

AGENDA FOR A **REGULAR MEETING OF THE BOARD OF DIRECTORS**
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MAY 6, 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 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 MAY 6, 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.

SPECIAL PRESENTATION ITEM(S)

ANNOUNCEMENT OF THE NORTH COUNTY WATER AGENCIES' ANNUAL FOURTH GRADE CALENDAR CONTEST WINNERS FOR VALLECITOS: 3rd PLACE – AYLEEN SOPHIA GUILLEN; 2nd PLACE – FIONA ROSE BASHAM; AND 1st PLACE – EV CASIDAY

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 – April 14, 2026
- B. Regular Board Meeting – April 15, 2026
- C. Engineering / Equipment Committee Meeting – April 28, 2026

Recommendation: Approve Minutes.

1.2 WARRANT LIST THROUGH MAY 6, 2026 - \$2,847,038.14

Recommendation: Approve Warrant List.

1.3 FINAL ACCEPTANCE FOR PALOMA TOWNHOME IMPROVEMENTS (PALOMA TOWNHOMES, LLC.)

Recommendation: Accept the Project Improvements for the Paloma Townhome Improvement Project and Authorize Final Acceptance.

1.4 FINAL ACCEPTANCE FOR VILLA SERENA PHASE 2 WATER AND SEWER IMPROVEMENTS (VS PHASE 2, LP)

Recommendation: Accept the Project Improvements for the Villa Serena Phase 2 Water and Sewer Improvements Project and Authorize Final Acceptance.

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

ACTION ITEM(S)

2.1 2026 SCHOLARSHIP CONTEST RECOMMENDATIONS

Recommendation: Approve six scholarships in the amount of \$2,000 each, using unrestricted revenue funds.

2.2 REQUEST APPROVAL OF AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH VALLEY CONSTRUCTION MANAGEMENT (VALLEY CM) FOR CONSTRUCTION SUPPORT SERVICES FOR THE MONTIEL LIFT STATION AND FORCEMAIN REPLACEMENT PROJECT

Recommendation: Authorize the General Manager to execute PSA Amendment No. 1 with Valley CM on a time and materials basis not-to-exceed \$70,315 for continued construction management and inspection support services.

2.3 REVIEW OF THE VALLECITOS WATER DISTRICT DRAFT FISCAL YEAR 2026-27 ANNUAL BUDGET

Recommendation: For information and discussion only.

*******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 Quarterly Board Expenses.

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

Video recordings of all Board meetings can be accessed on the District website 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).



Kirsten Peraino, Executive Assistant/Board Secretary

**MINUTES FOR THE FINANCE / INVESTMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
TUESDAY, APRIL 14, 2026, AT 1:30 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 1:30 p.m.

Present: Chair Pennock
Director Elitharp

Staff Present: General Manager Gumpel
Assistant General Manager Hubbard
Chief Financial Officer / Director of Finance Owen
Director of Operations Bennett
Finance Supervisor Coco-Alberts
Principal Financial Analyst Arthur
Chief Technology Officer Labarrere
Engineering Manager Roman-Phillips
Purchasing & Utility Billing Manager Tapia
Executive Assistant/Board Secretary Peraino

PUBLIC COMMENT

None.

ITEM(S) FOR DISCUSSION

Director of Finance/CFO Owen initiated the Fiscal Year (FY) 2026/27 budget process, providing a comprehensive presentation that included progress updates, operating budget adjustments, preliminary personnel costs, and capital budget requests.

1.1 REVIEW O & M BUDGET CHANGES:

CFO Owen outlined the budget calendar and specific fiscal adjustments for the draft FY 2026/27 Operating Budget. The District identified approximately \$52,400 in estimated cost savings through reductions in Water (\$31,100) and Sewer (\$21,300) operating expenses. These savings were offset by \$210,000 in estimated cost increases, specifically within Water (\$134,000) and Sewer (\$76,000) funds.

1.2 WATER COST ESTIMATES & REVENUE REQUIREMENTS:

Principal Financial Analyst Arthur provided an overview of draft water sales and purchases, including a detailed analysis of requirements specific to the District's various pump zones.

1.3 SALARY & BENEFIT ESTIMATES:

CFO Owen reviewed preliminary personnel estimates for FY 2026/27, including Full-Time Equivalent (FTE) counts and historical spending trends. He noted that through diligent vacancy management and strategic evaluation of staffing needs, the District has maintained steady personnel costs and realized budget-to-actual savings.

1.4 REVIEW CIP BUDGET REQUESTS:

Finance Supervisor Coco-Alberts categorized Capital Improvement Project (CIP) requests into carryover projects (ongoing from prior years) and new requests. She noted that fluctuations in new request totals often reflect updated project scopes or reduced cost projections compared to previous estimates.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 2:44 PM.

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 15, 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 Pennock
Director Hernandez
Director Brown

Staff Present: General Manager Gumpel
Legal Counsel Gilpin
Director of Operations Bennett
Administrative Services Aviles
Chief Financial Officer / Director of Finance Owen
Chief Technology Officer Labarrere
Engineering Manager Roman-Phillips
Mechanical Maintenance Manager Muller
Public Information/Conservation Supervisor Robbins
Executive Assistant / Board Secretary Peraino

Public Information/Conservation Supervisor Robbins led the pledge of allegiance.

ADDITIONS TO THE AGENDA

None.

ADOPT AGENDA FOR THE REGULAR MEETING OF APRIL 15, 2026.

MOTION WAS MADE by Director Hernandez, seconded by Director Pennock, and unanimously carried; the Board adopted the agenda for the Regular Board Meeting of April 15, 2026.

PUBLIC COMMENT

None.

CONSENT CALENDAR

MOTION WAS MADE by Director Pennock, seconded by Director Kerschbaum, and unanimously carried, to approve the following Consent Calendar as presented:

1.1 APPROVAL OF MINUTES

- A. Closed Session Board Meeting – April 1, 2026
- B. Regular Board Meeting – April 1, 2026

CONSENT CALENDAR (continued)

- 1.2 WARRANT LIST THROUGH APRIL 15, 2026 - \$3,013,668.76
- 1.3 FINANCIAL REPORTS
- 1.4 APPROVAL OF TEMPORARY OFF-SITE WATER AGREEMENT FOR APN 178-210-45, SARA SFR, 3676 EL PASO ALTO, VISTA (CHRISTOPHER SARA & KENDRA DUNCAN)

ACTION ITEM(S)

2.1 QUARTERLY WATER SUPPLY UPDATE

Public Information/Conservation Supervisor Robbins provided a water supply update.

Information item only, no action required.

2.2 INDEPENDENT AUDIT SERVICES FOR FISCAL YEAR 2025/26 AND 2026/27

CFO/Director of Finance Owen provided a presentation requesting the Board approve the two-year extension option with The Pun Group, LLP for audit services covering fiscal years 2025/26 and 2026/27. It was noted the District is required to conduct an annual audit per California Government Code Section 26909, and the Government Finance Officers Association (GFOA) recommends multi-year agreements of at least five years to ensure continuity and cost-effectiveness.

Staff highlighted The Pun Group has provided reliable, high-quality service over the past three years, contributing to the District's receipt of the GFOA Certificate of Achievement for Excellence in Financial Reporting. The proposed extension includes a nominal 3% annual fee increase, totaling \$56,565 for the two-year period. The Finance and Investment Committee reviewed the proposal on March 17, 2026, and recommended approval.

MOTION WAS MADE by Director Kerschbaum, seconded by Director Brown, and unanimously carried, to Authorize the General Manager to enter into a two-year agreement to extend the contract with The Pun Group LLP for Audit Services.

REPORTS

3.1 GENERAL MANAGER

General Manager Gumpel shared several District-related updates.

3.2 DISTRICT LEGAL COUNSEL

None.

3.3 SAN DIEGO COUNTY WATER AUTHORITY (SDCWA)

President Kerschbaum provided highlights from the April 9, 2026, SDCWA Special Board Meeting.

REPORTS (continued)

3.4 ENCINA WASTEWATER AUTHORITY (EWA)

Director Hernandez reported on the April 15, 2026, EWA Capital Improvement Committee.

3.5 STANDING COMMITTEES

Director Pennock provided a brief summary of items discussed at the April 14, 2026, Finance and Investment Committee Meeting.

3.6 DIRECTORS REPORTS ON TRAVEL / CONFERENCES / SEMINARS ATTENDED

None.

OTHER BUSINESS

4.1 OTHER BUSINESS

None.

DIRECTORS COMMENTS / FUTURE AGENDA ITEMS

5.1 DIRECTORS COMMENTS / FUTURE AGENDA ITEMS

None.

ADJOURNMENT

6.1 ADJOURNMENT

There being no further business to discuss, President Kerschbaum adjourned the Regular Meeting of the Board of Directors at the hour of 5:26 PM.

Jennifer Kerschbaum, Board President
Vallecitos Water District

ATTEST:

Kirsten Peraino, Board Secretary
Vallecitos Water District

**MINUTES FOR THE ENGINEERING / EQUIPMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
TUESDAY, APRIL 28, 2026, AT 03:00 P.M.
AT THE DISTRICT OFFICE IN THE UPPER CONFERENCE ROOM
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA**

Chair Elitharp called the meeting to order at 03:00 p.m.

Present: Chair Elitharp
Director Hernandez

Staff Present: General Manager Gumpel
Assistant General Manager Hubbard
Director of Engineering Lopez
Chief Technology Officer Labarrere
Engineering Manager Roman-Phillips
Capital Facilities Engineer Padilla
Executive Assistant/Board Secretary Peraino

Consultant(s): Rosalyn Prickett, Rincon Consultants, Inc.

PUBLIC COMMENT

None.

ITEM(S) FOR DISCUSSION

1.1 2025 URBAN WATER MANAGEMENT PLAN UPDATE

Rosalyn Prickett with Rincon Consultants, Inc. presented the 2025 Urban Water Management Plan (UWMP), which includes the Water Shortage Contingency Plan (WSCP). The UWMP outlines the District's long-term water reliability and drought response strategies through 2050. The presentation highlighted current supply sources are sufficient to meet all projected demands and detailed the protocols for managing various water shortage stages.

The Engineering & Equipment Committee concurred with the staff recommendation. Staff will proceed with publishing public hearing notices on May 6 and May 13, 2026, ahead of the public hearing and final consideration for adoption by the Board of Directors on May 20, 2026.

1.2 REMOTE SITES SCADA MODERNIZATION – PROCUREMENT STATUS UPDATE

Chief Technology Officer Labarrere provided a status update on the Remote Sites SCADA Modernization Project procurement process. While the Request for Qualifications (RFQ) was originally released in early April 2026, a revised package was reissued to include three modifications: the addition of supplemental engineering drawings, a revised Guaranteed Maximum Price (GMP) target, and an extended procurement timeline.

This item was for informational purposes only; no action was requested or required.

1.3 FISCAL YEAR 2025/26 CAPITAL IMPROVEMENT PROGRAM QUARTER 3 UPDATE

Capital Facilities Engineer Padilla provided an update on the District's Capital Facilities projects. In the third quarter of FY 2025/26, there were 3 Capital Projects in the Construction phase totaling \$30,831,000.

Quarterly updates for Capital Improvement Program (CIP) Projects can be accessed on the District's website: vwd.org/departments/engineering/capital-facilities/active-cip-and-replacement-project-information.

This item was for informational purposes only; no action was requested or required.

1.4 AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR VALLEY CM FOR THE MONTIEL LIFT STATION AND FORCEMAIN REPLACEMENT PROJECT

Engineering Manager Roman-Phillips presented a recommendation to approve Amendment No. 1 to the Professional Services Agreement with Valley Construction Management (Valley CM). This amendment covers continued construction management and inspection services for the Montiel Lift Station and Forcemain Replacement Project.

The Engineering & Equipment Committee expressed support for the recommendation and directed staff to move the item forward to the full Board for consideration.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at 03:55 p.m.

VALLECITOS WATER DISTRICT

WARRANTS LIST

May 6, 2026

4/28/2026 12:00

PAYEE	DESCRIPTION	CHECK#	AMOUNT
D & H Water Systems	Maintenance Svcs - Water Quality Analyzers - 4	133906	5,400.20
Harper & Associates Engineering	Mountain Belle Tank Refurbishment Prj 20161-4	133907	1,625.00
Hawthorne Machinery	Hose Assemblies - 5	133908	678.37
ODP Business Solutions	Office Supplies	133909	573.45
Pacific Pipeline	Meter Box Lids - 2	133910	76.45
State Board of Equalization	Annual Sales & Use Tax Payment - Period Ending: 12-31-25	133911	1,346.00
Garnishment	Payroll Garnishment	133912	-
24 Hour Elevator, Inc	Elevator Maintenance - Apr	133913	225.73
Acc Ramco	Concrete Recycling	133914	289.00
Accurate Measurement Systems	Gauge Pressure Transmitter - Mulberry Flow Control Facility	133915	2,700.54
ACWA/Joint Powers Insurance	Property Insurance Renewal 26-27	133916	180,638.40
ACWA/Joint Powers Insurance	Workers' Compensation - Quarter Ending 3-31-26	133917	50,216.65
Advanced Imaging Solutions	Copier Lease - Mar	133918	3,534.77
Aqua-Metric Sales Co	3/4" Meters - 192 & MXUs - 324	133919	110,297.64
AT&T	Phone Svc - Mar	133920	5,833.22
Bemus Landscape, Inc.	Weed Abatement & Brush Clearing Svcs - Mahr, South Lake, & HQ - Apr	133921	9,965.86
Cheng Lin	Closed Account Refund	133922	72.16
City of Carlsbad	Rancho Carrillo Quarterly Sewer Flow Fees	133923	16,372.80
Consolidated Water Technologies, Inc.	Trioxyn	133924	26,774.44
Conсор North America	Sodium Hypochlorite Conversion - MRF - Prj 20171-2	133925	301.50
Core Logic Solutions, LLC	Real Quest Engineering Map Svcs - Mar	133926	103.00
Deadwood LLC	Deposit Refund Prj 20251-660	133927	2,061.49
D & H Water Systems	Bisulfite Pump Rebuild Kits - 3 - MRF	133928	2,490.98
Docusign, Inc.	Digital Signature Platform Subscription Renewal 26-27	133929	5,405.00
EDCO	Trash Svc - MRF & HQ - Mar	133930	1,391.30
Fisher Scientific	Lab Supplies	133931	189.23
GEI Consultants	Land Outfall Replacement Prj 20211-2	133932	28,010.82
Government Portfolio Advisors	Investment Management Svcs - Mar	133933	2,825.46
Hach Company	Water Quality Supplies - Water Operations	133934	1,451.59
Harper & Associates Engineering	Chlorine Tank Expansion Prj 20161-2 & Coronado Hills/Richland Tank - Warranty Inspections	133935	31,160.00
D-Tek	Bee Removal Svcs	133936	135.00
Isolved Benefit Services	Administrative Svcs - Mar	133937	82.44
Infosend	Postage, Printing, Door Hangers & Processing Svcs - Mar	133938	6,238.88
John & Terri Winn	Closed Account Refund	133939	58.77
Kiewit Infrastructure West Co.	Montiel Lift Station Replacement Prj 20201-2	133940	266,807.50
Knight Security & Fire Systems	Answering, Patrol, & Monitoring Svcs - Apr	133941	823.35
Kyle Brown	Closed Account Refund	133942	88.42
L4 Management, Inc	Deposit Refund Prj 20261-699	133943	646.67
Lennar Homes of CA	Closed Account Refund	133944	182.40
AlertGPS	Device Locating Subscription Svcs - MRF - Apr	133945	132.00
Louis & Thelma Pallares	Closed Account Refund	133946	117.96
Manpower	Temp Svcs - Warehouse - Week Ending 4-5-26	133947	900.00
Matheson Tri-Gas Inc	Cylinder Rentals - 3	133948	191.23
Title 8 Builders	Fall Protection Carabiners - 10	133949	682.11
Mitchell Test & Safety Inc.	Electrical Glove Testing Svcs	133950	129.70
Morton Salt, Inc.	Industrial Salt	133951	6,215.31
Motion Industries, Inc.	Skimmer Actuators - 3 - MRF & Motor For Waste Back Wash Pumps - MRF Prj 20261-30	133952	14,559.75
National Safety Compliance, Inc	CDL Queries - 2 Employees	133953	15.00
Nicholas Fontaine	Closed Account Refund	133954	63.89
North County Auto Parts	Fleet Supplies - Mar	133955	2,091.15
NV5, Inc.	Twin Oaks Valley Rd Sewer Imprv. Prj 20231-101, & Via Vera Cruz Hill Stabil. Prj 20261-11	133956	34,284.80
Enterprise Automation	SCADA Remote Site Prj 20251-2, LS Odor Control Prj 20251-9, MRF Imprv. Prj 20261-24	133957	141,265.22
PB Loader Corp	Ford F-150 Super Cab Truck - Meter Dept - Prj 20261-44	133958	55,104.10
PB Loader Corp	Ford F-150 Super Cab Truck - Meter Dept - Prj 20261-46	133959	55,104.10
PB Loader Corp	Ford F-150 Super Cab Truck - Meter Dept - Prj 20261-45	133960	59,454.10
PE Management Group, Inc.	Deposit Refund Prj 20221-717	133961	7,155.43
Petty Cash Custodian	Petty Cash Box Replenishment	133962	884.38
Pitney Bowes	Mailing System Lease - Feb - May	133963	602.70
Rafay Khan	Closed Account Refund	133964	311.92
Ramin Dehmoubed	Closed Account Refund	133965	89.46
Rick Post Welding	Welding Svcs - Valve Install - Prj 20261-18	133966	1,011.88
Robert Merriam	Deposit Refund Prj 20221-693	133967	1,387.56
Roth Staffing Companies, LP	Temp Svcs - Purchasing - Week Ending 3-29-26 & 4-5-26	133968	3,157.52
Rusty Wallis	Odor Scrubber Salt - MRF	133969	1,786.92
SDG&E	Power - Mar	133970	131,334.28
San Marcos Youth Baseball	Deposit Refund Prj 20261-726	133971	101.86

VALLECITOS WATER DISTRICT

WARRANTS LIST

May 6, 2026

4/28/2026 12:00

PAYEE	DESCRIPTION	CHECK#	AMOUNT
State Board of Equalization	Underground Storage Tank Fees - Quarter Ending 3-31-26	133972	167.00
State Board of Equalization	Sales & Use Tax Amendment - 2024	133973	3,876.00
State Water Resources Control	Drinking Water Distribution Cert Renewal - T Luna	133974	105.00
Sunshine Water Systems	Drinking Water Svc - Mar	133975	56.00
Thayer Water Inc.	Lake San Marcos LS Imprv. Prj 20221-5, & Chlorine Tank Exp. Prj - MRF Prj 20161-2	133976	13,531.00
Thomas S Strathairn	Lake San Marcos Directory Advertisement Svcs Prj 20261-50	133977	450.00
TM2 Property Management LLC	Deposit Refund Prj 20231-701	133978	93.06
Allied Universal	Weekly Deposit Svc - Nov	133979	150.96
Verizon Wireless	Ipad & Cell Phone Svc - Mar	133980	10,998.29
Waber Consultant Inc	Deposit Refund Prj 20261-685	133981	2,214.66
White Construction	Closed Account Refund	133982	252.98
Yury Paulavets	Closed Account Refund	133983	28.44
Zuza, LLC	High Water Use Post Cards - Customer Service - 2,000	133984	591.60
Agile Occupational Medicine, PC	Medical Svcs - Mar	133985	100.00
Aloha Printing	Pink Stock Statement Paper - Customer Service	133986	744.64
Superior Ready Mix Concrete	Rock & Cold Mix	133987	4,129.99
CDW Government	VMWare Support & Licensing Renewal 26-27	133988	128,447.00
Core & Main LP	Cla Val Parts - Pacific Pressure Station	133989	4,515.30
County of San Diego	Facility Permit Renewal - Twin Oaks Reservoir	133990	894.00
Department of Water Resources	Annual Dam Fees - South Lake & Mahr 26-27	133991	44,390.00
Ferguson Enterprises, Inc	Cla Val Parts & Air Vac Release Valve	133992	19,747.39
Grainger	60 Lb. Asphalt Bags - 30, Exterior LED Lights - TORF - 3, & Eye Wash Station Parts - MRF	133993	3,484.50
Harrington Industrial	PVC Parts - Bisulfite Injection System - MRF Prj 20251-20	133994	1,440.75
Hawthorne Machinery Co.	Backhoe Rental	133995	458.59
Interstate Batteries	Vehicle Battery	133996	3,048.37
Lloyd Pest Control	Pest Control Svcs - Apr, & Gopher Control Svcs - South Lake - Mar	133997	332.00
Velocity Truck Centers	Exhaust Leak Repair - Veh 293	133998	939.38
Mallory Safety & Supply Inc.	Safety Glasses, Safety Gloves, Rubber Boots, Cooling Towels & Hard Hats	133999	3,360.54
ODP Business Solutions	Office Supplies - March & Apr	134000	410.22
Pacific Pipeline Supply	Valve Boxes 8, Air Valves - 6, Steel Plugs - 4, & Gate Valve Supplies Prj 20261-18	134001	17,847.21
Pacific Safety Center	CPR/AED First Aid Certification Classes - 4-7-26	134002	1,950.00
Quartic Solutions	GIS Technical Support - Feb	134003	4,187.51
Shields, Harper & Co.	Fuel Master Kits - New Vehicle Setups - 3	134004	1,312.61
SSA Solar of CA 5, LLC	District Wide Solar Project Svcs - Mar	134005	25,580.55
Tank Specialists of CA	Fuel Island Inspection Svcs - Mar	134006	240.00
Traffic Supply Inc	Traffic Control Signs - 10 & Cones - 56	134007	2,486.33
Uline Inc	Safety Rail - Air Handler Ladder Entry	134008	660.36
Walters Wholesale Electric	Intrusion Switch Materials - South Lake PS	134009	823.11
Western Water Works Supply Company	Air Vac Cans - 10	134010	4,965.53
T.S. Industrial Supply	Marking Paint, Tarps - 2, Bisulfite Chemical Hose - MRF Prj 20251-20, & Rock Picks - 4	134011	1,605.03
Garnishment	Payroll Garnishment	134012	-
Total Disbursements (105 Checks)			<u>1,595,824.71</u>
WIRES			
San Diego County Water Authority	Connection Fees QE 3/31/26	Wire	26,732.00
U.S. Bank	Cal Card Payment - Statement Date 4/06/26	Wire	29,259.43
Public Employees Retirement System	Replacement Benefit Fund	Wire	15,647.94
Public Employees Retirement System	Retirement Contribution - April 15, 2026 Payroll	Wire	97,830.01
Public Employees Retirement System	Retirement Contribution - April 29, 2026 Payroll	Wire	97,846.33
Marselino Sanchez	Membership Reimbursement - CWEA	Wire	240.00
Alicia Yerman	CA Water Efficiency Partnership Event 3-18-26 Reimbursement	Wire	69.89
Total Wires			<u>267,625.60</u>
PAYROLL			
Total Direct Deposits		Wire	306,547.82
Payroll & Garnishments	Payroll Garnishments	133912	1,233.21
IRS	Federal Payroll Tax Deposits	Wire	119,360.71
Employment Development Department	California Payroll Tax Deposits	Wire	27,835.88
Empower 457	Deferred Compensation Withheld	Wire	40,484.69
Total April 15, 2026 Payroll Disbursements			<u>495,462.31</u>

VALLECITOS WATER DISTRICT

WARRANTS LIST

May 6, 2026

4/28/2026 12:00

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Total Direct Deposits		Wire	300,817.22
Payroll & Garnishments	Payroll Garnishments	134012	1,233.21
IRS	Federal Payroll Tax Deposits	Wire	118,886.54
Employment Development Department	California Payroll Tax Deposits	Wire	27,420.13
Empower 457	Deferred Compensation Withheld	Wire	39,768.42
Total April 29, 2026 Payroll Disbursements			<u>488,125.52</u>
Total Payroll Disbursements			<u>983,587.83</u>
TOTAL DISBURSEMENTS			<u><u>2,847,038.14</u></u>

DATE: MAY 6, 2026
TO: BOARD OF DIRECTORS
SUBJECT: FINAL ACCEPTANCE FOR PALOMA TOWNHOME IMPROVEMENTS
(PALOMA TOWNHOMES, LLC.)

BACKGROUND:

Paloma Townhomes, LLC., owner of the project, has completed the installation of water and sewer facilities for the 102-unit multi-family residential townhomes located on Grand Avenue and Linda Vista Drive.

DISCUSSION:

Water and/or sewer facilities for private land development projects are constructed by developers. When completed to the satisfaction of the District, those facilities are accepted by the Board of Directors and become District property.

The project constructed water services, fire services, and approximately 395 feet of 8-inch polyvinyl chloride (PVC) sewer main with manholes and private sewer laterals.

Upon final acceptance of the project, water and sewer service will be available to 102-unit multi-family residential townhomes.

The owner has provided the District with a one-year warranty bond.

Capital Facility Fees for the Project were determined in accordance with District Ordinance No. 226. The owner will pay a total of \$449,586.20 in water capital facility fees and \$1,435,672.00 in wastewater capital facility fees. All current fees and charges have been paid to date.

FISCAL IMPACT:

None. Future water and sewer revenues will offset costs of service.

STRATEGIC PLAN / TACTICAL INITIATIVES:

Not applicable.

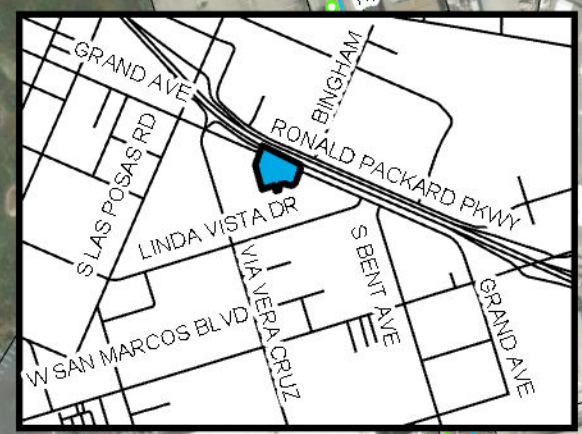
RECOMMENDATION:

Accept the project improvements for Paloma Townhome Improvements.

ATTACHMENTS:

1 Map Exhibit – 1 Aerial Map

FINAL ACCEPTANCE FOR PALOMA TOWNHOME IMPROVEMENTS [PALOMA TOWNHOMES, LLC.]



DATE: MAY 6, 2026
TO: BOARD OF DIRECTORS
SUBJECT: FINAL ACCEPTANCE FOR VILLA SERENA PHASE 2 WATER AND SEWER IMPROVEMENTS (VS PHASE 2, LP)

BACKGROUND:

VS PHASE 2 LP (Owner) is the owner of the Villa Serena Phase 2 Project (Project) located on Richmar Avenue and Marcos Street, north of Mission Road in the City of San Marcos. The Project consists of 63 multi-family residential dwelling units.

DISCUSSION:

Water and sewer facilities for private land development projects are constructed by the project developer. When improvements are completed to the satisfaction of the Vallecitos Water District (District) the facilities are accepted by the Board of Directors and becomes District property.

The Owner has completed the installation of water and wastewater facilities for the 63 multi-family residential dwelling unit project. The Project constructed approximately 50 feet of 8-inch diameter polyvinyl chloride (PVC) sewer main, water services, and assorted appurtenances and removed 224 feet of existing 6-inch diameter asbestos concrete pipe (ACP).

The local fire agency has reviewed and approved the Improvement Plan and has required the installation of two fire hydrants for this Project, one private and one public. Vallecitos Water District does not maintain, repair, or replace fire hydrants unless specified in a separate agreement.

The Owner has provided the District with a one-year warranty bond.

Capital Facility Fees for the Project were determined in accordance with District Ordinance No. 226. The Owner has paid a total of \$30,118.00 in Water Capital Facility Fees. Wastewater Capital Facility fees were offset, or credited, due to previously paid Wastewater Capital Facility fees from prior development of the site (APN 220-122-10). Therefore, the Project was not required to pay additional Wastewater Capital Facility fees. All current fees and charges have been paid to date.

FISCAL IMPACT:

None. Future water and sewer revenues will offset costs of service.

STRATEGIC PLAN / TACTICAL INITIATIVES:

Not applicable.

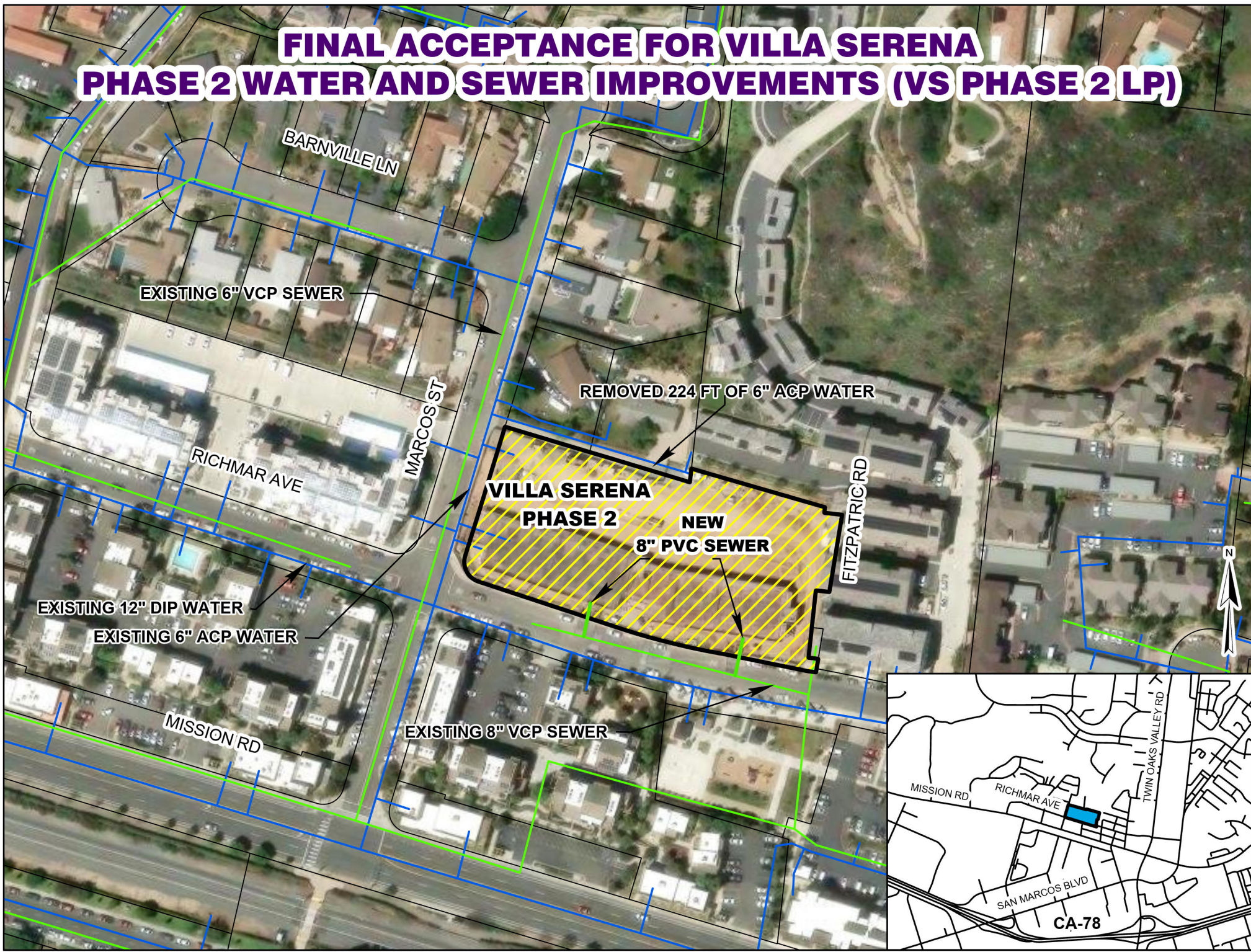
RECOMMENDATION:

Approve the Final Acceptance for Villa Serena Phase 2 Water and Sewer Improvements.

ATTACHMENTS:

1 Map Exhibit – 1 Aerial Map

FINAL ACCEPTANCE FOR VILLA SERENA PHASE 2 WATER AND SEWER IMPROVEMENTS (VS PHASE 2 LP)



DATE: MAY 6, 2026
TO: BOARD OF DIRECTORS
SUBJECT: SCHOLARSHIP CONTEST RECOMMENDATION 2026

BACKGROUND:

At the Vallecitos Water District Board meeting of February 2, 2022, the Board of Directors approved a motion to provide scholarships to local high school seniors and students at both Palomar College and California State University San Marcos. The scholarship budget was set at \$6,000 annually with a maximum of six scholarships offered.

The selection process would require candidates to submit: an application, an essay, a letter of recommendation and a financial needs worksheet. The Public Awareness/Personnel/Policy (P3) Committee would serve as competition judges and be responsible for reviewing and recommending scholarship recipients to the Board of Directors each year.

At the Board meeting of January 17, 2024, the Board approved a motion to increase the scholarship amount from \$1,000 to \$2,000 not-to-exceed six recipients.

DISCUSSION:

Staff issued a press release on February 2, 2026, announcing the scholarship contest. Counselors at local high schools and colleges were contacted by both email and phone. A submittal deadline of Friday, March 27, 2026, was established.

A total of 27 scholarship applications were received by the District by the deadline. Staff created a matrix for the P3 Committee members which reflected information about the students, including: completeness of the application packet, current enrollment of the student, future enrollment of the student, and if the student had plans to pursue a career in water or a related field.

P3 Committee met on May 5, 2026, to review the applications and evaluate applicants staff recommends receiving scholarships.

If approved by the Board, staff will notify the selected recipients and coordinate their attendance at a future Board meeting for the formal scholarship presentation.

STRATEGIC PLAN / TACTICAL INITIATIVES:

Strategic Focus Area No. 3: Workforce Excellence and No. 5: Public Information and Outreach.

FISCAL IMPACT:

Direct costs for the scholarship program this year will be \$12,000. Funding for the scholarships must come from lease or cell tower revenue, rather than water or sewer funds.

RECOMMENDATION:

Staff recommend the Board of Directors make a motion to approve six scholarships in the amount of \$2,000 each.

DATE: MAY 6, 2026
TO: BOARD OF DIRECTORS
SUBJECT: AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION MANAGEMENT SUPPORT SERVICES FOR THE MONTIEL LIFT STATION REPLACEMENT PROJECT

BACKGROUND:

The Vallecitos Water District's (District) Montiel Lift Station (LS) is located on Montiel Road in the city of San Marcos, just north of State Route 78 and east of Nordahl Road. Originally constructed as a temporary wastewater facility to serve the District's Montiel Sewer Basin, the LS conveys basin flows via force main through the neighboring Nordahl Shopping Center to a manhole in Nordahl Road, where it breaks to gravity. As the surrounding shopping centers and residential communities expanded, the LS lacked the long-term capacity and sustainability required to support the basin's growing needs.

To address the aging and undersized LS and surrounding wastewater infrastructure, the Montiel Lift Station and Force Main Replacement Project was adopted into the District's Capital Improvement Program (CIP). The scope of work generally consists of the replacement, rehabilitation and upsizing, as necessary, of the Montiel Sewer Basin collection, pumping and conveyance system. Additional improvements include::

- Mechanical improvements to LS, including replacement and upsizing of existing pumps, valving and appurtenances.
- Addition of approximately 90,000 gallons of wastewater emergency storage.
- Below-grade metered valve vault.
- Upgrades to the existing LS SCADA system.
- Extension of approximately 4,150 linear feet (LF) of existing sewer force main.
- Rehabilitation of approximately 1,400 LF of existing sewer collection main.

The District's Montiel Lift Station and Force Main CIP project was divided into two projects to facilitate competitive bids, as follows:

- Montiel Force Main and Gravity Sewer Improvements Project
- Montiel LS Replacement Project (LS Replacement Project)

In August 2023, the construction of the LS Replacement Project was awarded to Kiewit Infrastructure West Co. (Kiewit) in the amount of \$6,692,595 and a Professional Services Agreement (PSA or CM Agreement) with Valley Construction Management (Valley CM) was awarded in the amount of \$588,635 for construction management (CM) support services, consisting of: construction management, full-time inspection and geotechnical engineering services. The notice to proceed (NTP) was issued on March 17, 2025. Construction was originally anticipated to be completed in early 2026. Currently, the construction of the LS Replacement Project is approximately 95-percent complete with final acceptance by the Board anticipated in early Summer 2026.

DISCUSSION:

Construction Phase Delays

The LS Replacement Project experienced multiple delays in the early stages of construction (post contract-award/pre NTP) and throughout the remainder of construction due to extended procurement delays and design changes.

Procurement Delays

The most significant impact to the LS Replacement Project construction schedule can be attributed to extended procurement delays; specifically, the procurement of the programmable logic controller (PLC). The PLC was originally expected to be delivered in June 2025. However, due to industry-wide procurement delays driven by longer-than-usual lead times, in addition to untimely ordering of the PLC by Kiewit, it was delivered on April 24, 2026, approximately 10 months after the scheduled delivery date.

Design Changes

Delays resulting from District initiated design changes included additional operational improvements, incorporation of newly finalized Instrumentation, Controls, and Electrical Design Standards, and utility conflicts discovered during potholing efforts. Contract days were added to the CM Agreement to account for the additional scope.

Extended Construction Management Support Services

Due to construction phase delays resulting in an extension of the construction schedule, additional CM support services were required. Valley CM provided a proposal for CM support services through the duration of construction in the amount not-to-exceed \$70,315 on a time and materials basis.

District staff presented Amendment No. 1 for Construction Management Support Services for the Montiel Lift Station Replacement Project to the Engineering & Equipment Committee on April 28, 2026, and received support.

FISCAL IMPACT:

The LS Project is included in the District's Fiscal Year 2025/2026 (FY 25/26) budget. The total budget amount is \$9,392,000 (see table below) and is funded as follows: 51% Sewer Capacity Fund and 49% Sewer Replacement Fund. The proposed CM Support Services Amendment in the amount of \$70,315 would remain within the FY 25/26 project budget, resulting in no increase in the budget.

FY 25/26 Budget	\$9,392,000
Planning and Design Services - including construction support and environmental monitoring (MBI)	\$912,533
Construction Agreement (Kiewit)	\$6,692,595
5.0% Contingency (Ord. No. 146)	\$334,630
Construction Management Support Services PSA (Valley CM)	\$588,635
Amendment No. 1	\$70,315
Staff and Overhead*	\$464,086
Other Services (SCADA Integration, Easements, etc.)	\$214,206
Anticipated Project Expenses	\$9,277,000

*Estimated

Kiewit's construction agreement includes financial penalties (liquidated damages) in the amount of \$1,500 per day for not completing the LS Replacement Project within construction contract days. Staff anticipates that a portion of these funds will allow the District to recover costs for the extension of construction management support services.

STRATEGIC PLAN / TACTICAL INITIATIVES:

Construction of the LS Replacement Project supports the District's Strategic Plan, specifically Strategic Focus Area 1: Infrastructure Integrity. Over time, the LS, originally constructed as a temporary lift station, became outdated and was no longer able to meet the capacity nor efficiency needs of the growing Montiel Basin Sewer shed population it served. The LS Replacement Project results in a reliable, more efficient, and sustainable wastewater system for the District, capable of accommodating growth. Completion of the LS Replacement Project, projected in June 2026, will fulfill a District FY 25/26 Tactical Plan Initiative.

RECOMMENDATION:

Staff recommends authorizing the General Manager to execute PSA Amendment No. 1 with Valley CM on a time and materials basis, not-to-exceed \$70,315, for continued construction management support services for the Montiel Lift Station Replacement Project.

ATTACHMENTS:

Aerial exhibit

AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE MONTIEL LIFT STATION REPLACEMENT PROJECT

COSTCO

NORDAHL
MARKETPLACE

NORDAHL RD

SR-78

SR-78

LEORA LN

MONTIEL RD

Legend

- Montiel Lift Station Drainage Basin (200 ac.)
- Existing Gravity Sewer

Forceman and Gravity Sewer Improvements

- Replace 6" Sewer Forceman (1,370-feet)
- New 6" Sewer Forceman (2,350-feet)
- Repair or Replace 10" Influent Gravity Sewer (1,340-feet)

Montiel Lift Station Replacement

- Replace 6" Sewer Forceman (460-feet)
- New Montiel Lift Station



DATE: MAY 6, 2026
TO: BOARD OF DIRECTORS
SUBJECT: VALLECITOS WATER DISTRICT REVIEW OF DRAFT FISCAL YEAR 2026/27 ANNUAL BUDGET

BACKGROUND:

The Finance / Investment Committee met to discuss the budget at three meetings on February 17, 2026, March 17, 2026, and April 21, 2026. At each Committee meeting, the budget, or parts thereof, was reviewed and input from the Committee members was received and incorporated in the draft budget.

DISCUSSION:

The purpose of this presentation is to provide an update to the full Board on the budget process including a detailed review of the following topics:

- Budget Calendar for fiscal year 2027
- Budget-to-actual results last 5 years
- Operating budget requests
- Preliminary salaries and benefits
- Capital budget requests

Staff will incorporate requested changes from the Board and will present the final recommended budget for approval at the June 3, 2026, meeting.

RECOMMENDATION:

For information and discussion only.

ATTACHMENTS:

1. Vallecitos Water District Draft Budget for Fiscal Year 2026/27
2. Draft Water Materials & Services 2027
3. Draft Sewer Materials & Services 2027

Board of Directors Per Diem and Expenses (1)
Paid January 1st, 2026 through March 31st, 2026

Director Meeting/Seminar	Per Diem		Benefits	Meeting			Reimb from Other Agencies	Total
	#	Payments		Registration	Travel	Lodging		
BROWN, TANIS								
Paid by VWD:								
VWD Meetings	8	\$ 1,600.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,600.00
GM Meeting	2	400.00	-	-	-	-	-	400.00
P3 Committee	1	200.00	-	-	-	-	-	200.00
Group Insurance	-	-	10.50	-	-	-	-	10.50
	<u>11</u>	<u>\$ 2,200.00</u>	<u>\$ 10.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,210.50</u>
ELITHARP, Craig								
Paid by VWD:								
VWD Meetings	5	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00
Engineering Committee	2	400.00	-	-	-	-	-	400.00
Finance Committee	2	400.00	-	-	-	-	-	400.00
GM Meeting	4	800.00	-	-	-	-	-	800.00
Hillside Committee	1	200.00	-	-	-	-	-	200.00
Group Insurance	-	-	277.98	-	-	-	-	277.98
	<u>14</u>	<u>\$ 2,800.00</u>	<u>\$ 277.98</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,077.98</u>
HERNANDEZ, James								
Paid by VWD:								
VWD Meetings	4	\$ 800.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800.00
ACWA	1	200.00	-	-	124.67	-	-	324.67
CASA	2	400.00	-	750.00	-	610.70	-	1,760.70
CSDA - CA Special Districts Assoc	-	-	-	80.00	-	-	-	80.00
Engineering Committee	1	200.00	-	-	-	-	-	200.00
GM Meeting	2	400.00	-	-	-	-	-	400.00
UWI - Urban Water Institute	3	600.00	-	-	-	1,071.04	-	1,671.04
Group Insurance	-	-	5,527.29	-	-	-	-	5,527.29
Paid by EWA - Encina JPA	4	1,040.00	-	-	-	-	-	1,040.00
	<u>17</u>	<u>\$ 3,640.00</u>	<u>\$ 5,527.29</u>	<u>\$ 830.00</u>	<u>\$ 124.67</u>	<u>\$ 1,681.74</u>	<u>\$ -</u>	<u>\$ 11,803.70</u>
KERSCHBAUM, Jennifer								
Paid by VWD:								
VWD Meetings	5	\$ 1,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00
COWU - Council of Water Utilities	-	-	-	62.00	-	-	-	62.00
CSDA - CA Special Districts Assoc	1	200.00	-	-	-	-	-	200.00
GM Meeting	2	400.00	-	-	-	-	-	400.00
Group Insurance	-	-	5,582.94	-	-	-	-	5,582.94
Paid by VWD - SDCWA pmt differential	2	100.00	-	-	-	-	-	100.00
Paid by SDCWA	2	300.00	-	-	-	-	84.10	384.10
	<u>12</u>	<u>\$ 2,000.00</u>	<u>\$ 5,582.94</u>	<u>\$ 62.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84.10</u>	<u>\$ 7,729.04</u>
PENNOCK, James								
Paid by VWD:								
VWD Meetings	7	\$ 1,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,400.00
COWU - Council of Water Utilities	-	-	-	62.00	-	-	-	62.00
CSDA - CA Special Districts Assoc	1	200.00	-	80.00	-	-	-	280.00
Finance Committee	1	200.00	-	-	-	-	-	200.00
GM Meeting	3	600.00	-	-	-	-	-	600.00
P3 Committee	1	200.00	-	-	-	-	-	200.00
Group Insurance	-	-	7,233.39	-	-	-	-	7,233.39
Paid by EWA - Encina JPA	5	1,300.00	-	-	-	-	-	1,300.00
	<u>18</u>	<u>\$ 3,900.00</u>	<u>\$ 7,233.39</u>	<u>\$ 142.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,275.39</u>
TOTALS ⁽¹⁾	72	\$ 14,540.00	\$ 18,632.10	\$ 1,034.00	\$ 124.67	\$ 1,681.74	\$ 84.10	\$ 36,096.61

(1) Includes both expenses paid directly by the Agencies and reimbursements of expenses paid by Board members.
Presented in accordance with ordinance number 216, effective 02/26/2020. (Board per Diem, \$200/meeting)

VWD Director's Compensation for Jan - Mar 2026
Payments from EWA (Encina Wastewater Authority)

<u>NAME</u>	<u>EWA DATE</u>	<u>CHECK NO</u>	<u>INVOICE NET</u>	<u>DESCRIPTION</u>
JAMES PENNOCK	02/04/2026	195551	\$260.00	AD HOC MEETING 1/29/2026
JAMES PENNOCK	02/04/2026	195551	260.00	BOARD MEETING 1/28/2026
JAMES PENNOCK	02/18/2026	195611	260.00	AD HOC MEETING 2/11/2026
JAMES PENNOCK	02/18/2026	195611	260.00	PFC MEETING 02/10/2026
JAMES PENNOCK	03/04/2026	195655	260.00	BOARD MEETING 2/25/2026
		Meetings Only	<u>\$1,300.00</u>	
JIM HERNANDEZ	02/04/2026	195552	\$260.00	BOARD MEETING 1/28/2026
JIM HERNANDEZ	03/04/2026	195656	260.00	CIC MEETING 2/18/2026
JIM HERNANDEZ	03/04/2026	195656	260.00	BOARD MEETING 2/25/2026
JIM HERNANDEZ	03/18/2026	195696	260.00	MEETING WITH GM 3/10/2026
		Meetings Only	<u>\$1,040.00</u>	
			\$2,340.00	

VWD Director's Compensation for Jan - Mar 2026
Payments from SDCWA (San Diego County Water Authority)

<u>Director</u>	<u>Check</u>	<u>Chk Date</u>	<u>Per Diem Payments</u>	<u>Mileage</u>	<u>Other</u>	<u>Total</u>
JENNIFER KERSCHBAUM	242191	2/5/2026	\$150.00	\$42.05	\$0.00	\$192.05
JENNIFER KERSCHBAUM	242973	3/19/2026	150.00	42.05	0.00	192.05
Total			\$300.00	\$84.10	\$0.00	\$384.10