

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting
Monday, June 1, 2020
Time: 2:00 P.M.
Place: Board Room
29300 Valley Center Road
Valley Center, CA 92082

Due to the COVID-19 State of Emergency and pursuant to waivers of certain Brown Act provisions under the Governor's Executive Orders, the Board Meeting was conducted via Web Conference and Live Steam.

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Polito at 2:01 P.M.

President Polito established for the record that all Directors were able to hear the proceedings, that all members of the Board were able to hear the Directors participating by teleconference clearly, and that all votes would be taken by a roll call vote pursuant to the provisions of the Brown Act. President Polito further established for the record the process by which public comments would be received by the Board; this process was also described in the Agenda for the meeting. It was announced that one public comment had been received but was later retracted after additional information was provided.

ROLL CALL

Board members present were President Polito and Director Smith, with Directors Haskell, Ferro, Holtz, and General Counsel de Sousa teleconferencing. Staff members present were: General Manager Arant, District Engineer Grabbe, Director of Operations Hoyle, Director of Finance and Administration Pugh, Director of IT Pilve, Senior Engineer Lyuber and Executive Assistant Johnson.

AGENDA CHANGE

The Public Hearing on Proposed Water Availability Charges for 2020-2021 was moved to follow Agenda Item No. 9, Resolution in Support of Rainbow's Reorganization.

CONSENT CALENDAR

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

- Minutes of the Board meeting held May 18, 2020
- Audit demand check numbers 157397 through 157489 for May 8, 2020 through May 21, 2020
- Resolution No. 2020-17 establishing the FY 2020-2021 Appropriation Limit per Govt. Code Section 7910 and Article XIII B of the State Constitution.

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- Resolution No. 2020-20 ratifying Change Order Nos. 1 & 2 for the West Bear Ridge and Paradise Mountain No. 1 Reservoir Painting and Recoating Project.

ACTION AGENDA

2. Adoption of Fixed Charge Special Assessment for Unpaid Water and Other Services for Fiscal Year 2020-2021:

The Water Code authorizes the District to add delinquent and unpaid charges for water and other services to the property taxes of the property using the water or service. Currently, there are seven parcels with delinquencies totaling \$4,677.48 eligible to go on the tax roll for 2020-2021 reported Finance Director Pugh.

Staff recommended adoption of Ordinance No. 2020-06 setting the FY 2020-2021 fixed charge special assessments for unpaid charges for water and other services on the San Diego County property tax roll.

Upon motion by Smith, seconded by Ferro and unanimously carried, the following ordinance, entitled:

ORDINANCE NO. 2020-06

ORDINANCE OF THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL WATER DISTRICT PLACING FIXED CHARGE SPECIAL ASSESSMENTS FOR 2020-2021 ON PROPERTY FOR UNPAID CHARGES FOR WATER AND OTHER SERVICES PURSUANT TO WATER CODE SECTIONS 72094, 72100, 72102 ON THE SAN DIEGO COUNTY SECURED PROPERTY TAX ROLL

was adopted by the following vote, to wit:

AYES: Directors Polito, Haskell, Ferro, Holtz and Smith

NOES: None

ABSENT: None

3. Public Hearing Date Set for July 20, 2020 to Consider Woods Valley Ranch Annual Sewer Service Charge and Sewer Standby Fee (Services Areas 1 & 2), and Grinder Pump Maintenance Charge (Service Area 2) to be Collected on the Tax Roll:

The date for a public hearing to receive input and consider the FY 2020-21 Woods Valley Ranch Annual Sewer Service Charge and Sewer Standby Fee (Service Areas 1 and 2), and the annual Woods Valley Ranch Grinder Pump Maintenance Charge (Service Area 2) to be collected on the tax roll, was requested by Director of Finance Pugh. Notification of the public hearing will be published in the local newspaper.

Upon motion by Ferro, seconded by Haskell and unanimously carried, the public hearing date was set for Monday, July 20, 2020 at 2:00 p.m.

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4. Resolution Approving the 2020 Water Master Plan Update and Finding it Exempt from the California Environmental Quality Act (CEQA):

Adoption of Resolution No. 2020-18 approving the June 2020 Water Master Plan Update and finding that such action is exempt under the California Environmental Quality Act was requested by Senior Engineer Lyuber.

The Master Plan prioritizes replacement of facilities based on age and current conditions and was last updated in February 2019. Projects identified for replacement in the next 5 years were further evaluated to develop preliminary cost estimates and classified as potential SRF funding projects, lower cost direct funding projects, or those suitable for the new trenchless rehabilitation process.

Staff has refined their SRF application strategy and will submit 2 to 3 pipeline projects per year that are the most critical and well defined. Three projects (Lilac Road, Protea Gardens and Fruitvale Road) moved forward on the priority list in the update. In addition, three new projects were added (Broadway South, West Lilac, and Bingham Mesa and Mesa Verde Feeder). There were no significant updates made to reservoirs or pump stations for the 1-5 year plan. Construction scheduling will be based on SRF funding approvals.

Staff has determined that adoption of the Water Master Plan Update is exempt from CEQA as the master plan is a planning study and has no direct physical effect on the environment. Projects described in the plan will undergo their own CEQA process respectively.

Upon motion by Ferro, seconded by Haskell and unanimously carried, the following resolution, entitled:

RESOLUTION NO. 2020-18

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT
ADOPTING THE JUNE 2020 WATER MASTER PLAN UPDATE
AND FINDING SUCH ACTION EXEMPT UNDER THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

was adopted by the following vote, to wit:

AYES: Directors Polito, Haskell, Ferro, Holtz and Smith

NOES: None

ABSENT: None

5. Resolution in Support of Rainbow Municipal Water District's Application for Reorganization Related to the Meadowood Project Site:

Adoption of Resolution No. 2020-19, conveying to San Diego LAFCO the Valley Center MWD's formal support of Rainbow MWD's application for reorganization of the

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Meadowood Project site by concurrent detachment from Valley Center MWD and annexation to Rainbow MWD, was requested by General Manager Arant.

At the May 4, 2020 regular meeting, the Board approved an Agreement for Out-of-Agency Service, which provided for interim transfer of water/wastewater service for Meadowood, and an Agreement Related to Detachment and Annexation between Pardee Homes and VCMWD, formalizing the legal and financial aspects of the interim transfer of service and the cooperative role VCMWD would play in the formal reorganization of the Meadowood Project site.

The Agreement Related to Detachment and Annexation requires Valley Center MWD to "reasonably cooperate" in the reorganization. Adoption of Resolution 2020-19 will fulfill that requirement and a certified copy would then be forwarded to San Diego LAFCO.

Upon motion by Haskell, seconded by Ferro and unanimously carried, the following resolution, entitled:

RESOLUTION NO. 2020-19

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT
IN SUPPORT OF RAINBOW MUNICIPAL WATER DISTRICT'S
APPLICATION FOR REORGANIZATION RELATED TO THE
MEADOWOOD PROJECT**

was adopted by the following vote, to wit:

AYES: Directors Polito, Haskell, Ferro, Holtz and Smith

NOES: None

ABSENT: None

PUBLIC HEARING

6. Public Hearing to Consider Adoption of Proposed Water Availability Charges for Fiscal Year 2020-2021:

President Polito opened the public hearing at 3:00 p.m. on the proposed water availability charge for Fiscal Year 2020-2021 on all property within the District.

Annually, the District holds a public hearing to receive public testimony on the water availability charge of \$10 per acre with a \$10 per parcel minimum, reported Director of Finance Pugh. This charge has been in place at the same rate since FY 1995-96. The availability charge will generate a dedicated source of revenue of approximately \$574,000 for fiscal year 2020-21 which will be used for ongoing capital requirements. Notice of the public hearing was published in the local paper, as required by law. Letters were also mailed to all new property owners within the District. No protests to the proposed water availability charge were received.

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The public hearing was closed at 3:07 p.m.

Upon motion by Ferro, seconded by Smith and unanimously carried, the following ordinance, entitled:

ORDINANCE NO. 2020-05

**ORDINANCE OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT
ESTABLISHING WATER AVAILABILITY CHARGES FOR
2020-2021 ON ALL PROPERTY WITHIN THE DISTRICT**

was adopted by the following vote, to wit:

AYES: Directors Polito, Haskell, Ferro, Holtz and Smith

NOES: None

ABSENT: None

INFORMATIONAL ITEMS:

7. Miscellaneous:

The following miscellaneous items were reported by General Manager Arant:

COVID-19 Response – District staff is now having their temperature taken prior to entering the workplace every morning. Staff recommends the District remain in the current operating mode for at least 30 to 60 days after the county is fully reopened.

SB 1386 (Moorlach) – This bill, in response to Prop 218 litigation, seeks to clarify in law that the fire protection aspects of a public water system are appropriately funded through water fees and charges. There is no stated opposition to this bill.

The other aspect to the Prop 218 litigation is the legality of the SDCWA's Special Agricultural Water Rate. The response to this will be coordinated between the impacted member agencies and the SDCWA.

CPUC Public Safety Power Shut-offs (PSPS) – All water and wastewater agencies are considered Public Safety Partners and classified as critical when PSPS planning is being considered. Comments on another CPUC proposed decision were submitted regarding water and wastewater agencies being able to participate in PSPS exercises, but without having the Investor Owned Utilities (IOUs) trigger the operation of emergency energy standby equipment. It would also provide for logistical and financial assistance to agencies needing to secure emergency back-up power and to develop enhanced communication systems and protocols.

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GENERAL COUNSEL AGENDA

8. General Counsel de Sousa reported that BBK is continuing to monitor the developments and health orders from the state and county that may affect District operations.

CLOSED SESSIONS

9. The closed session regarding the General Manager's Employee Performance Evaluation was deferred until January 2021. An extension of his contract, without a change in terms, will be provided at the next regular meeting.

ADJOURNMENT

9. Upon motion by Haskell, seconded by Ferro and unanimously carried, the regular meeting of the Board of Directors was adjourned at 3:26 p.m.

ATTEST:

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President

Secretary

Approved at a regular meeting of the Board of Directors on June 15, 2020