

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting
Tuesday, February 21, 2017
Time: 2:00 P.M.
Place: Board Room
29300 Valley Center Road
Valley Center, CA 92082

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Broomell at 2:00 P.M.

ROLL CALL

Board members present were: Directors Broomell, Polito, Aleshire, Haskell and Ferro. Staff members present were: General Manager Arant, General Counsel de Sousa Mills, District Engineer Grabbe, Director of Operations Hoyle, Finance Director Pugh, IT Director Pilve, Safety and Regulatory Compliance Supervisor Olson, Manager of Accounting Velasquez, Consumer Services Supervisor Serrato and Executive Assistant Johnson. There were no spectators present.

CONSENT CALENDAR

1. Upon motion by Polito, seconded by Haskell and unanimously carried, the following consent calendar items were approved:

- Minutes of the Board meeting held February 6, 2017
- Audit demand check numbers 147884 through 147996 for January 27, 2017 through February 9, 2017 and wire disbursements for January 2017
- Resolution No. 2017-04 affirming the District's authorized debt limits per Ordinance No. 171, effective January 1, 2017

ACTION AGENDA

2. Resolution Approving Proposed Wastewater Capacity Reservation Transfer Policy for Woods Valley Ranch Sewer Service Area 2:

A policy defining the terms and conditions for the transfer of wastewater capacity for the Woods Valley Ranch Sewer Service Area 2 (North and South Village areas) was presented by District Engineer Grabbe. Minor edits and clarifications on interest reimbursement, repayment of annual assessments, and administrative fee deposits were incorporated into the revised policy from the version presented on February 6, 2017.

Capacity transfers will be offered once a year to allow time for the required notifications and procedures as governed by assessment district law. The offering will be scheduled to be completed by the end of the fiscal year so the new assessment can be included in the next year's tax roll. Deadline dates will be

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specific and property owners must follow policy requirements. If approved, notices of the first transfer offering will be mailed to property owners immediately.

Staff recommended adoption of Resolution No. 2017-05, approving the proposed Wastewater Capacity Transfer Policy and directing staff to prepare a modification to the Administrative Code to memorialize the transfer policy.

Upon motion from Aleshire, seconded by Haskell and unanimously carried, the following Resolution, entitled:

RESOLUTION NO. 2017-05

**RESOLUTION OF THE BOARD OF DIRECTORS
OF VALLEY CENTER MUNICIPAL WATER DISTRICT
APPROVING PROPOSED WASTEWATER CAPACITY RESERVATION
TRANSFER POLICY FOR WOODS VALLEY RANCH
SEWER SERVICE AREA 2**

was adopted by the following vote, to wit:

AYES: Directors Broomell, Polito, Aleshire, Haskell and Ferro

NOES: None

ABSENT: None

3. ACCELA/Springbrook Financial Software Conversion Update:

Conversion from Datastream to the Springbrook financial software began in June 2016, reported Director of Finance Pugh. Modules completed to date include accounts payable, payroll, general ledger and purchase orders (inventory items). Some issues still remain and are currently being worked on. Utility billing is the main focus at this time. The first bill processing cycle is scheduled to "go live" on February 24th, four months behind schedule.

Several utility billing issues, out of the District's control, have transpired that have caused delays in the conversion process. This included being notified that effective November 31st the existing on-line account payment system would no longer be available and attempts to extend the timeframe were unsuccessful. In addition, on short notice, the District's third party processing and mailing vendor closed their office in Poway and moved to North Carolina. A new vendor in Anaheim has been secured and will be processing and mailing the second cycle for February at the end of this week.

Other modules in the conversion currently in process are on-line payments, cash receipts, bank reconciliation, work orders and meter sales.

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A North County Springbrook Users Group has been established with Santa Fe Irrigation, Fallbrook PUD, Rainbow and VCMWD to discuss, resolve issues and share information at monthly meetings.

GENERAL MANAGER'S AGENDA

4. Miscellaneous:

General Manager Arant reported on the following miscellaneous items:

- Final results of the corporate facility study will be available in the next month.
- Groundwater Sustainability Agency (GSA) formation process is moving forward. Working on Draft #4 of the MOU between the GSA agencies and the County. Expect to bring it to the Board for approval in March.
- The State has extended the emergency drought regulations for another 270 days despite being on track as one of the wettest years on record.

GENERAL COUNSEL AGENDA

5. Approval of Client Conflict Waiver:

Best, Best and Kreiger was recently approached by the Rancho Pauma Mutual Water Company to provide general counsel and water law services, reported General Counsel de Sousa Mills. Since both VCMWD and Rancho Pauma are involved in matters related to the San Luis Rey Valley Groundwater Basin and issues related to the Sustainable Groundwater Management Act, in order for BBK to provide legal services to Rancho Pauma, both parties would need to approve conflict waivers. The Rancho Pauma waiver stipulates that BBK will represent VCMWD, and not Rancho Pauma, should a conflict requiring litigation between the two occur.

Upon motion by Aleshire, seconded by Ferro and unanimously carried, the Board approved having the General Manager sign the conflict waiver.

ADJOURNMENT

6. Upon motion by Aleshire, seconded by Haskell and unanimously carried, the regular meeting of the Board of Directors was adjourned at 3:14 p.m.

ATTEST:

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President

Secretary

Approved at a Regular Meeting of the Board of Directors on March 6, 2017