates for an assessment of protective coating of the equipment, and the Committee expects to receive a report in March regarding the size and cost to build a reclamation facility.

Director Elitharp reported on his attendance to the Policy and Finance Committee meeting on February 13 at which the Committee established meeting dates for 2018 and reviewed the fiscal year 2019 budget process. A proposed budget is expected by May 1 which will be presented to the six member agencies' Boards and the City Council for approval in late May or June.

#### STANDING COMMITTEES

Director Martin reported on the January 30 Finance Committee meeting at which the District's investment policy was discussed. The Committee recommended the Board approve the investment policy. Discussion also took place regarding EWA's PERS obligation.

#### DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Sannella reported on his attendance to the Council of Water Utilities (COWU) meeting on February 20.

Director Martin reported on his attendance to the California Association of Sanitation Agencies (CASA), CalDesal, and Urban Water Institute (UWI) conferences, and the San Diego Chapter California Special Districts Association (CSDA) quarterly meeting.

President Hernandez reported on his attendance to the CASA and UWI conferences as well as the CSDA quarterly and COWU meetings.

Director Elitharp reported on his attendance to the CASA and UWI conferences as well as the COWU meeting.

OTHER BUSINESS

QUARTERLY BOARD EXPENSES

This information was provided per Ordinance No. 203; no action required.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Sannella requested the Board consider attending the Boys and Girls Club annual auction on April 28 and would like this item placed on a future agenda.

Director Martin inquired when Board workshops will be scheduled for the District's five-year plan and other topics. General Manager Pruum stated he is planning workshops to discuss the Strategic Plan, PERS obligations, as well as the Master Plan and associated capacity fees.

President Hernandez commented on the District's Title 16 funding opportunity. More information will be provided to applicants regarding required criteria.

ADJOURNMENT

There being no further business to discuss, President Hernandez adjourned the Regular Meeting of the Board of Directors at the hour of 5:58 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, March 7, 2018, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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James Hernandez, President  
Board of Directors  
Vallecitos Water District

ATTEST:

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Glenn Pruum, Secretary  
Board of Directors  
Vallecitos Water District