

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 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 Evans
Director Martin
Director Sannella
Director Hernandez

Staff Present: General Manager Pruum
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Capital Facilities Senior Engineer Hubbard
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 21, 2018

18-03-06 MOTION WAS MADE by Director Martin, seconded by Director Sannella, and carried unanimously, to adopt the agenda for the Regular Board Meeting of March 21, 2018.

PRESENTATION

Andy Sells, Chief Executive Officer, and Bill Knutson, Executive Committee member of the Association of California Water Agencies/Joint Power Insurance Agency, presented a refund check to the District in the amount of \$145,176. The refund was given due to the District's low insurance claims history.

PUBLIC COMMENT

Alfredo DiNunzio, member of the public, addressed the Board stating he purchased a lot at 1810 El Norte Parkway, Escondido, on the corner of El Norte and Nordahl which included a sewer lateral and water meter. The pad was installed incorrectly and is one foot lower than it should have been. The County of San Diego approved a permit for a pump in order to pump the sewer water. A civil engineering firm/architecture firm determined the pump was not acceptable. He has been asked to purchase a new pump and another lateral which will cost over \$50,000. Mr. DiNunzio's contractor spoke on his behalf to explain the situation in more detail and asked for the Board's assistance in resolving the matter.

President Hernandez suggested Mr. DiNunzio contact General Manager Pruum regarding this matter and place it on a future Board agenda for additional discussion, if necessary.

CONSENT CALENDAR

- 18-03-07 MOTION WAS MADE by Director Martin, seconded by Director Elitharp, and carried unanimously, to approve the Consent Calendar as presented.
- 1.1 Approval of Minutes
- A. Regular Board Meeting – March 7, 2018
- 1.2 Warrant List through March 21, 2018 - \$1,485,716.46
- 1.3 Financial Reports
- A. Water Meter Count – February 28, 2018
B. Water Production/Sales Report – 2017/2018
C. Water Revenue and Expense Report – February 28, 2018
D. Sewer Revenue and Expense Report – February 28, 2018
E. Reserve Funds Activity – February 28, 2018
F. Investment Report – February 28, 2018
- 1.4 Request to Start New Employee at Step D of Salary Range
- 1.5 Resolution Concurring in the Nomination of Jo MacKenzie to the California Special Districts Association Board of Directors

ACTION ITEMS

CONSTRUCTION CONTRACT AWARD OF STARGAZE COURT AND RIVER RUN CIRCLE WATER LINE REHABILITATION

Capital Facilities Senior Engineer Hubbard stated this project is a rehabilitation project, not a replacement project. Pipes are failing on Stargaze Court and River Run Circle. The project is to rehabilitate the two pipelines. He explained the project goals and what staff is trying to achieve with this project. During planning discussions for replacement of the water lines, staff reviewed alternate methods to traditional open-cut installation, including trenchless technology options. Sanexen Water Inc. was contacted for a possible pilot project for installation of their composite structural liner product, Aqua Pipe. Sanexen has provided water management solutions in North America for approximately 20 years. Aqua Pipe meets industry standards for structural liners and is certified for potable water applications. He further stated that Sanexen is currently working with other water districts in the San Diego region and the District may benefit from shared mobilization costs.

Capital Facilities Senior Engineer Hubbard further stated that staff worked with Sanexen to provide a quote in the amount of \$383,500 for rehabilitation of both the Stargate Court and River Run Circle water lines. Rehabilitation of the water lines versus

replacement of the water lines will reduce project construction costs by approximately 67% and planning and design costs by approximately 90%. Combining both projects under one budget will further reduce design and construction costs. In addition to reducing project costs, use of Sanexen's Aqua Pipe will strengthen and extend the life cycle while reducing impacts to customers.

Discussion took place. During discussion, Capital Facilities Senior Engineer Hubbard shared a video with the Board explaining the process and benefits of installing the Aqua Pipe.

18-03-08 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, to award the construction contract and increase the budget.

SAN MARCOS BOYS & GIRLS CLUB ANNUAL AUCTION

General Manager Pruim requested direction from the Board as to whether attending Directors should receive per diem as well as expenses to attend the Boys and Girls Club annual auction and if the District would like to sponsor the event.

General discussion took place regarding whether or not to purchase a table at the event and/or allow per diem/expenses. In previous years it has been difficult to fill a table of ten attendees.

President Hernandez suggested this item be added back onto the membership list to avoid having to approve attendance each year. Discussion took place on this and it was determined that any changes would require an amendment to the policy.

18-03-09 MOTION WAS MADE by Director Sannella, seconded by Director Martin, and carried 4-1, with Director Evans voting no, to sponsor a table in the amount of \$1,500.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- The most recent snow survey indicates that the snowpack has increased from 32% of normal in February to 49%.
- The San Diego County Water Authority (SDCWA) is performing annual maintenance on the pipeline that delivers desalinated water from the plant to their distribution system. No desalinated water is being distributed during the maintenance period which started on March 18 and will continue until March 27 or 28. This is not a problem as the District is receiving desalinated water from other connections.

- Metropolitan Water District is proposing to change their water supply from State Water Project water to 100% Colorado River water. Both of those supplies are treated at Lake Skinner. No significant problems are anticipated due to this change.
- The Encina Wastewater Authority secondary treatment plant experienced an upset which occurred a couple of weeks ago, impacting the biological process. The exact cause is not known; however, the process has improved, resulting in fewer odor complaints.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin provided an update on recent actions taken by the State Water Resources Control Board (SWRCB). In February, the SWRCB proposed amendments to the regulations pertaining to prohibiting water waste. Due to opposition, the SWRCB postponed adopting the amended regulations until their March meeting. The SWRCB adopted regulations last week which will allow greater latitude for use of indirect potable reuse water into surface water facilities, benefiting many agencies.

Legal Counsel Gilpin stated that he has been working with General Manager Pruiem on the Safe and Affordable Drinking Water Act, essentially a water tax issue, which is moving forward in Sacramento. The Association of California Water Agencies (ACWA) has taken a lobbying stance on this issue.

General Manager Pruiem stated the District has submitted letters of opposition and will consider making a monetary contribution to assist ACWA in their efforts to fight the water tax, at the April 4 Board meeting.

General discussion took place regarding a proposed bill that would prevent water utilities from shutting off customers' service for nonpayment. Director Sannella requested more information on the bill be provided to the Board.

Director Martin requested Legal Counsel Gilpin's opinion on the status of the Lake San Marcos matter. General Manager Pruiem stated he has received a concluding memo from former District Legal Counsel Scott on that issue which he will share with the Board soon after he discusses it with Legal Counsel Gilpin.

Legal Counsel Gilpin stated Best Best & Krieger is sponsoring a symposium scheduled for April 24 at the Nixon Library entitled, "The Bill Is Due," regarding infrastructure, pension, and environmental issues. He will provide General Manager Pruiem with more details about the symposium.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the SDCWA Board has been discussing topics such as are we going into a drought or not, will restrictions have to be more or less strict, and bills that are of concern.

Director Evans further stated Senator Toni Atkins became the first woman to lead the California Senate today and noted that Senator Atkins has been very involved in water issues in San Diego County and is currently sponsoring a bill pertaining to conservation issues.

The SDCWA Board's next meeting is scheduled for March 22.

ENCINA WASTEWATER AUTHORITY

President Hernandez reported on his attendance to the Capital Improvement Committee meeting this morning at which the Committee discussed the 2015 major rehab project that will be completed in May. The project had been delayed due to an issue with the contractor/supplier of the basin covers. EWA has also been dealing with the odor complaints due to the recent issue at the plant. It will take 7 to 10 days to resolve the problem completely. The Committee also discussed a study of the septic system/area of coverage.

Director Elitharp reported on his attendance to the Policy and Finance Committee meeting on March 13 at which the Committee considered information on EWA's CalPERS unfunded pension liability.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Martin, Hernandez, Sannella and Elitharp reported on their attendance to the Council of Water Utilities meeting on March 20.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Evans praised staff for the great traffic control they provided during the recent sewer cleaning on Deer Springs Road.

Director Martin commented that the District's refund from ACWA/JPIA is a direct result of staff's effort and commitment to safety.

President Hernandez inquired about sending emails via personal email accounts and the emails' legal accessibility to the public. Legal Counsel Gilpin suggested discussing at a future meeting what email accounts or phones are being used to send email. A new law came into effect last year relative to opening up personal devices to the public

through Brown Act requests for information concerning District business that is on those devices. He stated that sending informational items via blind carbon copies is not a violation of the Brown Act.

ADJOURNMENT

There being no further business to discuss, President Hernandez adjourned the Regular Meeting of the Board of Directors at the hour of 6:20 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 4, 2018, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

James Hernandez, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District