

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting

TUESDAY, July 5, 2022 – 2:00 P.M.

Place: Board Room

29300 Valley Center Road; Valley Center, CA 92082

The VCMWD Board of Directors will welcome the public back to its Board Room in a limited capacity while still accommodating remote participation options. Seating inside the Board Room will be spaced to accommodate social distancing, with an option to listen to the meetings on speakers outside of the Board Room. Our Board Meetings will also continue to be livestreamed for those who wish to observe remotely. *Please be advised that one or more members of the VCMWD Board of Directors or staff may participate in this meeting by teleconference consistent with Assembly Bill 361.*

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

ROLL CALL

Board Members Present: *President Polito, Vice President Ferro, and Director Smith (present in Board Room); with Director Holtz teleconferencing.*

Board Members Absent: *Director Ness.*

Staff Members Present: *General Manager Arant, District Engineer Grabbe, Director of I.T. Pilve, Director of Finance and Administration Pugh, Manager of Accounting Velasquez, Senior I.T. Specialist Day, Director of Operations and Facilities Lovelady, and Executive Assistant/Board Secretary Peraino; with General Counsel de Sousa and teleconferencing.*

Guest Speaker: *Federal Consultant Howells (HGR)*

PUBLIC COMMENTS / QUESTIONS

President Polito established for the record the process by which public comments are received by the Board; this process was also described in the Agenda for the meeting.

- Bonnie Lowe, expressed opposition of the Inactive Water Meter Service Charge Program.

CONSENT CALENDAR

Action: Upon motion by Smith, seconded by Ferro; and carried with four affirmative votes, the following consent calendar items were approved:

1. **Make Findings Necessary to Continue Teleconferenced Board Meetings Pursuant to Assembly Bill 361 (AB 361)**
2. **Minutes of the Regular Board Meeting Held Monday, June 20, 2022;**
3. **Audit Demands for Check Nos. 163099 – 163223 from June 10, – June 23, 2022; and**
4. **Treasurer's Report for Month Ending May 31, 2022.**

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ACTION AGENDA

5. Adoption of Operating and Capital Budget for Fiscal Year 2022-23:

In this third presentation to the Board, a request for adoption of Resolution 2022-25, approving the final Operating and Capital Budget for Fiscal Year (FY) 2022-23, and Ordinance No. 2022-10, amending Administrative Code Articles to comply with the current employee MOU, was provided by Accounting Manager Velasquez.

The first presentation on April 18, 2022 was an overview of the proposed FY 2022-23 Operations and Maintenance (O&M) and Capital Budget; followed by a presentation on June 20, 2022 of the proposed water rates and further review of the operations and maintenance and capital budget. There have been minor changes made to the budget document to correct typos contained in the narratives and to correct page numbering. Aside from those minor corrections, there have been no changes to the budget since then.

For the FY ending 2023 budgeted sales are 16,500-acre feet and the 2023 projected fixed charges are allocated over 15,180-acre feet. Total fixed charges are 0.9% higher than estimated actuals for FY 2022. The estimated acre foot rates used to prepare the proposed budget are \$2,472.64 for domestic (a 4.7% increase), and \$1,879.92 for agricultural customers (a 5.7% increase). These include a local commodity rate increase of \$273.64 per acre foot (or a 5.2% increase). Water rates will be evaluated again at a future Board Meeting and any rate increases would be adopted by separate ordinance for implementation on February 1, 2023.

Ordinance No. 2022-10 amending the District's Administrative Code to incorporate changes was adopted. A cost of living increase of 4.5%, per the current employee MOU, has been included in the budget. Amendments to the District's Administrative Code provided for changes to the following Articles:

- Article 8, *Compensation* – Changes to the Classification and Compensation Plan by modification of Article 8 Section 8.6 Standby Pay, Section 8.7 Shift Differential, and Section 8.9(c) Salary Schedule; *and*
- Article 40, *Staff Organization* – Changes to the Organization chart by the modification of Section 40.11.

Action: Upon motion by Ferro, seconded by Holtz; and carried with four affirmative votes, the following Resolution was approved:

RESOLUTION NO. 2022-25

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT ADOPTING
THE FINAL OPERATING AND CAPITAL BUDGET FOR THE
FISCAL YEAR 2022-2023 AND ESTABLISHING CONTROLS ON
CHANGES IN APPROPRIATIONS FOR THE VARIOUS FUNDS**

was adopted by the following vote, to wit:

AYES: Directors Polito, Ferro, Holtz, and Smith
NOES: None
ABSENT: Director Ness

AND

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Action: Upon motion by Holtz, seconded by Ferro; and carried with four affirmative votes, the following Ordinance was approved:

ORDINANCE NO. 2022-10

**ORDINANCE OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT
AMENDING THE ADMINISTRATIVE CODE TO PROVIDE FOR
CHANGES IN AUTHORIZED STAFFING LEVELS PER THE
FISCAL YEAR 2022-23 BUDGET AND STAFF ORGANIZATION
AND TO INCORPORATE CHANGES PER THE APPROVED
MEMORANDUM OF UNDERSTANDING WITH EMPLOYEES**

was adopted by the following vote, to wit:

AYES: Directors Polito, Ferro, Holtz, and Smith
NOES: None
ABSENT: Director Ness

Please note Ordinance No. 2022-10 is an urgency ordinance and shall retroactively take effect July 1, 2022, mid-shift, to comply with the Memorandum of Understanding with the District Employees' Association adopted by Ordinance 2019-04 affecting employee compensation to be effective July 1, 2022, mid-shift, and therefore this ordinance must take effect before that date.

GENERAL MANAGER'S AGENDA

6. Federal Advocacy and Funding Program Status Report:

An update on the Federal Advocacy and Funding efforts being made on behalf of the District was provided by Jacqueline Howells of Howells Governmental Relations (HGR). Goals include identifying District priorities; crafting political, legislative and funding strategies; establishing a presence and creating a political footprint; as well as identifying, monitoring and tracking federal legislation/regulations and pursue funding opportunities.

Currently, HGR is evaluating and analyzing funding opportunities under the recently approved federal infrastructure legislation, as well as preparing appropriations requests for the Fiscal Year 2023 Federal Appropriations Cycle (10/1/2022). HGR prepared and submitted \$3.06M in appropriations requests to Congressman Issa, Senator Feinstein, and Senator Padilla. Ms. Howells also summarized federal requests submitted to congress, stating that all three Members of Congress (Congressman Issa, Senators Feinstein & Padilla) submitted VCMWD requests. Also, the House and Senate Interior Appropriations Subcommittee staff included the Lilac Hills Rd. Project in their requests.

Action: No action required, informational item only.

7. San Diego County Water Authority's Board Meeting Summary:

A report on the San Diego County Water Authority's Board of Directors' Meeting of June 23, 2022 was provided by General Manager Arant.

Action: No action required, informational item only.

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8. General Information:

The following general informational items were reported on by General Manager Arant:

- Status report on the recently launched WaterSmart customer portal; and
- An overview of the District's Drought Awareness Program campaign.

Action: No action required, informational item only.

DISTRICT GENERAL COUNSEL'S AGENDA

General Counsel de Sousa presented an update on pending legislation that would impact the Brown Act open meeting laws, and an update on an initiative currently being circulated for signatures. If adopted it will add further restrictions on how public agencies adopt fees and charges for services, among other things.

BOARD OF DIRECTORS' AGENDA AND REPORTS ON MEETINGS ATTENDED

None

ADJOURNMENT

Action: Upon motion by Smith, seconded by Ferro; motion passes with four affirmative votes, the regular meeting of the Board of Directors was adjourned at 3:20 p.m.

ATTEST:

ATTEST:

Robert A. Polito, *President*

Kirsten N. Peraino, *Secretary*

Approved at a regularly scheduled Board Meeting on Monday, July 18, 2022