

**AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
WEDNESDAY, APRIL 1, 2026, AT 5:00 P.M.  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA**

CALL TO ORDER – PRESIDENT KERSCHBAUM

**NOTICE TO THE PUBLIC:** Meetings of the Board of Directors of the Vallecitos Water District will be held in the Board Room at the District Office located at 201 Vallecitos de Oro, San Marcos, California, on the date and time identified above.

**MEETING BROADCAST:** Members of the public may watch the meeting live via computer or smart device by going to the District’s website: [vwd.org/meetings](http://vwd.org/meetings) and clicking on the “Watch Live” icon; however, they will not be able to participate in the meeting remotely.

**LISTEN TO THE MEETING:** Members of the public may listen to the meeting live on their phone by dialing (888) 788-0099 (Toll Free) or (877) 853-5247 (Toll Free). When prompted, enter the meeting ID and Passcode displayed on the District’s website.

PLEDGE OF ALLEGIANCE

ROLL CALL

ADDITIONS TO THE AGENDA:

Items may be added to the Agenda if the Board determines, by majority vote, that an emergency exists, or by a two-thirds vote of those present, or unanimously if fewer than two-thirds are present, that immediate action is needed and the necessity arose after the agenda was posted (Government Code Section 54954.2).

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 1, 2026.

**PUBLIC COMMENT:**

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. Public comments are limited to three minutes. A Request to Speak form is required to be submitted to the Board Secretary prior to the start of the meeting, if possible. Public comment should start by stating name, address, and topic. The Board is not permitted during this time to enter into a dialogue with the speaker.

CONSENT CALENDAR ITEM(S)

All matters listed under the Consent Calendar are expected to be routine and non-controversial, to be acted upon by the Board 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.

1.1 APPROVAL OF MINUTES

- A. Finance / Investment Committee Meeting – March 17, 2026
- B. Closed Session Board Meeting – March 18, 2026
- C. Regular Board Meeting – March 18, 2026

**Recommendation: Approve Minutes.**

1.2 WARRANT LIST THROUGH APRIL 1, 2026 - \$2,272,720.87

**Recommendation: Approve Warrant List.**

1.3 AUTHORIZATION TO APPROVE ANNUAL VMWARE SOFTWARE RENEWAL WITH CDW-G

**Recommendation: Authorize the General Manager to approve the annual VMware software renewal with CDW-G in the amount of \$128,447.00.**

1.4 FINAL ACCEPTANCE OF THE WULFF WATERLINE IMPROVEMENTS PROJECT

**Recommendation: Accept the project improvements for Wulff Water Improvements.**

1.5 SURPLUS PERSONAL PROPERTY LISTING

**Recommendation: Approve items to be made available for disposal through public auction.**

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

ACTION ITEM(S)

2.1 REQUEST APPROVAL OF CONSTRUCTION CONTRACT AWARD FOR THE ROCK SPRINGS VALVE REPLACEMENT & PIPELINE CONDITION ASSESSMENT PROJECT

**Recommendation: Authorize the General Manager to execute the following: 1) A construction agreement with Shaw Equipment Rentals, Inc. in the amount of \$926,820, subject to the provisions of the contract; and 2) Amendment No. 2 under the current Task Order No. 3 with Hoch Consulting in the amount of \$15,990.**

2.2 GENERAL COUNSEL SERVICES TWO YEAR AGREEMENT EXTENSION AND RATE ADJUSTMENT

*On March 1, 2023, the Board authorized a three year Legal Services Professional Services Agreement (PSA) with Best, Best, & Krieger (BB&K).*

**Recommendation: Authorize the General Manager to extend the Legal Services PSA with BB&K for two additional years, effective April 1, 2026.**

**\*\*\*\*\*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 STANDING COMMITTEES
- 3.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

- 4.1 None.

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

DIRECTORS COMMENTS / FUTURE AGENDA ITEMS

- 5.1 None.

**\*\*\*\*\*END OF DIRECTORS COMMENTS / FUTURE AGENDA ITEMS\*\*\*\*\***

ADJOURNMENT

- 6.1 ADJOURNMENT

**\*\*\*\*\*END OF AGENDA \*\*\*\*\***

In compliance with the Americans with Disabilities Act, if you have any disability which would require accommodation to enable your participation in this meeting, please notify the Board Secretary at [BoardSecretary@VWD.org](mailto:BoardSecretary@VWD.org) at least 48 hours prior to the meeting.

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Video recordings of all Board meetings can be accessed on the District website [www.vwd.org](http://www.vwd.org).

AFFIDAVIT OF POSTING

I, Kirsten Peraino, Executive Assistant/Board Secretary of the Vallecitos Water District, certify that this Agenda was posted in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California, at least 72 hours prior to the meeting (per Government Code §54954.2).



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Kirsten Peraino, *Executive Assistant/Board Secretary*

**MINUTES FOR THE FINANCE / INVESTMENT COMMITTEE  
OF THE VALLECITOS WATER DISTRICT  
TUESDAY, MARCH 17, 2026, AT 3:30 P.M.  
AT THE DISTRICT OFFICE IN THE UPPER CONFERENCE ROOM  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA**

Chair Pennock called the meeting to order at 3:30 p.m.

Present: Chair Pennock  
Director Elitharp

Staff Present: General Manager Gumpel  
Assistant General Manager Hubbard  
Chief Financial Officer Owen  
Finance Supervisor Coco-Alberts  
Director of Operations Bennett  
Chief Technology Officer Labarrere  
Mechanical Maintenance Manager Muller  
Executive Assistant/Board Secretary Peraino

**PUBLIC COMMENT**

None.

**ITEM(S) FOR DISCUSSION**

- **Review Operating Budget Requests** (Presented by CFO Owen and Finance Supervisor Coco-Alberts): Staff provided an update on the 2026-27 Operating Budget development process. The committee reviewed the March budget calendar milestones, which include the compilation of departmental budgets, completion of current fiscal year projections, and finalized debt service and personnel estimates. The discussion detailed significant impacts on water operating expenses, including a \$1.74 million decrease in water sales and a \$322,000 increase in bad debt expense. Staff outlined the next steps in the budget cycle, leading toward a full Board workshop scheduled for May 6, 2026.
- **Auditor Agreement** (Presented by CFO Owen): Staff presented a recommendation regarding the District's auditing services agreement. The committee was informed that the current proposal stems from a competitive bid process originally conducted in 2023, which is projected to save the District \$2,800 over three years compared to the previous contract. The agreement includes an option for a two-year extension. Additionally, the presentation addressed compliance with state assembly requirements that limit audit partners to a maximum of six years, noting that the proposed agreement allows for the necessary partner rotation. The committee expressed support for the recommendation to move forward with the agreement.

**ADJOURNMENT**

There being no further business to discuss, the meeting was adjourned.

MINUTES OF A **CLOSED SESSION** MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
**WEDNESDAY, MARCH 18, 2026, AT 4:00 P.M.**  
AT THE DISTRICT OFFICE IN THE BOARD ROOM  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Kerschbaum called the Closed Session meeting to order at the hour of 4:00 p.m.

Present: Director Kerschbaum (President)  
Director Elitharp (Vice President)  
Director Hernandez  
Director Brown

Absent: Director Pennock

Staff Present: General Manager Gumpel  
Legal Counsel Gilpin  
Director of Administrative Services Aviles  
Executive Assistant/Board Secretary Peraino

ADDITIONS TO THE AGENDA

None.

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF MARCH 18, 2026

MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez and carried with four (4) affirmative votes, to adopt the agenda for the Closed Session Meeting of March 18, 2026.

PUBLIC COMMENT

None.

CLOSED SESSION

1.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Government Code Section 54957

Title: General Counsel.

MOTION WAS MADE by Director Brown, seconded by Director Kerschbaum and carried with four (4) affirmative votes, to move into Closed Session pursuant to Government Code Section 54957.

REPORT AFTER CLOSED SESSION

Legal Counsel Gilpin stated that the Board adjourned to Open Session at 4:54 PM. There was no reportable action from the Closed Session Meeting.

ADJOURNMENT

2.1 ADJOURNMENT

There being no further business to discuss, President Kerschbaum adjourned the Closed Session Meeting of the Board of Directors at the hour of 4:55 PM.

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Jennifer Kerschbaum, Board President  
Vallecitos Water District

ATTEST:

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Kirsten Peraino, Board Secretary  
Vallecitos Water District

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE VALLECITOS WATER DISTRICT  
**WEDNESDAY, MARCH 18, 2026, AT 5:00 P.M.**  
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Present: Director Kerschbaum (President)  
Director Elitharp (Vice President)  
Director Hernandez  
Director Brown

Absent: Director Pennock

Staff Present: General Manager Gumpel  
Assistant General Manager Hubbard  
Legal Counsel Gilpin  
Director of Engineering Lopez  
Director of Operations Bennett  
Director of Administrative Services Aviles  
Chief Technology Officer Labarrere  
Engineering Manager Roman-Philips  
Mechanical Maintenance Manager Muller  
Principal Human Resources Analyst Anderson  
Information Technology Analyst Todd  
Executive Assistant / Board Secretary Peraino

*A member of the audience, Cipi Enriquez, led the pledge of allegiance.*

ADDITIONS TO THE AGENDA

None.

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 18, 2026.

MOTION WAS MADE by Director Hernandez, seconded by Director Brown, and carried with four (4) affirmative votes; the Board adopted the agenda for the Regular Board Meeting of March 18, 2026.

PUBLIC COMMENT

None.

CONSENT CALENDAR

MOTION WAS MADE by Director Elitharp, seconded by Director Kerschbaum, and carried with four (4) affirmative votes, to approve the following Consent Calendar as presented:

1.1 APPROVAL OF MINUTES

- A. Regular Board Meeting – March 4, 2026
- B. Legal Affairs / Legislative Committee Meeting – March 10, 2026
- C. Engineering / Equipment Committee Meeting – March 11, 2026

CONSENT CALENDAR (continued)

- 1.2 WARRANT LIST THROUGH MARCH 18, 2026 – \$5,519,972.59
- 1.3 FINANCIAL REPORTS
- 1.4 ADOPTION OF ORDINANCE NO. 234 (RESCINDING AND REPEALING ORDINANCE NO. 204) – RULES AND REGULATIONS GOVERNING CROSS-CONNECTION CONTROL TO PROTECT THE PUBLIC WATER SYSTEM
- 1.5 APPROVAL OF ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS THE “ANDY VAN DIE FAMILY REVOCABLE TRUST WATER & SEWER ANNEXATION”, INTO THE VALLECITOS WATER DISTRICT FOR WATER AND SEWER SERVICE

PUBLIC HEARING ITEM(S)

- 2.1 PUBLIC HEARING TO REVIEW STATUS OF VACANT POSITIONS AS REQUIRED BY AB 2561

Director of Administrative Services Aviles and Principal Human Resources Analyst Anderson presented an overview of the reporting requirements associated AB 2561, which mandates public agencies to hold Public Hearing annually prior to Budget adoption on job vacancies, and recruitment, and retention efforts.

MOTION WAS MADE by Director Kerschbaum, seconded by Director Brown, and carried with four (4) affirmative votes, to open the Public Hearing. *President Kerschbaum opened the public hearing at 5:14 PM.*

*There being no persons wishing to address the Board, President Kerschbaum closed the hearing at 5:15 PM.*

Information item only, no action required.

ACTION ITEM(S)

- 3.1 AMENDMENTS TO THE PROFESSIONAL SERVICES AGREEMENTS FOR CONSTRUCTION PHASE SERVICES FOR THE MEADOWLARK WATER RECLAMATION FACILITY CHLORINE CONTACT TANK EXPANSION & CONVERSION TO SODIUM HYPOCHLORITE PROJECTS

Director of Engineering Lopez presented background on the MRF Chlorine Contact Tank Expansion Project (CCT Expansion Project) and the MRF Conversion to Sodium Hypochlorite Project (Conversion Project), which was combined into one bid package and construction agreement (Combined Project). Due to significant construction delays on the combined project, staff identified the need for extended oversight and specialized technical services to reach completion.

The board was informed of ongoing construction delays by the contractor, Pacific Hydrotech. To account for these delays, the District has withheld \$1,293,361 in liquidated damages as of January 2026. These delays have necessitated the extension of professional support services to ensure project completion and regulatory compliance. Specifically, staff highlighted the need for continued construction management, specialized coating inspections for the new tank, and a tracer study required for the Title 22 Engineering Report Addendum.

Staff emphasized that although these amendments impact the immediate budget, the costs are mitigated by \$3.5 million in State and Federal grant reimbursements, of which \$1.6 million has already been received as well as the aforementioned liquidated damages.

Following support from the Engineering & Equipment Committee, a MOTION WAS MADE by Director Kerschbaum, seconded by Director Hernandez, and carried with four (4) affirmative votes, to authorize the General Manager to execute the following actions:

1. Amendment No. 2 to the Professional Services Agreement with Valley Construction Management in the time and materials amount of \$150,000 for continued construction management and full-time inspection services for the Combined Project; and
2. Amendment No. 3 to Task Order No. 250264-01 with Harper & Associates in the time and materials amount of \$80,000 for additional quality control coating inspection services for the CCT Expansion Project; and
3. Amendment No. 2 to Task Order No. 262988-01 with Trussell in the time and materials amount of \$144,770 to execute a tracer study in support of the Title 22 Engineering Report Addendum for the Combined Project.

### 3.2 REPAIR OF PRIMARY AND SECONDARY CLARIFIERS AT MEADOWLARK WATER RECLAMATION FACILITY

Mechanical Maintenance Manager Muller presented a request for the refurbishment of the primary and secondary clarifying basins at the Meadowlark Water Reclamation Facility (MRF). This action follows the discovery of mechanical deficiencies in the chain and flight systems during operational readiness evaluations. Replacing these systems is critical for ensuring the facility remains on schedule for its May 2026 start-up and commissioning deadline.

The total project cost of \$487,281.04 includes a \$271,286.04 sole-source procurement for parts and a \$215,995.00 contract with SS Mechanical Construction Corp for labor. Staff noted that while this repair impacts the project budget, the costs are expected to be mitigated by \$3.5 million in total grant reimbursements and potential liquidated damages.

Following support from the Engineering & Equipment Committee, a MOTION WAS MADE by Director Hernandez, seconded by Director Brown, and carried with four (4) affirmative votes, to approve the following actions for the MRF CCT Expansion Project and Conversion Project:

1. Authorize sole source for the procurement of parts to replace the chain and flight systems in two primary and two secondary clarifiers at the Meadowlark Water Reclamation Facility.
2. Authorize the General Manager to execute a construction contract with the SS Mechanical Construction Corp in the amount of \$215,995.00, subject to the provisions of the contract.

REPORTS

4.1 GENERAL MANAGER

General Manager Gumpel reported general District items.

4.2 DISTRICT LEGAL COUNSEL

None.

4.3 SAN DIEGO COUNTY WATER AUTHORITY (SDCWA)

None.

4.4 ENCINA WASTEWATER AUTHORITY (EWA)

None.

4.5 STANDING COMMITTEES

Director Elitharp presented a brief summary of items presented to the Engineering & Equipment Committee Meeting on March 11, 2026 and Finance & Investment Committee Meeting on March 17, 2026.

4.6 DIRECTORS REPORTS ON TRAVEL / CONFERENCES / SEMINARS ATTENDED

None.

OTHER BUSINESS

5.1 OTHER BUSINESS

None.

DIRECTORS COMMENTS / FUTURE AGENDA ITEMS

6.1 DIRECTORS COMMENTS / FUTURE AGENDA ITEMS

None.

ADJOURNMENT

7.1 ADJOURNMENT

There being no further business to discuss, President Kerschbaum adjourned the Regular Meeting of the Board of Directors at the hour of 5:50 p.m.

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Jennifer Kerschbaum, Board President  
Vallecitos Water District

ATTEST:

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Kirsten Peraino, Board Secretary  
Vallecitos Water District

VALLECITOS WATER DISTRICT

WARRANTS LIST

April 1, 2026

3/24/2026 16:20

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Garnishment	Payroll Garnishments	133737	-
24 Hour Elevator, Inc	Elevator Maintenance - Mar	133738	214.99
Advanced Imaging Solutions	Copier Lease - Feb	133739	628.96
AIS Specialty Products	Printing Services - Mar	133740	1,769.25
Aqua-Metric Sales Co	3" Omni Top Plates - 8, & MXU Housing Assemblies - 50	133741	11,649.29
ASAP Drain Guys & Plumbing	Svc - Flushometers - Men's & Women's Restrooms - MRF	133742	1,782.50
AT&T	Phone Svc - Feb	133743	63.82
Bemus Landscape, Inc.	Landscaping Svcs - HQ & MRF - Mar	133744	4,444.00
CARB/PERP	Portable Generator Permit Renewal	133745	865.00
CDW Government	Solar Winds Centralized Monitoring Subscription Renewal 25-26	133746	7,964.42
Coast News Group	Advertising - Non-Functional Turf Ordinance - Prj 20261-50	133747	1,278.75
Consolidated Water Technologies, Inc.	Trioxyn	133748	25,157.77
Corodata Media Storage Inc	Back Up Storage Tapes - Feb	133749	257.62
County of San Diego	Facility Permit Renewal - Palos Vista PS	133750	615.00
County of San Diego	Facility Permit Renewal - 1697 San Elijo Rd	133751	615.00
County of San Diego	Facility Permit Renewal - 1451 Misty Sea Way	133752	608.00
EDCO	Trash Svc - MRF & HQ - Feb	133753	1,391.30
Applied Best Practices	Annual Debt Transparency Report	133754	750.00
Government Portfolio Advisors	Investment Management Svcs - Feb	133755	2,838.98
Isolved Benefit Services	Cobra Admin Svcs - 26-27	133756	2,422.38
Infosend Inc	Door Hangers, Processing, Postage, Printing & Support Fee - Feb	133757	7,565.82
Ambius	Plant Maintenance Svcs - Mar	133758	380.54
Jack Henry & Assoc	Remit Plus Support - Feb	133759	101.10
Joe's Paving Co. Inc.	Asphalt repair - 1108 Rancho Santa Fe - 240 Sq. Ft.	133760	9,878.00
Knight Security & Fire Systems	Answering, Patrol, & Monitoring Svcs - Mar	133761	823.32
Lock City	Padlocks - 384	133762	12,230.72
Manpower	Temp Svcs - Warehouse - Mar	133763	2,700.00
Matheson Tri Gas	Cylinder Rentals - 3	133764	211.02
Occu-Med	Medical Svcs - Feb	133765	2,156.64
Ostari	IT Support - Feb, SCADA Network Development - Prj 20251-9, & DUO Subscription - Mar	133766	15,926.83
Pacific Hydrotech Corporation	Chlorine Tank Expansion & Sodium Hypochlorite Conversion - MRF Prj 20161-2 & 20171-2	133767	481,341.60
San Diego Refrigeration	HVAC Leak Repair - Building B	133768	1,485.56
Enterprise Automation	SCADA Remote Site Upgrade Study Prj 20251-2, Improvements Prj 20261-24, & Maint. - Feb	133769	85,773.75
Roth Staffing Companies	Temp Svcs - Purchasing - Mar	133770	3,157.52
SDG&E	Power - Feb	133771	122,344.60
Southern Counties Lubricants	Diesel Fuel	133772	1,448.86
SSA Solar of CA 5 LLC	District Wide Solar Project Svcs - Feb	133773	18,638.86
Sunshine Water Systems	Drinking Water Svc - Mar	133774	56.00
Terra Verde Energy LLC	Solar Panel Study Prj 20261-8	133775	16,798.75
Total Resource Management	Maximo Support - Mar	133776	6,204.38
Verizon Wireless	Ipad & Cell Phone Svc - Feb	133777	4,183.85
VWR International	Lab Supplies - Water Ops	133778	81.93
Allie's Party Rentals	Spring Festival - Canopy, Table & Chair Rental - Prj 20261-50	133779	360.61
Boot Barn	Safety Boots - 4 Pairs	133780	1,000.00
Boot World	Safety Boots	133781	247.24
AWWA	D1 - D4 Review & D4 Math Review Classes - 9 Classes	133782	1,890.01
Cobech Traffic Control	Traffic Control Svcs - Woodland Parkway	133783	10,162.71
Data Center Warehouse	Dura Label Maker Supplies - MRF	133784	983.57
Dean's Certified Welding, Inc.	Welding Svcs - Water Main Leak - 1814 Nutmeg St.	133785	8,705.15
Doug's Filter Service, ,Inc.	Wiping Rags	133786	326.25
Ferguson Enterprises, Inc	Meter Boxes & Lids - 380, Solids Line Air Vacs - 6 - Prj 20201-2, & Air Vac Enclosures - 3	133787	44,664.36
Garage Door Enterprises, Inc.	Front Gate Repair - MRF	133788	2,090.00
Grainger Inc	Automatic Flush Valves - 3, Batteries, Trash Pump - MRF, & Emergency Light - NTOPS	133789	3,008.64
Graul Mechanical Inc.	Svc - Effluent Pump Controls Cooling System Alarm - MRF	133790	1,655.00
Harrington Industrial Plastics	Hardware Supplies	133791	30.63
Irwin Painting & Finishing	Painting & Coating Svcs - Solids Piping & Inside Treatment Plant - MRF	133792	12,000.00
Kiewit Infrastructure West Co.	Montiel Lift Station Prj 20201-2	133793	671,543.46
Lloyd Pest Control	Gopher Control Svcs - Mar - South Lake & Pest Control Svcs - Feb	133794	199.00
Mallory Safety & Supply Inc.	Respirator Cartridges - 10	133795	410.53
McMaster-Carr	Hardware Supplies	133796	149.91
Motion Industries, Inc.	Motor Oil	133797	883.74
Noregon Systems, LLC	JPRO Diagnostic Software Renewal 25-26	133798	2,199.00
ODP Business Solutions	Office Supplies - Mar	133799	812.32
Pacific Pipeline Supply	Fire Svc Parts - 1555 La Mirada Prj 20261-12, & Leak Rpr Materials - Coggan Pump 2, Prj 2021	133800	29,416.76
Parkhouse Tire	Fleet Tires - 8	133801	1,253.56
Quartic Solutions	GIS Technical Support - Feb	133802	3,437.51

VALLECITOS WATER DISTRICT

WARRANTS LIST

April 1, 2026

3/24/2026 16:20

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Rincon Consultants, Inc.	Urban Water Management Plan Svcs - Jan & Feb	133803	1,888.00
Tank Specialists of CA	Fuel Island Inspection Svcs - Feb	133804	240.00
Unifirst Corporation	Uniform Delivery	133805	1,787.69
T.S. Industrial Supply	Paint, Gauges - 21, & 3 Gallon Water Cooler	133806	802.95
Total Disbursements (69 Checks)			<u>1,660,955.28</u>
<b>WIRES</b>			
U.S. Bank	Cal Card Payment - Statement Date 3/06/26	Wire	25,217.32
Public Employees Retirement System	Retirement Contribution - March 18, 2026 Payroll	Wire	95,381.25
Julian Rivadeneira	2026 Public Agency Risk Management Association Conference Reimbursement	Wire	81.04
Jodi Coco-Alberts	CSMFO Annual Conference Mileage Reimbursement	Wire	115.84
Total Wires			<u>120,795.45</u>
<b>PAYROLL</b>			
Total Direct Deposits		Wire	298,966.26
Payroll & Garnishments	Payroll Garnishments	133737	1,233.21
IRS	Federal Payroll Tax Deposits	Wire	118,402.71
Employment Development Department	California Payroll Tax Deposits	Wire	27,322.76
Empower 457	Deferred Compensation Withheld	Wire	45,045.20
Total March 18, 2026 Payroll Disbursements			<u>490,970.14</u>
<b>TOTAL DISBURSEMENTS</b>			<u><u>2,272,720.87</u></u>

**DATE: APRIL 1, 2026**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: AUTHORIZATION TO APPROVE ANNUAL VMWARE SOFTWARE RENEWAL WITH CDW-G**

**BACKGROUND:**

The District has owned and renewed VMware software licensing for more than ten years as part of its virtual server infrastructure supporting both Information Technology (IT) and Operational Technology (OT) environments. These licenses are foundational to the District's server virtualization environment and support critical systems relied upon for daily business operations, resiliency, and disaster recovery.

**DISCUSSION:**

Historically, VMware renewals were administered separately between IT and OT, resulting in different renewal dates and multiple procurement actions during the year. As part of the District's continued effort to improve software lifecycle management and administrative efficiency, staff consolidated these previously separate renewals into a single co-termed renewal date.

This action does not represent a new software acquisition or a material expansion of scope. Rather, it is an administrative alignment of existing licensing the District has maintained for over a decade. Co-termining the renewals simplifies contract administration, improves internal tracking of renewal obligations, reduces the burden of managing multiple contract dates, and provides a more efficient approach to ongoing software support management.

The proposed renewal is through CDW-G utilizing OMNIA Partners, a cooperative purchasing program satisfying competitive procurement requirements by allowing public agencies to purchase from contracts competitively solicited and awarded by a lead public agency. The renewal includes VMware Cloud Foundation and VMware Site Recovery Manager for the period of April 5, 2026, through April 4, 2027, in the total amount of \$128,447.00. This renewal will maintain vendor-supported licensing for the District's VMware environment and help ensure continuity of operations for systems dependent on the District's virtual infrastructure platform.

**FISCAL IMPACT:**

The total cost of the proposed annual VMware software renewal is \$128,447.00 for the period of April 5, 2026, through April 4, 2027. Funding for this renewal is included within the existing Board approved Fiscal Year 2025-2026 IT Operating Budget. No budget increase is requested.

**STRATEGIC FOCUS AREA:**

This item aligns with Strategic Focus Area 2 – Organizational Improvement/Efficiency.

**RECOMMENDATION:**

Authorize the General Manager to approve the annual VMware software renewal with CDW-G in the amount of \$128,447.00.

**DATE: APRIL 1, 2026**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: FINAL ACCEPTANCE FOR WULFF WATER IMPROVMENTS (TTLIC CALWEST, LLC)**

**BACKGROUND:**

TTLIC Calwest, LLC., owner of the project, has completed the installation of offsite water facilities for High Point residential development located between Woodland Heights Glen Road and Rancho Luiseno Road near the existing Wulff Tank Reservoir.

A Construction Agreement for the High Point project was approved by the Board of Directors (Board) in 2006. The original developer nearly completed construction of the backbone water mains and pump station for the High Point development, but these facilities were never formally accepted by the District. Due to an economic downturn, the project stopped and did not move forward. The property changed ownership over the years and CalWest is the current owner.

There are four Agreements for the High Point development related to these improvements:

- Wulff Waterline Improvements - The Construction Agreement for construction of a 12-inch diameter waterline was approved by the Board on October 6, 2021, and a Reimbursement Agreement was approved by the Board on July 19, 2023, for reimbursement of these improvements by the District, not to exceed \$150,000. Final Acceptance of these improvements are as further described in this Board Memo.
- High Point Water Main Replacement Phase 1 – The Construction Agreement for the construction of 4,372-feet of 12-inch waterline and 2,655-feet of 8-inch waterline was approved by the Board on April 20, 2022. Final Acceptance of these improvements were accepted by the Board on September 03, 2025.
- High Hydropneumatics Pump Station - The Construction Agreement was approved by the Board on July 19, 2023. Final Acceptance of these improvements were accepted by the Board on September 03, 2025.
- High Point Phase 2 - A Construction Agreement for the proposed construction of 2,337-feet of 8-inch diameter waterline and 580-feet of 12-inch waterline, was approved by the Board on January 21, 2026. These improvements have not been completed.

**DISCUSSION:**

The Wulff Waterline improvement project constructed approximately 1,751 feet of 12-inch polyvinyl chloride (PVC) water main which connects the High Point pressure zone with the Wulff pressure zone. This will allow water to flow both directions between pressure zones providing redundancy during emergencies and operational flexibility for better water quality.

The District's maximum reimbursement for these improvements is 30% of the total eligible construction costs as described in Ordinance No. 180 based on the direct bid award amount of the water facilities, not to exceed \$150,000. This reimbursement amount is identified in the Fiscal Year 25/26 Wulff Waterline Improvements Capital Improvement Program budget. At this time the reimbursement request has not been submitted by CalWest to the District.

The owner has provided the District with a one-year warranty bond. All current fees and charges have been paid to date.

There are no water capital facility fees or wastewater capital facility fees for this project.

**FISCAL IMPACT:**

None. Future water revenues will offset costs of service.

**STRATEGIC PLAN / TACTICAL INITIATIVES:**

Not applicable.

**RECOMMENDATION:**

Accept the project improvements for Wulff Water Improvements.

**ATTACHMENTS:**

1 Map Exhibit – 1 Aerial Map

# FINAL ACCEPTANCE FOR WULFF WATER IMPROVEMENTS [TTLC CALWEST, LLC]

EXISTING  
8" WATER

EXISTING  
WULFF RESERVOIR

RANCHO LUISENO ROAD

NEW  
12" WATER

WOODLAND HEIGHTS GLEN

I-15

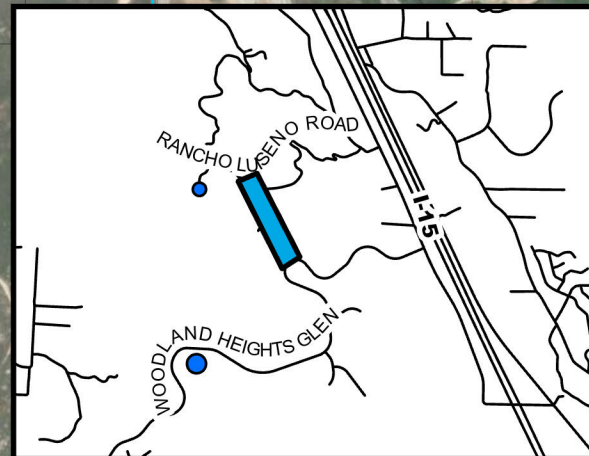
EXISTING  
PALOS VISTA TANK

Phase 1  
High Point

EXISTING  
HYDROPNEUMATICS  
PUMP STATION

EXISTING  
12" WATER

Phase 2  
High Point



**DATE: APRIL 1, 2026**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: SURPLUS PERSONAL PROPERTY LISTING**

**BACKGROUND:**

On October 8, 2008, the Board of Directors adopted Resolution No. 1312–*Surplus Personal Property Policy*. The policy authorizes staff to accumulate and dispose of surplus property items through a publicly noticed auction, with the highest bid taking title and possession of the property. Section 2 of the policy states that, “items with an estimated value of greater than \$1,000 will be approved by the Board.”

**DISCUSSION:**

Following six unsuccessful attempts to sell vehicle #228, staff is requesting approval of a revised value to better reflect current vehicle’s market worth.

Staff has identified three items with an estimated value greater than \$1,000. The items are:

<b>MAKE/MODE:</b>	<b>VEH#</b>	<b>VIN#</b>	<b>EST. VALUE:</b>
2010 Ford F-550	#228	1FDAF5GR8AEA40007	\$10,000
2012 John Deer Gator XUV	#241	1M0625GSVCM043684	\$4,000
Epson SureCColor T727OD	N/A	N/A	\$1,500

**FISCAL IMPACT:**

Minimal fiscal impact to the District.

**STRATEGIC FOCUS AREA:**

Strategic Focus Area No 4: Fiscal Responsibility.

**RECOMMENDATION:**

Approve items to be made available for disposal through a public auction.

**DATE: APRIL 1, 2026**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: CONSTRUCTION CONTRACT AWARD FOR THE ROCK SPRINGS VALVE REPLACEMENT AND PIPELINE CONDITION ASSESSMENT PROJECT**

**BACKGROUND:**

Installed in 1956, the 18-inch bar-wrapped steel pipe brings treated water 3.3-miles off the San Diego County Water Authority (SDCWA) First Aqueduct, from the District's Val 11 connection at Rincon Avenue and Conway Drive in the City of Escondido, into the 920 Pressure Zone which serves several communities along the 78 corridor.

Several valves on this waterline have exceeded their useful life and are non-functional. Valve replacement is necessary to maintain the water distribution system and provide isolation during an emergency. The Rock Springs Valve Replacement and Pipeline Condition Assessment Project (Project) will install two new gate valves, three blow-off appurtenances, and a cathodic protection test station at the Rock Springs Road /Bennett Avenue intersection.

To support the objectives of the project, the District awarded as-needed engineering design consultant, Hoch Consulting (Hoch), Task Order No. 1 for design phase services of the valve replacement work on November 7, 2022, for \$16,110. A subsequent Task Order No. 2 was issued for additional design and bid phase services on August 24, 2023, for \$7,990. Staff managed separate potholing and survey services through other firms as part of the design phase process. Design efforts were completed, and the project was publicly advertised, with bids received on February 11, 2025. Due to the bids received being significantly over the engineer's estimate and the project budget, all bids were rejected and staff decided to reevaluate the project scope.

**DISCUSSION:**

As part of the planning efforts of the Steel Pipeline Condition Assessment Program, the District identified an opportunity to optimize the scope of the Project by performing a condition assessment on the upstream 18" transmission main which needs to be shut down as part of the valve replacement work. This addition to the scope will utilize the valve excavation as an entry or extraction pit to perform the internal condition assessment work, consolidating and reducing impacts to customers and providing valuable data for future infrastructure decisions. This section of pipe runs in a District easement through private property back yards and under structures, is extremely difficult to access, has a Risk Score of 20.24 (out of 25), and is a critical asset.

The District awarded Hoch Task Order No. 3 for design phase services to add the condition assessment work on May 15, 2025, for \$16,900 and subsequently Task Order No. 3 Amendment No. 1 for bid phase services on March 19, 2026, for \$4,610 for a total combined project design and bid cost to Hoch of \$45,610.

The newly combined Project completed design in early 2026 with an engineer's estimate

valued at \$800,000. Staff publicly advertised the Project on February 18, 2026, and received and opened bids on March 19, 2026, as follows:

	COMPANY	TOTAL BID PRICE
1	Shaw Equipment Rentals, Inc.	\$926,820
2	Palm Engineering Construction Co. Inc.	\$1,371,320
3	Cora Constructors Inc.	\$1,443,700

Accordingly, staff and Counsel have reviewed the bids and determined there were no material irregularities. Staff and Counsel completed the evaluation of qualifications, references, bid forms, and determined Shaw Equipment Rentals, Inc. was the lowest, responsive, and responsible bidder.

Staff requested a proposal from Hoch for Task Order No. 3 Amendment No. 2 for construction phase engineering services. Hoch provided a proposal for services during construction for a time and materials fee of \$15,990.

Staff will provide construction, project management, and inspection oversight services throughout construction. Construction is anticipated to begin in July 2026 and be complete by November 2026. Data from the condition assessment will be evaluated for a possible future capital improvement project.

**FISCAL IMPACT:**

The Project is identified in the FY 25/26 Approved Budget with a budget amount of \$1,370,000. Funding is 100% provided through the District’s Water Replacement Funds. The total estimated Project cost and budget summary are as follows:

Budget	\$ 1,370,000.00
Design and Bid Phase Services (Hoch)	\$ 45,610.00
Utility Potholing (Air X Utility Surveyors, Inc.)	\$ 15,796.71
Survey (Land Surveying Consultants)	\$ 4,108.00
Survey (Paradigm Geospatial, Inc.)	\$ 4,900.00
Construction Phase Services (Hoch)	\$ 15,990.00
Construction Agreement (Shaw Equipment Rentals, Inc.)	\$ 926,820.00
10% Contingency (Ord. 146)	\$ 92,682.00
Estimated Staff and Other Services	\$ 90,000.00
<u>Estimated Overhead and Materials</u>	<u>\$ 170,000.00</u>
Total	\$ 1,365,906.71
Projected Budget Surplus	\$ 4,093.29

Despite the construction bid coming in over the engineer’s estimate, there is no increase in the Project budget currently. Staff time includes project management through design, bid, and construction. Inspections staff will also provide observation, oversight, coordination with operations staff, and communication services in the field during construction.

**STRATEGIC PLAN / TACTICAL INITIATIVES:**

By replacing non-functional valves and combining objectives to perform pipeline condition assessment, the Project directly supports the District's Strategic Plan, specifically Strategic Focus Area 1: Infrastructure Integrity. The Project's alignment with the Strategic Plan ensures District infrastructure is properly repaired and maintained, contributing overall to potable water system reliability.

**RECOMMENDATION:**

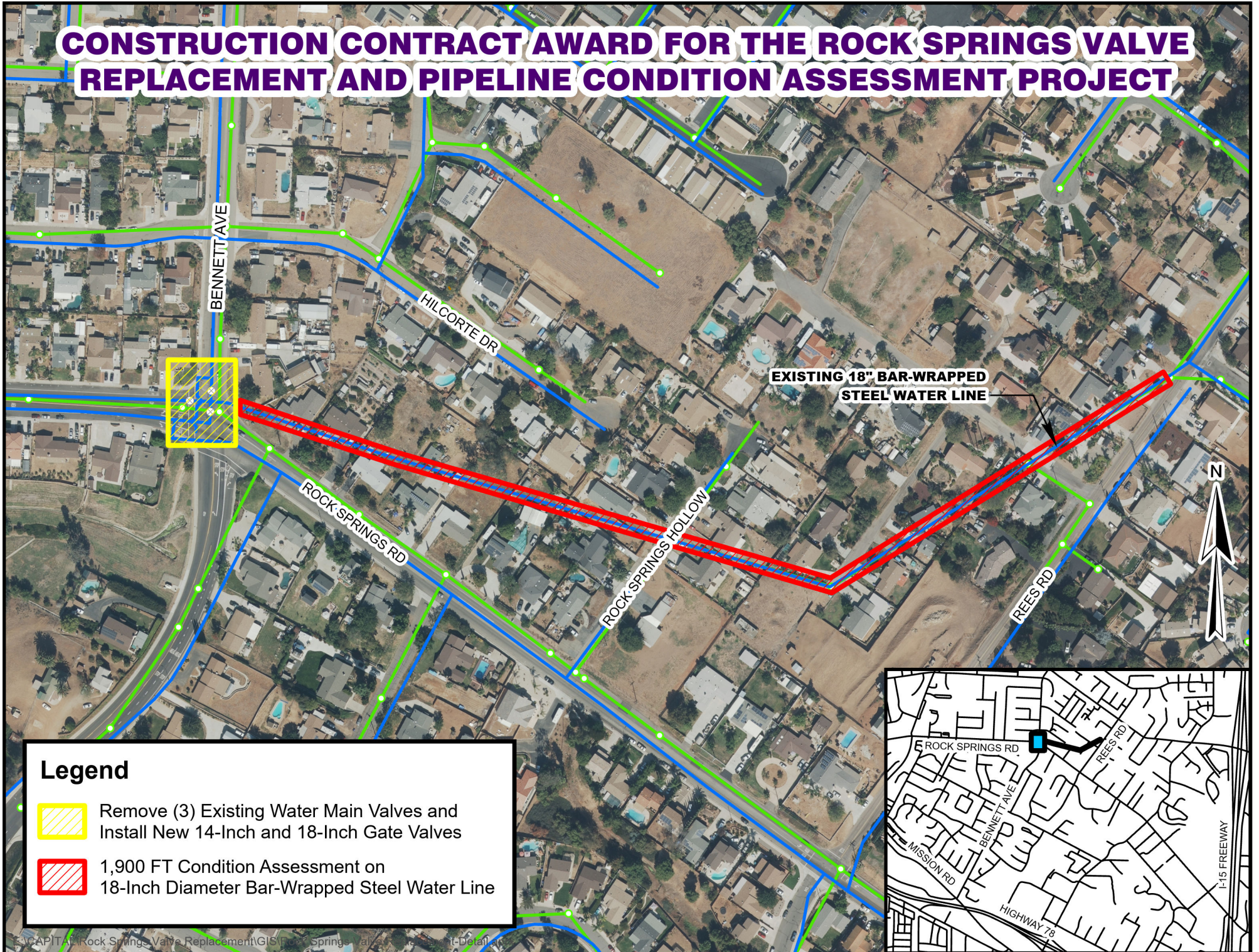
Staff recommendations for the Rock Springs Valve Replacement and Pipeline Condition Assessment Project are as follows:

- Authorize the General Manager to execute a construction agreement with Shaw Equipment Rentals, Inc. in the amount of \$926,820, subject to the provisions of the contract.
- Authorize the General Manager to execute Amendment No. 2 under the current Task Order No. 3 with Hoch Consulting in the amount of \$15,990.



**ATTACHMENT:**

Aerial Exhibit

# CONSTRUCTION CONTRACT AWARD FOR THE ROCK SPRINGS VALVE REPLACEMENT AND PIPELINE CONDITION ASSESSMENT PROJECT



## Legend

-  Remove (3) Existing Water Main Valves and Install New 14-Inch and 18-Inch Gate Valves
-  1,900 FT Condition Assessment on 18-Inch Diameter Bar-Wrapped Steel Water Line



**DATE: APRIL 1, 2026**  
**TO: BOARD OF DIRECTORS**  
**SUBJECT: GENERAL COUNSEL LEGAL SERVICES AGREEMENT EXTENSION AND RATE ADJUSTMENT**

**BACKGROUND:**

The District’s General Counsel Legal Services Agreement (Agreement) was established in March 2023 for a three-year term concluding March 31, 2026. In conjunction with a proposed extension, District General Counsel James Gilpin of Best Best & Krieger (BB&K) submitted a formal request on March 6, 2026, to revise service rates and refine the definition of "Special Counsel" services. This proposal addresses a significant disparity between the District’s current rates and regional market benchmarks.

**DISCUSSION:**

Agreement Extension:

The existing Agreement allows for a two-year extension through April 1, 2028. In the most recent performance review, Board members and staff expressed overall satisfaction with BB&K’s legal counsel. While feedback was predominantly positive, constructive comments identified timeliness and contract preparation as areas for enhancement. District staff have since collaborated with BB&K to refine these processes and ensure improved performance moving forward.

Rate Adjustment:

BB&K indicated current rates are 16% below inflation and result in a -27% net margin for the firm. This is attributed to the 2023 agreement which capped annual adjustments at 3%. Furthermore, the District’s recent legal needs have required high-level specialists for real property items, construction disputes, and labor negotiations. While the BB&K finance team requested rates as high as \$385–\$400/hour, Gilpin is proposing two "more modest" alternatives to be effective April 1, 2026.

	<b>Option 1: Blended Rates</b> <i>"Blends" Partner &amp; Associate (Attorney)</i>	<b>Option 2: Tiered Rates</b> <i>"Tiers" Partners &amp; Associates</i>
<b>General Counsel</b>	\$350 (Attorneys) / \$200 (Paralegal)	\$365 (Partner) / \$335 (Associate) / \$200 (Paralegal)
<b>Special Counsel</b>	\$398 (Attorneys) / \$215 (Paralegal)	\$385 (Partner) / \$350 (Associate) / \$220 (Paralegal)

Key Amendments to Legal Services Agreement:

- **Special Counsel Scope:** Redefines "Special Counsel" to cover 14 specific, non-routine categories, such as Cybersecurity/Public Utility matters, Labor/Employment, CEQA/Environmental, and Public Contract Disputes;
- **Annual COLA:** Establishes an annual adjustment every April 1, beginning in 2027, tied to the San Diego County CPI and capped at 5%; and
- **Sunset Clause:** The current contract term is set to end April 1, 2028, at which time the District intends to issue a new Request for Proposal (RFP).

**FISCAL IMPACT:**

Based on the average legal spend from the previous two fiscal years, adopting Option 2 (Tiered Rates) is estimated to result in an annual increase of approximately \$25,000 (actual impact will vary based on the ratio of Partner vs. Associate hours utilized).

**STRATEGIC FOCUS AREA:**

Strategic Focus Area 2 (Organizational Improvement/Efficiency), Strategy 2.2 – Continuous Improvement.

**RECOMMENDATION:**

Staff recommend approving the two-year Legal Services Agreement Extension and Option No. 2 (tiered rates) in the proposed BB&K Rate Adjustment Options.

**ATTACHMENT:**

- Letter from Jim Gilpin, Partner, BB&K (dated March 6, 2026)



James B. Gilpin  
Partner  
(619) 525-1341  
james.gilpin@bbklaw.com

March 6, 2026

James Gumpel  
jgumpel@vwd.org

Dear James:

As we discussed last week, the Firm has advised me that I need to seek a rate adjustment to continue our work for Vallecitos as part of a contract extension. Both the General Counsel and Special Counsel rates are materially below both market benchmarks and our internal firm standards for comparable work. I have attached a summary of local market rates for your consideration.

The current rates are significantly below market, in part due to my agreement with previous General Manager Pruum as part of the RFP Process in 2023 to essentially maintain our rates. We agreed to forgo rate adjustments for 2023 and agreed to cap annual adjustments to 3% of COLA. These factors have resulted in rates being 16% below inflation today.

Our work is also currently running at a -27% net margin. This is, in part, due to the level of attorney's providing the services, specifically Craig Hayes on Construction Contract Disputes and Alison Alpert on Labor Negotiations, which we have not performed in the past.

We are requesting to amend the contract language to clarify the special counsel services to include: Litigation and formal administrative or other adjudicatory hearing matters; Labor negotiations and employment matters; Non-routine real estate matters (e.g., complex easement issues, CC&R's, deeds or title work); Land acquisition and disposal matters (including pre-condemnation); Rate, fee and charge matters, including Prop. 218, Prop. 26, and Mitigation Fee Act matters; Public contract dispute resolution and litigation; Non-routine contract negotiation matters (including non-BB&K model agreements and franchise agreements); Environmental matters (e.g., CEQA, NEPA, endangered species); Water law matters (e.g., water rights and quality); Tax and ERISA related matters/employee and retirement benefits; Toxic substances matters (e.g. CERCLA, RCRA); Complex public utility matters (e.g., electric, natural gas, telecommunications, water, rail or transit that involve state or federal regulatory issues); Renewable energy and energy efficiency project contracts and power purchase agreements; Intergovernmental relations and advocacy efforts (e.g., legislative and regulatory representation) at the federal and state level; and Non-routine election law matters, including election law litigation.

The Firm's finance team is asking for a significant rate increase, a blended rate for all attorneys of \$385/hour for General Counsel work, and \$400/hour for Special Counsel work; or tiered attorney rates of \$385/hour Partner, \$350/hour Associate rate, and \$200 Paralegal for General work; and \$400/hour for Partners, \$375/hour for Associates, and \$215/hour for paralegals

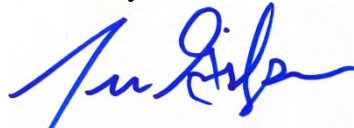
on Special Counsel work. However, I realize this is a substantial increase and have asked the Firm to agree to a more modest increase such as either:

1. A blended rate of \$350/hour for all attorneys and \$200 for paralegals for General Counsel work; and a blended rate of \$398/hour for all attorneys and \$215 for paralegals for Special Counsel work; or
2. Tiered attorney rates of \$365/hour Partner, \$335/hour Associate rate, and \$200 Paralegal for General work; and \$385/hour for Partners, \$350/hour for Associates, and \$220/hour for paralegals on Special Counsel work

These rates are comparable with the rates currently being billed to Vallecitos' peer agencies. The rate adjustment would be effective April 1, 2026, with a future COLA adjustment effective April 1, 2027, equal to the percentage change in the Consumer Price Index (All Urban Consumers Index, San Diego County) for the prior calendar year, not to exceed 5%. As you know, the contract would end April 1, 2028, with Vallecitos going out for proposals at which time we would resubmit.

As you know, I and the BBK team very much value our relationship and hope that you are willing to consider the proposed rate adjustments. Please let me know if you have any questions.

Sincerely,



James B. Gilpin  
of BEST BEST & KRIEGER LLP

JBG:md

## SURVEY OF GENERAL COUNSEL SERVICES COSTS

Agency Name	Additional Comments
Fallbrook P.U.D.	Hourly Rates: Partner \$354   Associate \$320   Paralegal \$215 Special Counsel: Partner \$384   Associate \$349   Paralegal \$222
Helix W.D.	Monthly Retainer \$13,756 (\$375/hr services outside retainer) Special Counsel: Partner \$375   Associate \$344   Jr. Associate \$302   Other \$156
Olivenhain M.W.D.	Partner \$357.76 Total: \$334,230 (FY to date)
Padre Dam M.W.D.	Hourly Rates: Partner \$337   Associate \$302   Paralegal \$192 Special Counsel: Partner \$395   Associate \$354   Paralegal \$204
Rainbow M.W.D.	\$355/hr up to 420 hours per year - \$325/hr for 420+ hrs; <i>varied hourly rates for special counsel services</i>
Ramona M.W.D.	<i>varied hourly rates for special counsel services</i>
Rincon del Diablo M.W.D.	Partner \$388
Santa Fe ID	Hourly Rates: Partner \$372   Associate \$298   Paralegal \$201
Sweetwater Auth.	Meeting Attendance: All Attorneys \$380   Paralegal \$185 Special Counsel: Partners \$370 -\$585
Vallecitos W.D.	Hourly Rates: Partner \$308   Associate \$281   Paralegal \$175 Special Counsel: Partner \$345   Associate \$308   Paralegal \$191
Valley Center M.W.D.	Hourly Rates: Partner \$356   Associate \$321   Paralegal \$191 Special Counsel: Partner \$394   Associate \$356   Paralegal \$204
Encina Wastewater Aut.	Hourly Rates: Partner \$370   Associate \$322   Paralegal \$198 Special Counsel: Partner \$407   Associate \$370   Paralegal \$198
Rancho CA W.D.	Hourly Rates: Partner \$370   Associate \$327   Paralegal \$193 Special Counsel: Partner \$408   Associate \$355   Paralegal \$204