

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JULY 2, 2008, AT 4:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT SHELL

PLEDGE OF ALLEGIANCE – DIRECTOR HANNAN

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 JULY 2, 2008

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 – JUNE 18, 2008
B. FINANCE/INVESTMENT COMMITTEE – JUNE 25, 2008

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

- 1.2 WARRANT LIST THROUGH JULY 2, 2008 - \$2,081,436.42

Recommendation: Approve Warrant List

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

ACTION ITEMS

2.1 PROPOSED REVISIONS TO THE RESERVE POLICY

Pursuant to the 2007/08 Strategic Plan Goal 4.1.2, staff reviewed the current Statement of Reserve Policy and is proposing changes.

Recommendation: Adopt a Resolution reflecting the proposed revisions to the Reserve Policy.

*****END OF ACTION ITEMS*****

REPORTS

3.1 GENERAL MANAGER

3.2 DISTRICT LEGAL COUNSEL

3.3 ASSISTANT GENERAL MANAGER – FINANCE AND RESOURCES

3.4 DIRECTOR OF ENGINEERING AND OPERATIONS

3.5 SAN DIEGO COUNTY WATER AUTHORITY

3.6 ENCINA WASTEWATER AUTHORITY
- Board of Directors Meeting Minutes of May 28, 2008

3.7 ACWA/REGION 10

3.8 DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED
- Director Shell submitted a report on his attendance to the Council of Water Utilities Meeting on June 17, 2008.

*****END OF REPORTS*****

OTHER BUSINESS

4.1 COMMENTS/QUESTIONS REQUESTING FUTURE BOARD REVIEW/ACTION, COMMITTEE WORK OR STAFF REPORTS

Urban Water Institute Annual Conference
August 13-15, 2008 – Hilton Mission Bay – San Diego, CA

CASA 53rd Annual Conference
August 20-23, 2008 – Marriott Hotel – Monterey, CA

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

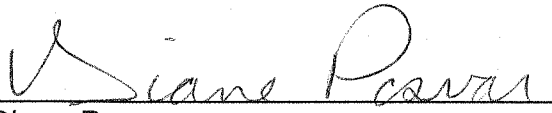
5.1 ADJOURNMENT

*****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. 261 at least 48 hours prior to the meeting.

AFFIDAVIT OF POSTING

I, Diane Posvar, Administrative 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, June 27, 2008.



Diane Posvar

ENCINA WASTEWATER AUTHORITY

Director Hannan noted that the May minutes are in the agenda packet. In addition, the PFC will meet next week and an audit of the biosolids program was conducted.

ACWA REGION 10

No report.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Shell submitted a report on his attendance to the Council of Water Utilities meeting on June 17, 2008.

Director Ferguson reported that she attended the HOA Water Conservation meeting on June 20, 2008, held in the District's Training Room. She noted that it was well attended and good information was provided.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to discuss, President Shell adjourned the Regular Meeting of the Board of Directors at the hour of 4:19 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, July 16, 2008, at 4:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.



Timothy M. Shell, President
Board of Directors
Vallecitos Water District

ATTEST:



William W. Rucker, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JULY 2, 2008, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Regulatory Affairs Specialist Janus led the pledge of allegiance.

Present: Director Ferguson
Director Gentry
Director Hannan
Director Shell

Absent: Director Poltl

Staff Present: General Manager Rucker
Assistant General Manager Mason
Legal Counsel Scott
Director of Engineering and Operations Lamb
Maintenance and Operations Manager Arrant
Capital Facilities/Construction Engineer Gumpel
Regulatory Affairs Specialist Janus
Public Information Representative Webb
Administrative Secretary Posvar
Executive Secretary Lewis

ADOPT AGENDA FOR THE REGULAR MEETING OF JULY 2, 2008

08-07-01 MOTION WAS MADE by Director Hannan, seconded by Director Gentry, and carried unanimously, with Director Poltl absent, to adopt the agenda for the Regular Meeting of July 2, 2008.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

08-07-02 MOTION WAS MADE by Director Ferguson, seconded by Director Hannan, and carried unanimously, with Director Poltl absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. REGULAR BOARD MEETING – JUNE 18, 2008
- B. FINANCE/INVESTMENT COMMITTEE – JUNE 25, 2008

1.2 WARRANT LIST THROUGH JULY 2, 2008 - \$2,081,436.42

ACTION ITEMS

PROPOSED REVISIONS TO THE RESERVE POLICY

General Manager Rucker reported that on May 24, 2004, the Board of Directors approved the District's Statement of Reserve Policy. On June 20, 2007, the Board approved the District's 2007/08 Budget which includes a Strategic Plan with specific finance-related goals. Pursuant to the 2007/08 Strategic Plan Goal 4.1.2, staff reviewed the current Statement of Reserve Policy and is proposing the following changes:

- Adding a provision for an Other Post-Employment Benefits (GASB45) reserve,
- Allowing funding for drought management from the replacement reserve,
- Excluding cash from reserves (cash is maintained in the disbursement fund, and not reserved), and
- Clarifying the use of replacement reserves (for unusual draws, debt service, and asset acquisitions other than growth-related).

Staff presented the proposed changes to the Finance/Investment Committee June 19, 2008. Legal Counsel has reviewed the proposed draft resolution and suggested no changes.

Staff joins the Finance/Investment Committee in recommending the Board of Directors consider adopting a Resolution reflecting the proposed changes.

08-07-03 MOTION WAS MADE by Director Gentry and seconded by Director Hannan, to adopt revisions made to the Resolution of the Board of Directors of the Vallecitos Water District approving The Statement of Reserve Policy.

Resolution 1308 – the roll call vote was as follows:

AYES: FERGUSON, GENTRY, HANNAN, SHELL
NOES:
ABSENT: POLTL
ABSTAIN:

REPORTS

GENERAL MANAGER

General Manager Rucker showed the Board a plaque received from the American Water Works Association acknowledging the District's 50 years of service in the water industry.

General Manager Rucker distributed the final report of the Strategic Plan for fiscal year 2007/08. He noted that there are a significant number of carryovers into the fiscal year 2008/09 Strategic Plan. Currently the draft of the fiscal year 2008/09 Strategic Plan is being reviewed by management and will be presented to all Board Committees in the month of July, with anticipation that it will be presented in final format to the Board for consideration and approval at the second Board meeting in July or first meeting in August. General Manager Rucker stated at that time quarterly Board workshops will be discussed and scheduled for fiscal year 2008/09 where updates of the Strategic Plan will be presented.

DISTRICT COUNSEL

No report.

ASSISTANT GENERAL MANAGER - FINANCE AND RESOURCES

Assistant General Manager Mason distributed the Web Report for the time period June 1, 2008 through June 30, 2008. A total of 7,764 hits were made to web site, the majority being employment.

Assistant General Manager Mason distributed the Solar Port Report. It was noted that the "June Gloom" affected the energy slightly. In addition, Assistant General Manager Mason reported that three Solar Port panels needed replacing as a result of rocks and baseballs from the adjoining baseball field. He noted that District staff recently met with City staff regarding upgrades, etc. to the baseball fields and District staff asked if the fences or nets could be made higher to stop baseballs and rocks from hitting the Solar Port panels and City staff agreed that something could be included in their report to take care of the problem.

Assistant General Manager Mason stated that the Public Awareness Committee discussed the bi-annual District Open House and selected two possible dates. He asked for Board consensus on October 11th or October 18th for the event. Board consensus, with the absence of Director Poltl, was to hold the Open House on Saturday, October 11th. Assistant General Manager Mason indicated that he would keep the Board abreast of details as they develop.

DIRECTOR OF ENGINEERING AND OPERATIONS

No report.

SAN DIEGO COUNTY WATER AUTHORITY

Director Ferguson stated that a minutes summary of the June 26th meeting have been distributed to the Board for review. Director Ferguson also noted that Director Greg Quist retired from the SDCWA Board and Director Mitch Dion was voted in.