

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, JUNE 20, 2018, AT 5:00 PM AT THE DISTRICT OFFICE,  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Director Sannella led the pledge of allegiance.

Present: Director Elitharp  
Director Evans  
Director Sannella  
Director Martin

Absent: Director Hernandez

Staff Present: General Manager Pruim  
Legal Counsel Gilpin  
District Engineer Gumpel  
Finance Manager Owen  
Operations & Maintenance Manager Pedrazzi  
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF JUNE 20, 2018

18-06-10 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Regular Board Meeting of June 20, 2018.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board praising the City of San Marcos Public Works Department for their quick response to his complaint of irrigation system leaks at Walnut Grove Park that were apparently caused by an abundance of gophers. Walnut Grove Park abuts his property. The repairs to the irrigation system were made promptly.

CONSENT CALENDAR

18-06-11 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – June 6, 2018
- B. Regular Board Meeting – June 6, 2018

- 1.2 Warrant List through June 20, 2018 - \$6,302,110.11
- 1.3 Financial Reports
  - A. Water Meter Count – May 31, 2018
  - B. Water Production/Sales Report – 2017/2018
  - C. Water Revenue and Expense Report – May 31, 2018
  - D. Sewer Revenue and Expense Report – May 31, 2018
  - E. Reserve Funds Activity – May 31, 2018
  - F. Investment Report – May 31, 2018
- 1.4 Construction Contract Award for Solar Panel Inverter Replacement
- 1.5 Appropriations Limit for Fiscal Year 2018/19

### ACTION ITEMS

#### STUDY UPDATE FOR THE DISTRICT WIDE SOLAR PROJECT

District Engineer Gumpel provided a broad overview on the status of the District-wide solar feasibility study being conducted by TerraVerde Energy. He facilitated a presentation as follows:

- Definitions
- Feasibility Study Summary
- Benefits of a Solar Power Purchase Agreement (PPA)
- Assessment Findings
  - Lift Station 1 Site
  - Twin Oaks Reservoir Site
  - Mahr Reservoir Site
- Conclusions
- Next Steps
- Project Schedule

Question and answer took place during the presentation.

District Engineer Gumpel summarized the costs and timelines associated with the three phases of the agreement with TerraVerde Energy. The current feasibility study phase will be completed in July or August depending on Engineering/Equipment Committee and Board input. If the Board decides to move forward with a project or projects, the RFP & Design phase would occur from August 2018 to March 2019. The construction phase would take approximately one year, depending on the project(s) selected.

General discussion took place regarding the proposed sites and consideration of South Lake as a possible site as well. Staff will research further expansion at Mahr Reservoir and the feasibility of South Lake as a possible site.

This item was presented for information only.

RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT "A" FOR FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019 COLLECTED ON THE TAX ROLL

Finance Manager Owen stated Sewer Improvement District "A" is a special service area where Vallecitos provides sewer collection services and another water agency provides domestic water service and fire protection. Vallecitos elects to have its sewer service fees for Improvement District "A" collected on the County tax roll in the same manner and at the same time together with general property taxes. The State Health Code requires Vallecitos to specify on an annual basis the method it will use to collect sewer service fees for Improvement District "A" and hold a Public Hearing acknowledging this method of collection.

Staff recommended the Board adopt the resolution to set the Public Hearing for the Regular Board meeting on July 18, 2018.

18-06-12 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to adopt the resolution.

Resolution No. 1540 – the roll call vote was as follows:

AYES: Elitharp, Evans, Sannella, Martin

NOES:

ABSTAIN:

ABSENT: Hernandez

CONSUMER CONFIDENCE REPORT

Operations & Maintenance Manager Pedrazzi stated Federal and State regulations require the District to prepare the Consumer Confidence Report (CCR) and make it available to its customers by June 30 of each year. The CCR, which will be posted on the District's website, contains information on the quality of the District's drinking water. The District meets or exceeds all Federal and State water quality standards.

Staff recommended the Board approve the 2017 Consumer Confidence Report.

18-06-13 MOTION WAS MADE by Director Evans, seconded by Director Elitharp, and carried unanimously, with Director Hernandez absent, to approve the 2017 Consumer Confidence Report.

SAN MARCOS CHAMBER OF COMMERCE – MEET YOUR ELECTED OFFICIALS  
SUNDOWNER BUSINESS MIXER – PER DIEM/EXPENSE REIMBURSEMENT  
APPROVAL

General Manager Pruum stated the San Marcos Chamber of Commerce will be holding their annual Meet Your Elected Officials Sundowner Business Mixer on July 26. The San Marcos Chamber of Commerce is not on the list of organizations for which meetings are considered compensable under District Ordinance No. 203; therefore, approval for per diem and expense reimbursement is required.

General discussion took place. Director Sannella suggested inviting the San Marcos Chamber of Commerce to provide a presentation at a future Board meeting and having the Board re-evaluate membership to the San Marcos Chamber of Commerce.

18-06-14 MOTION WAS MADE by Vice President Martin, seconded by Director Elitharp, and carried 3 – 1, with Director Evans voting no and Director Hernandez absent, to approve per diem for attendance to the San Marcos Chamber of Commerce Meet Your Elected Officials Business Mixer.

REPORTS

GENERAL MANAGER

General Manager Pruum reported the following:

- Metropolitan Water District recently announced they will begin changing their water blend from 100% Colorado River water to a blend of 35% State Water Project water and 65% Colorado River water.
- The final settlement of the Diamond Environmental Services lawsuit has been completed. The FBI Special Agent in charge of the investigation presented a check today to Encina Wastewater Authority (EWA) in the amount of \$637,102. Those funds will be passed on to Vallecitos to cover costs the District incurred due to Diamond Environmental Services' illegal dumping.
- Regarding the water line rehabilitation project at Stargaze Court and River Run Circle, access pits have been dug, the high lines are being laid out, and the liners are expected to be pulled through the pipelines next week. The Board will be made aware of the exact dates so that they may observe the liners being pulled through the pipelines.
- The project to replace some of the corrugated roofing in the District's yard began last week. Construction should be completed early next week.

- The contract for the men's locker room expansion project has been awarded. The contractor will be mobilizing next week. A 90-day construction window is anticipated.
- The contractor is currently fabricating the staff table for the Boardroom audiovisual and lighting upgrade project. It is anticipated that once the staff table is constructed, wiring can be installed and then the rest of the improvements will begin in August.
- General Manager Pruim will be on vacation June 26 through July 18.

#### DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated Best Best & Krieger's Public Policy and Ethics Group recently issued guidelines on preventing serial meetings which continues to be a topic of interest. The guidelines will be provided to the Board and include information on issues public officials face relative to the Brown Act, violations of the serial meeting preclusions, how to prevent those types of meetings, emails and texts, and social media. He advised that District business conducted via personal emails and texts on cell phones is now subject to the Public Records Act.

#### SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the next SDCWA Board meeting is scheduled for June 28.

Director Evans stated the summer recess for the Sacramento legislature begins on July 6 and ends on August 6. The deadline for bills to be passed is the end of August and the last date for the Governor to act on bills is August 30. She noted that even though the water tax trailer bill was rejected, it is a temporary victory as there are people pursuing it. It could come back either as a trailer bill or SB 623. SDCWA is still very involved in working with the Association of California Water Agencies and California Municipal Utilities Association to encourage opposition to the bill. SDCWA is also advocating support for AB 2050 which would create the small system of water authorities to take over agencies that are non-compliant and small and combine them.

Director Evans commented on several bills SDCWA has sponsored. AB 2064 would make accountable opportunities for money to be given in advance to disadvantaged communities who are eligible for grant money. AB 2371 contains recommendations regarding water use efficiency for landscape. Imperial Valley tried to form a technical panel to establish a Salton Sea ten-year water management program but did not meet its Policy Committee deadline and is now inactive. The efforts of Senator Dodd to establish agency shut-off policies and procedures will be considered on June 26.

Director Evans distributed information to the Board pertaining to the recent water efficiency regulations which clarifies misleading or misunderstood information being circulated about the regulations.

ENCINA WASTEWATER AUTHORITY

Director Elitharp reported on his attendance to the Policy and Finance Committee on June 12 at which the committee considered four items: amendments to EWA's financial reserve policy; investment policy annual review; financial management and accounting outside services authorization; and another South Parcel temporary construction easement authorization to accommodate the Caltrans I-5 widening project.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Elitharp, Martin and Sannella reported on their attendance to the Council of Water Utilities meeting on June 19.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, Vice President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 6:04 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, July 18, 2018, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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Hal J. Martin, Vice President  
Board of Directors  
Vallecitos Water District

ATTEST:

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Glenn Prui, Secretary  
Board of Directors  
Vallecitos Water District