

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, FEBRUARY 20, 2019, AT 5:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT MARTIN

PLEDGE OF ALLEGIANCE

ROLL CALL

In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity which severely imperils public health, safety, or both. Also, items which arise after the posting of the Agenda may be added by a two-thirds vote of the Board of Directors.

ADOPT AGENDA FOR THE REGULAR MEETING OF FEBRUARY 20, 2019

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 Executive 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.

NOTICE TO THE PUBLIC

All matters listed under the Consent Calendar will be voted upon 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.

PRESENTATIONS

Andy Sells, Chief Executive Officer with ACWA/JPIA, will present Vallecitos Water District with a refund check due to the District's low insurance claims history.

President Martin will recognize **Alicia Yerman**, Public Information Representative, for earning her Type III Public Information Officer Emergency Operations Center Credential from the State of California Governor's Office of Emergency Services.

CONSENT CALENDAR

1.1 APPROVAL OF MINUTES (pp. 5-11)

- A. CLOSED SESSION BOARD MEETING – FEBRUARY 6, 2019
- B. REGULAR BOARD MEETING – FEBRUARY 6, 2019

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH FEBRUARY 20, 2019 – \$2,002,296.98 (pp. 12-14)

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS (pp. 15-35)

- A. WATER METER COUNT – JANUARY 31, 2019
- B. WATER PRODUCTION/SALES REPORT – 2018/2019
- C. PER CAPITA WATER CONSUMPTION – JANUARY 31, 2019
- D. WATER REVENUE AND EXPENSE REPORT – JANUARY 31, 2019
- E. SEWER REVENUE AND EXPENSE REPORT – JANUARY 31, 2019
- F. RESERVE FUNDS ACTIVITY – JANUARY 31, 2019
- G. INVESTMENT REPORT – JANUARY 31, 2019
- H. LEGAL FEES SUMMARY – JANUARY 31, 2019

1.4 APPROVAL OF TEMPORARY OFF-SITE WATER SERVICE AGREEMENT, APN: 219-221-35 (ARNE RISY) (pp. 36-39)

Arne Risy, owner of the property, has requested approval of a Temporary Off-Site Water Service Agreement to provide water service to an existing residential duplex.

Recommendation: Approve Agreement with Conditions

1.5 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR SKYLINE TOWN HOMES, APN: 221-661-23 (WESTERN PACIFIC HOUSING, INC.) (pp. 40-42)

Installation of water and sewer facilities has been completed.

Recommendation: 1) Accept Project Improvement; 2) Approve Filing of Notice of Completion

1.6 WINTER 2019 BETWEEN THE PIPES – VALLECITOS WATER DISTRICT QUARTERLY NEWSLETTER (pp. 43-46)

Recommendation: Approve Winter 2019 Between the Pipes Newsletter

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

ACTION ITEMS

- 2.1 MEADOWLARK WATER RECLAMATION FACILITY (MRF) BIOLOGICAL SELECTOR IMPROVEMENT PROJECT (pp. 47-50)

The existing membrane panels in the aeration basin, which are no longer manufactured, are failing and need replacement.

Recommendation: Approve Purchase Order in amount of \$110,537

- 2.2 ORDINANCE ESTABLISHING THE GENERAL PROVISIONS FOR CONDUCTING THE BUSINESS OF THE BOARD AND REPEALING ORDINANCE NO. 203 (pp. 51-57)

Amend Ordinance No. 203 to include the San Marcos Chamber of Commerce on the authorized District membership list.

Recommendation: Approve amendment

- 2.3 RESOLUTION CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA) (pp. 58-62)

Vista Irrigation District is requesting Vallecitos Water District concur in the nomination of Paul E. Dorey to the Executive Committee of ACWA/JPIA.

Recommendation: Request Board direction

- 2.4 SAN MARCOS BOYS & GIRLS CLUB ANNUAL AUCTION (pp. 63-64)

The Boys & Girls Club is not on the list of organizations that are pre-approved for per diem and expenses related to attending the event.

Recommendation: Request Board direction

*****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
- Capital Improvement Committee
- Policy and Finance Committee

3.5 STANDING COMMITTEES

3.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS
ATTENDED

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

OTHER BUSINESS

4.1 MEETINGS

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

5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

6.1 ADJOURNMENT

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

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the Executive Secretary at 760.744.0460 ext. 264 at least 48 hours prior to the meeting.

Audio and video recordings of all Board meetings are available to the public at the District website www.vwd.org

AFFIDAVIT OF POSTING

I, Diane Posvar, Executive Secretary of the Vallecitos Water District, hereby certify that I caused the posting of this Agenda in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California by 5:00 p.m., Friday, February 15, 2019.

Diane Posvar

MINUTES OF A CLOSED SESSION MEETING
OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, FEBRUARY 6, 2019, AT 3:30 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Closed Session meeting to order at the hour of 3:32 p.m.

Director Sannella led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Hernandez
Director Sannella
Director Martin

Staff Present: General Manager Prui
General Counsel Gilpin
Administrative Services Manager Emmanuel
Financial Analyst Arthur
Executive Secretary Posvar

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF FEBRUARY 6, 2019

19-02-01 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, to adopt the agenda for the Closed Session Meeting of February 6, 2019.

PUBLIC COMMENT

None.

CLOSED SESSION

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957.6 –
CONFERENCE WITH LABOR NEGOTIATOR

Agency designated representative: General Manager
Employee Organization: Vallecitos Employee's Association

CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(c) –
CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant Exposure to Litigation one (1) Potential Case

19-02-02 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, to move into Closed Session pursuant to Government Code Sections 54957.6 and 54956.9(c).

During Closed Session, the Board agreed to continue discussion of anticipated litigation until after today's regular Board meeting.

The Closed Session meeting was stayed until the completion of the open session.

The Closed Session meeting reconvened at 5:37 p.m.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 5:56 p.m. There was no reportable action from the Closed Session meeting.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Closed Session Meeting of the Board of Directors at the hour of 5:57 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, February 20, 2019 at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

Hal J. Martin, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, FEBRUARY 6, 2019, AT 5:03 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Regular meeting to order at the hour of 5:03 p.m.

Operations & Maintenance Manager Pedrazzi led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Hernandez
Director Sannella
Director Martin

Staff Present: General Manager Pruium
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Executive Secretary Posvar

President Martin stated item 1.6 will be removed from the agenda to a future date.

ADOPT AGENDA FOR THE REGULAR MEETING OF FEBRUARY 6, 2019

19-02-03 MOTION WAS MADE by Director Hernandez, seconded by Director Evans, and carried unanimously, to adopt the agenda for the Regular Board Meeting of February 6, 2019.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board regarding Item 1.5 of the consent calendar, stating this particular development has been a contentious one, was recast and cut down a little, but still a very significant user of facilities. A 2013 letter from staff on the Villa Village apartments noted that we have run out of available waste treatment capacity, issues of piping or supply, issues of water supply in general, and that we were already past our ultimate buildout capabilities as per the Plan. We have the promise of new water to meet all these developments from conservation and other undefined projects. Thinks it is inappropriate to keep large developments in the pipeline without having firmer plans which are not defined in the proposed master water plan. All we have is a list of alternatives without any plan. How can we be selling any capacity if we don't know what the new capacity is going to cost. He thanked the Board.

PRESENTATION

President Martin presented Marc Smith, Wastewater Treatment Plant Operator II, with his Certificate of Competence for Laboratory Analyst Grade 1 from the California Water Environment Association.

CONSENT CALENDAR

19-02-04 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to approve the Consent Calendar as presented with the exception of item 1.6.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – January 16, 2019
- B. Regular Board Meeting – January 16, 2019
- C. Finance/Investment Committee Meeting – January 21, 2019
- D. Engineering/Equipment Committee Meeting – January 28, 2019

1.2 Warrant List through February 6, 2019 - \$4,090,296.97

1.3 Adoption of Resolution Ordering the Annexation of Certain Property Designated as the “Stefan Terrace Annexation” (Main EC, LLC. – Alex Ahmadian), APN: 228-130-32 into the Vallecitos Water District Sewer Improvement Districts 5 & 6

1.4 Approval of Temporary Off-Site Water and Sewer Service Agreements for Parcel C of the Bennett Avenue 3 Lot Subdivision

1.5 Request for Sewer Annexation of Certain Properties Designated as “Murai Residential Development,” APNs: 184-241-03, 217-050-36, 217-050-38 and 218-011-10 into the Vallecitos Sewer Improvement District (CR Murai, LLC.)

1.6 Winter 2019 Between the Pipes – Vallecitos Water District Quarterly Newsletter

1.7 2018 Year in Review

ACTION ITEMS

SAN DIEGO NORTH ECONOMIC DEVELOPMENT COUNCIL SUMMIT (SDNEDC)

General Manager Pruum stated the SDNEDC will be holding its 6th Annual Economic Summit on Wednesday, April 10. SDNEDC is requesting the District join as a member at the cost of \$4,000 which includes sponsoring one table at two of their events. Tables have been purchased for this event in the past. The previous membership renewal was in 2016 with a membership fee of \$2,500. The District also has the option to purchase seats individually for events at the cost of \$100 -\$150 per seat.

Director Sannella stated he feels the organization is a worthwhile organization. They discuss water frequently, talk about the local business community, and advocate for economic development. He has advocated this agency to be more involved with this group over the years. He does think it is a worthwhile organization to be involved with or participate with, however he feels the District does not need to be a member.

General discussion followed.

19-02-05 MOTION WAS MADE by Director Elitharp, seconded by Director Hernandez, and carried unanimously, to purchase individual seats for the event without a membership.

SAN MARCOS STATE OF THE CITY ADDRESS – MEETING ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL

General Manager Pruum stated the Chamber of Commerce is hosting the annual State of the City Address on Tuesday, February 26. The Chamber is not on the list of organizations for which meetings are considered compensable under District Ordinance No. 203, therefore prior approval for per diem and expense reimbursement is required.

Director Sannella stated that being elected members of the community, it is important the Board participate and feels per diem is reasonable.

19-02-06 MOTION WAS MADE by President Martin, seconded by Director Hernandez, and carried unanimously, to approve attendance and per diem.

REPORTS

GENERAL MANAGER

General Manager Pruum reported the following:

- Snow survey was completed on January 31 and water content of snow is at 100% of the long-term average for this time of year. Reservoirs are at or near historic averages: Shasta is at 97% of average and 67% capacity; San Luis Rey Reservoir is at 109% of average and 87% capacity; New Malones is at 133% of average and 79% capacity due to needed repairs.
- The District recently deployed new technology to address water quality issues in Mahr Reservoir. A special device is being used for storage of recycled water at the District. Due to high nutrient levels, particularly phosphorus and nitrogen, the body of water experiences frequent algae blooms. In December, the District obtained the device from LG Sonic. The device kills algae using ultrasonic waves. The device floats in the middle of the reservoir, is powered by solar panels, and has built-in sensors therefore it does not monitor water quality measurements, it transfers results to a satellite which communicates with the home office in the Netherlands. The data is then analyzed to determine what type of algae is in the reservoir. This technology should result in much higher water quality.
- Lake San Marcos litigation is tentatively scheduled for the February 20 Board meeting.

- Two pieces of legislation may affect the price of water. Previous legislation (SB 623) proposed a tax on drinking water to provide funding for operations and maintenance as well as water and wastewater systems, primarily for disadvantaged communities. This legislation did not pass last year. Governor Newsome is proposing a budget trailer bill which will do virtually the same as SB623, which would be to pass on the cost for funding sources to residential and commercial ratepayers. The trust fund would be funded by a water tax, taxes on agricultural water uses and would be placed on water customers depending on their meter size. The other legislation addresses the affordability of water. It creates funding to help low income residents/will help them pay their water bill. Trying to generate \$600 million annually; as many as 35% or 40% of the customers in California will be eligible. The intended way to get the money is from two sources – place income tax on high income earners (earning more than \$1 million per year) and place a tax on bottled water.
- Lake Meade levels continue to fall. There is a trigger elevation of 1,075 above sea level. If it reaches below that elevation, automatic reductions trigger. The Bureau of Reclamation and Department of Interior have oversight. Of all the water users, seven states that use the Colorado River need to come up with a plan on what they are going to do. California and Arizona did not sign on to the changes that need to be done, therefore the Bureau of Reclamation went on record stating they may step in and force changes to occur.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated the trailer bill General Manager Pruim referred to is tied to the budget, is not a separate piece of legislation, and would be passed as part of the budget approval.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated that Assistant General Manager Dennis Cushman will be retiring in mid-April after over 20 years with the SDCWA and Dana Frieauf, Principal Water Resources Specialist, is also retiring after 31 years.

Director Evans stated the SDCWA Board recently revised its policy regarding their four delegates to the Metropolitan Water District's Board of Directors, no longer requiring delegates to be SDCWA Board members. The policy was modified to address legal issues concerning possible conflicts of interests which could affect voting on larger issues.

Director Evans announced that Judge Reese is very pleased with attempts to negotiate a settlement and has allowed more time for negotiations.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated the Capital Improvement Committee will meet in two weeks. President Martin stated the Policy and Finance Committee did not meet in January.

STANDING COMMITTEES

Director Sannella referred to the minutes of the January 21, 2019 Finance/Investment Committee meeting at which the Committee received an update on the budget.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Hernandez, Elitharp, and Martin reported on their attendance to the California Association of Sanitation Agencies Winter Conference.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

Director Sannella requested the Boys and Girls Club Annual Auction be placed on a future agenda.

Director Evans stated she will be attending a half-day session of the ACWA Region 10 Board on February 8.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 5:34 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, February 20, 2019, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

Hal J. Martin, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

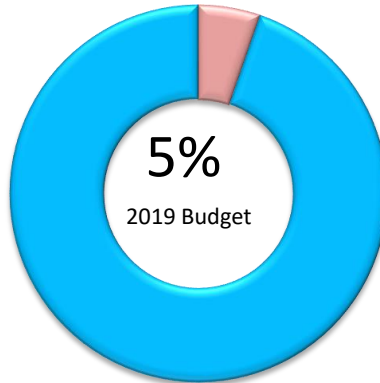
**VALLECITOS WATER DISTRICT
DISBURSEMENTS SUMMARY
January 31, 2019**

Summary

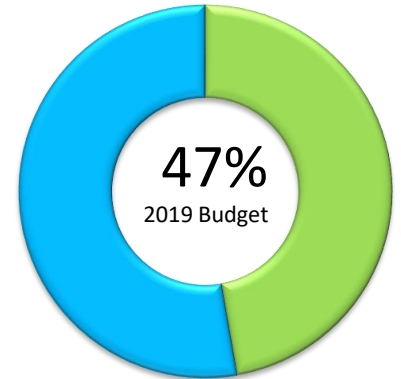
January Disbursements	\$	3,961,327 *
YTD Disbursements	\$	35,382,459 *
FY2019 Budget	\$	74,880,200

* Excludes Debt Service

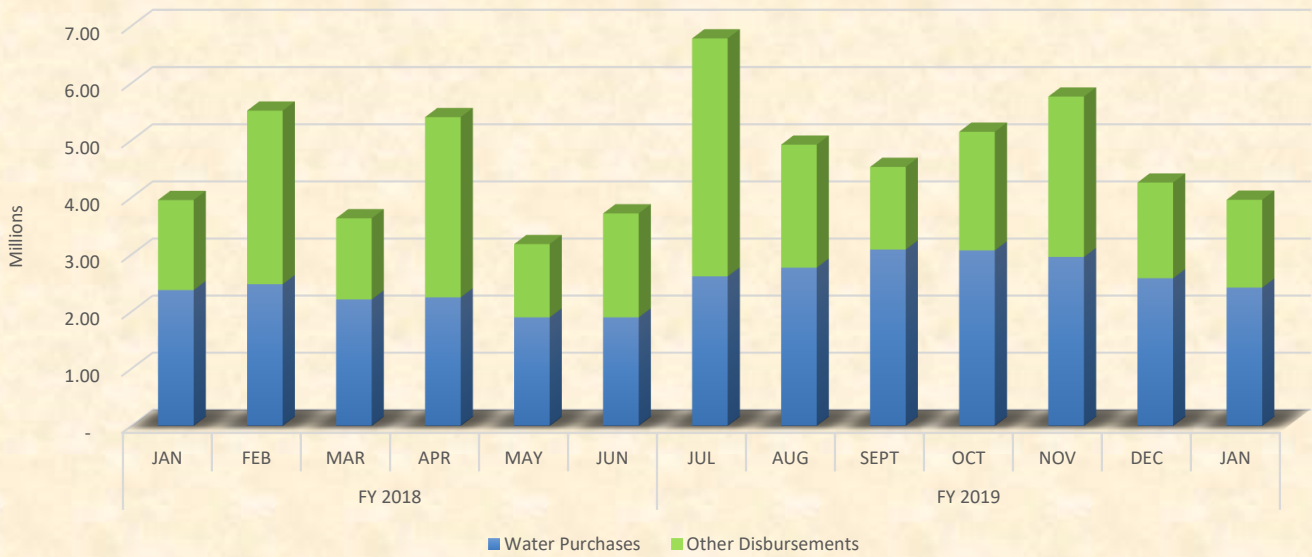
January



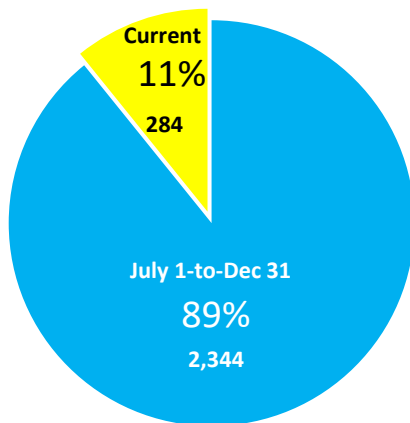
FYTD



Disbursements by Month



Invoices Processed



Top 10 Vendors - FYTD

SAN DIEGO COUNTY WATER AUTH.	\$19.9M
ENCINA WASTEWATER AUTHORITY	\$3.6M
PUBLIC EMPLOYEES RETIRE SYSTM	\$2.0M
ACWA/JOINT POWERS INSURANCE	\$1.7M
SAN DIEGO GAS & ELECTRIC	\$969K
BURTECH PIPELINE INCORPORATED	\$634K
CASS CONSTRUCTION INC	\$619K
OLIVENHAIN MWD	\$498K
SANEXEN WATER, INC.	\$377K
CREW BUILDERS, INC.	\$372K

VALLECITOS WATER DISTRICT
WARRANTS LIST
February 20, 2019

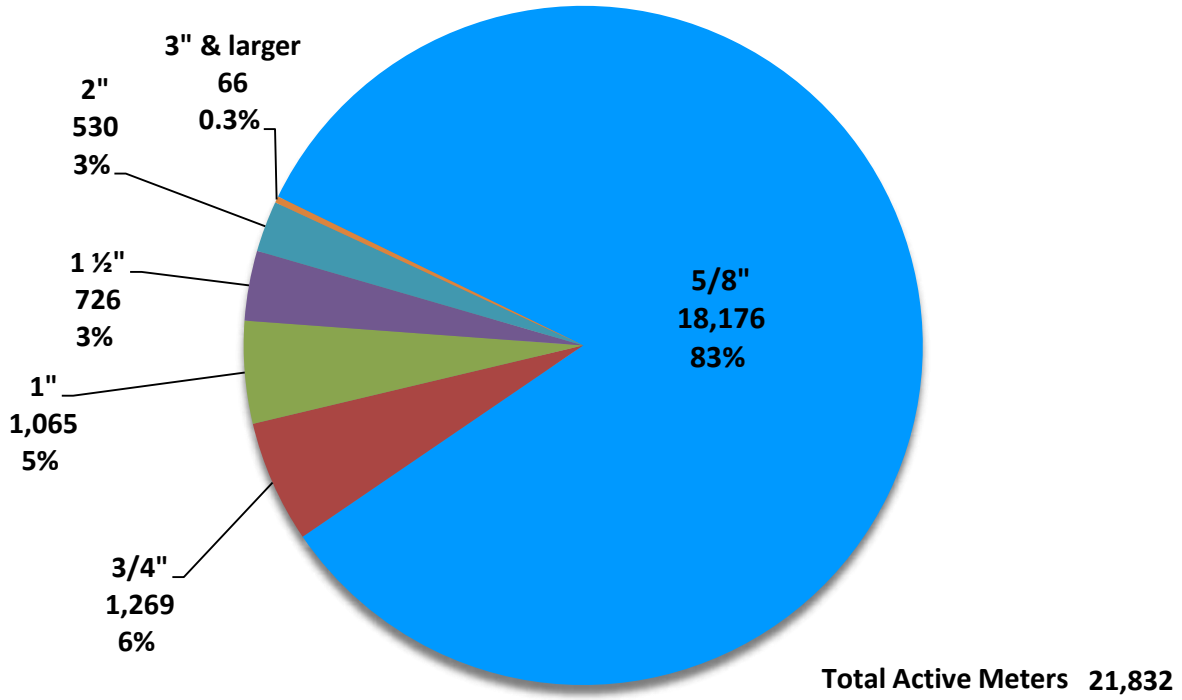
PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
Adamson Police Products	Meter Reading Vehicle Laptop Mount Prj 20191-22	115595	578.73
Adobe Lock & Safe	Hardware Supplies	115596	210.11
Anthony Glenn	CSMFO Conference 1-09 to 1-11-19	115597	124.12
AT&T	Phone Svc SCADA Jan	115598	318.25
AT&T	Phone Svc Dec	115599	20.72
Audio Associates of San Diego	Audiovisual Upgrade Prj 20151-2	115600	89,403.08
Baker Electric Inc	Solar Panel Inverter Replacement Prj 20181-7	115601	81,407.20
Best Best & Krieger	Legal Svcs Dec	115602	10,714.11
Black & Veatch Corporation	Water & Sewer Master Plan Prj 2015-3	115603	13,926.68
Brady Sand & Material Inc	Rock & Cold Mix	115604	2,483.34
California Nozzle Specialists Inc	Gas Pump Repair - Fuel Island	115605	83.62
CCI	Water Treatment - Jan	115606	220.00
CDW Government Inc	Adobe Creative Cloud Annual Subscription/License Renewal	115607	3,792.08
Christian Wheeler Engineering	Rock Springs Sewer Replacement Prj 90003	115608	7,555.00
City of San Marcos	City of San Marcos Joint Projects Prj 90007	115609	58,220.00
Core Logic Information Solutions Inc	Real Quest - Engineering Map Svc - Dec	115610	206.00
Craig Elitharp	CASA Conference 1-22-19	115611	915.56
Custom Truck Body & Equipment, Inc.	Dump Truck Beds 2 Veh 229 & 230	115612	4,000.00
Doane & Hartwig Water Systems Inc	Hardware Supplies	115613	200.69
Davis Farr LLP	Audit Svcs FY Ending 6-30-18	115614	4,500.00
Deer Springs Fire Protection District	Property Taxes 18-19	115615	504.30
Dell Computers	Laptops 2, Docking Station, Touch Screen Pen	115616	2,601.86
DirecTV Inc	Satellite Svc Feb	115617	74.54
Diversified Waterscapes Inc	Compressor, 4 Rebuild Kits - South Lake Pump Station	115618	1,154.00
EDCO Waste & Recycling Serv	Trash Svc Jan	115619	873.64
Electrical Sales Inc	Main Circuit Breaker Replacement, Electrical & Hardware Supplies	115620	3,985.72
Emcor Service	Variable Frequency Drive Svc - HVAC System	115621	6,404.00
Encina Wastewater Authority	Water & Sewer Testing	115622	16,892.22
Grainger Inc	Storage Pallets 2 - MRF, Collapsible Containers 3, Hardware Supplies	115623	4,950.17
Grangetto's Farm Garden Supply	Landscaping Chemicals	115624	766.58
Hach Company	Lab Supplies, Reagents	115625	2,081.81
Harrington Industrial	Hardware Supplies	115626	247.25
James R Hernandez	CASA Conference 1-23-19	115627	222.94
Hodge Products Inc	Facility Locks - 243	115628	1,167.48
Idexx Distribution Corp.	Sample Vessels & Reagents	115629	3,227.63
Idibri Consulting LP	Audiovisual Upgrade Prj 20151-2	115630	5,100.00
Infosend Inc	Postage, Printing, Door Hangers, Processing - Jan	115631	14,057.59
Interstate Batteries	Vehicle Batteries 4, Vehicles 229 & 231	115632	529.61
JCI Jones Chemicals Inc	Chlorine	115633	2,043.21
Ken Grody Ford	Fleet Supplies	115634	314.97
Knight Security & Fire Systems	Svc Call - Bldg A	115635	55.00
KRC Rock Inc	Rock For Salt Tank - MRF	115636	624.95
Left Coast Window Cleaning	Janitorial Svcs - Feb	115637	553.13
Manpower Temp Services	Customer Service Rep Week Ending: 1-13-19	115638	488.48
Hal Martin	CASA Conference 1-22-19	115639	174.20
Matias Labarrere	Employee Recognition Program	115640	10.00
Dawn McDougale	CWEA Awards Banquet	115641	350.00
Mike Sannella	COWU Meeting 1-15-19	115642	19.25
Olympic Coatings California	Hardware Supplies - MRF	115643	135.77
Ostari Inc	VMware Licenses & Support 2019. Server Desktop Network Administration	115644	21,763.78
Pacific Pipeline Supply	Valve Replacement - La Plaza Dr, Hardware Supplies	115645	2,002.03
Parkhouse Tire Inc	Tires 14 - Veh 163, 252, 254	115646	1,965.47
Patriot Portable Restroom Inc	Portable Restroom Rental	115647	256.61
Pencco, Inc.	Sulfend RT	115648	22,107.08
Petty Cash Custodian	Petty Cash	115649	744.49

VALLECITOS WATER DISTRICT
WARRANTS LIST
February 20, 2019

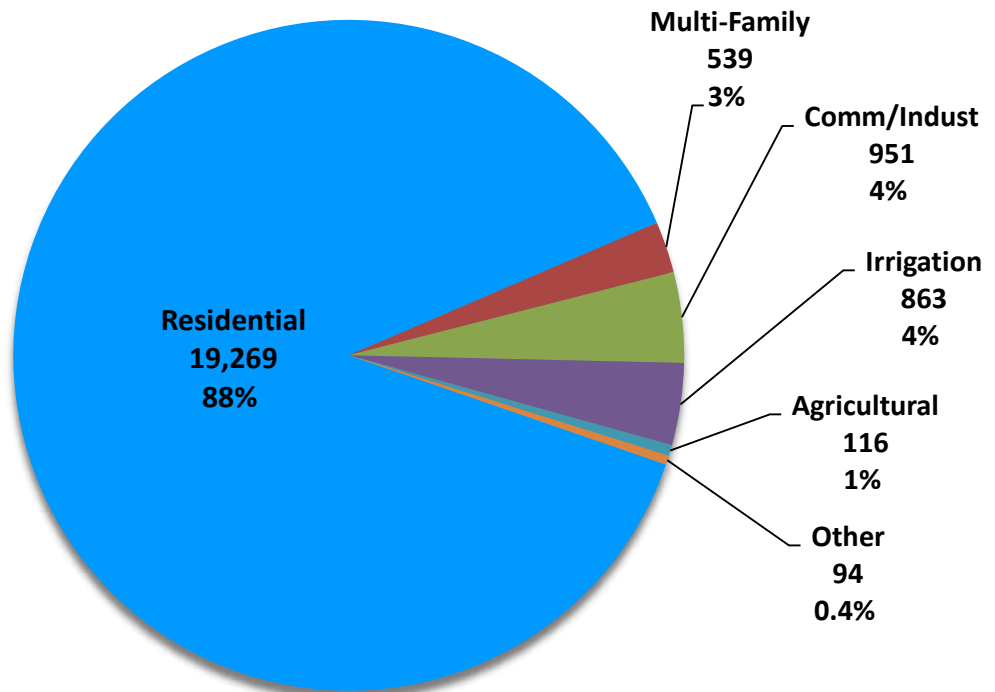
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Pitney Bowes	Mail System Lease Nov - Feb	115650	601.80
Plumbers Depot Inc	Smart Cover - Richland Rd, Camera Repair - CCTV	115651	7,116.04
Redback USA	Safety Boots	115652	133.61
Safety-Kleen Systems Inc	Parts Washer Rental	115653	379.63
SDG&E	Power - Jan	115654	45,046.79
Shields, Harper & Co	Fuel Master Hardware Kits - New Vehicle Set Up - 6	115655	1,566.00
Shred-It US JV LLC	Shredding Svcs Dec	115656	189.50
Southern Counties Lubricants, LLC	Unleaded & Diesel Fuel, Oil	115657	16,235.26
Specialty Seals & Accessories	Mechanical Seal Refurbish - Double Peak Pump Station	115658	740.76
Standard Insurance Company	LIFE, LTD & ADD Insurance - Feb	115659	6,499.84
Staples Advantage	Office Supplies Prj 20191-26	115660	382.67
State Water Resources Control	Environmental Laboratory Accreditation Program - Annual Fee - Water OPS	115661	2,741.00
T.S. Industrial Supply	Hardware Supplies	115662	289.25
Test America Laboratories Inc	Water Sampling	115663	940.00
Thomas S Strathairn	Outreach & Advertising Prj 20191-26	115664	450.00
Thyssen Krupp Elevator	Elevator Maintenance Feb - Apr	115665	1,026.89
Traffic Supply Inc	Custom Sign Repair Prj 20191-554	115666	302.99
Unifirst Corporation	Uniform Delivery	115667	1,489.58
Unitis, Inc.	Industrial Salt - MRF	115668	1,525.63
Univar USA Inc	Sodium Bisulfite, Caustic Soda	115669	6,552.88
UPS	Shipping Svcs Jan	115670	15.04
Valley Chain & Gear Inc	Hardware Supplies	115671	41.55
Verizon Wireless	Cell Phone Svc Dec	115672	3,633.22
E.H. Wachs Company	Controller Cable for Valve Turning Machine	115673	257.44
Walters Wholesale Electric	Hardware Supplies	115674	262.64
Woodard & Curran Inc	Groundwater Study Prj 20191-572	115675	9,029.83
Xerox Corporation	Copier Lease - Dec	115676	4,825.61
Garnishments	Payroll Garnishments	115677 through	-
Home Depot Credit Services	Hardware Supplies Jan	115680	1,415.46
Union Bank FKA 1st Bank Card	Meetings & Travel Jan	115681	3,419.80
Union Bank FKA 1st Bank Card	Meetings & Travel Jan	115682	3,659.35
Union Bank FKA 1st Bank Card	Meetings & Travel Jan	115683	4,030.84
West Consultants, Inc.	South Lake & Mahr Inundation Studies	115684	21,470.25
Total Disbursements (87 Checks)			<u>543,600.20</u>
 WIRES			
Encina Wastewater Authority	Quarterly Billing	Wire	1,016,453.20
Public Employees Retirement System	Retirement Contribution - February 13, 2019 Payroll	Wire	70,452.73
Total Wires			<u>1,086,905.93</u>
 PAYROLL			
Total direct deposits		Wire	234,499.56
VWD Employee Association		115677	594.00
Garnishments		115679	607.83
IRS	Federal payroll tax deposits	Wire	91,951.81
Employment Development Department	California payroll tax deposit	Wire	17,108.33
CalPERS	Deferred compensation withheld	Wire	19,502.09
VOYA	Deferred compensation withheld	Wire	7,527.23
Total February 13, 2019 Payroll Disbursements			<u>371,790.85</u>
 TOTAL DISBURSEMENTS			 <u><u>2,002,296.98</u></u>

Vallecitos Water District
 Active Water Meters
 January 31, 2019

Active Meters by Size as of January 31, 2019

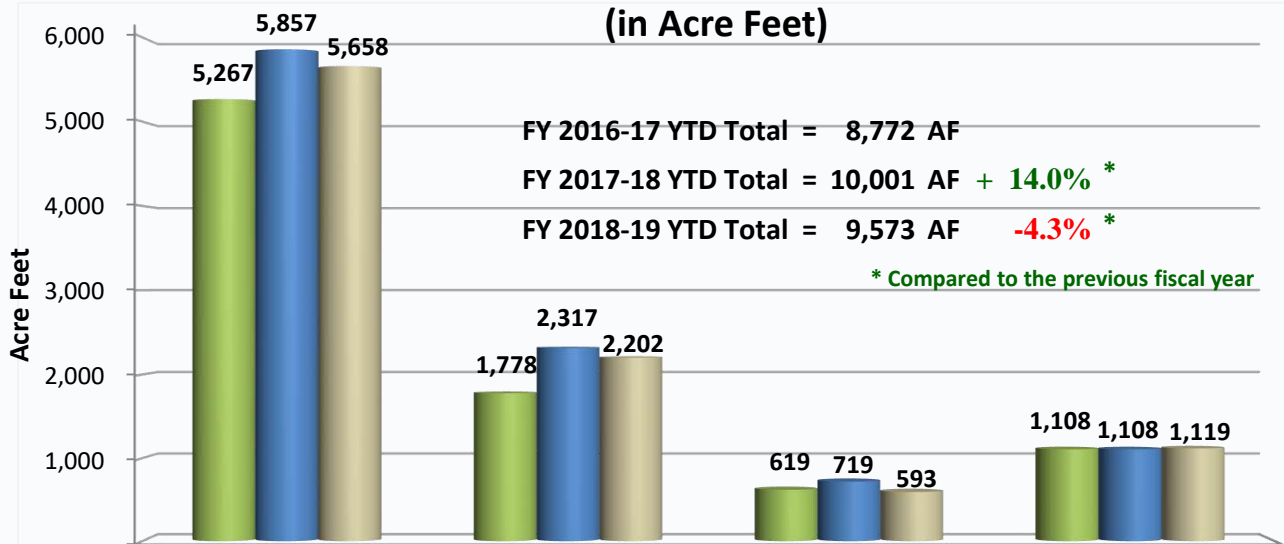


Active Meters by Type as of January 31, 2019



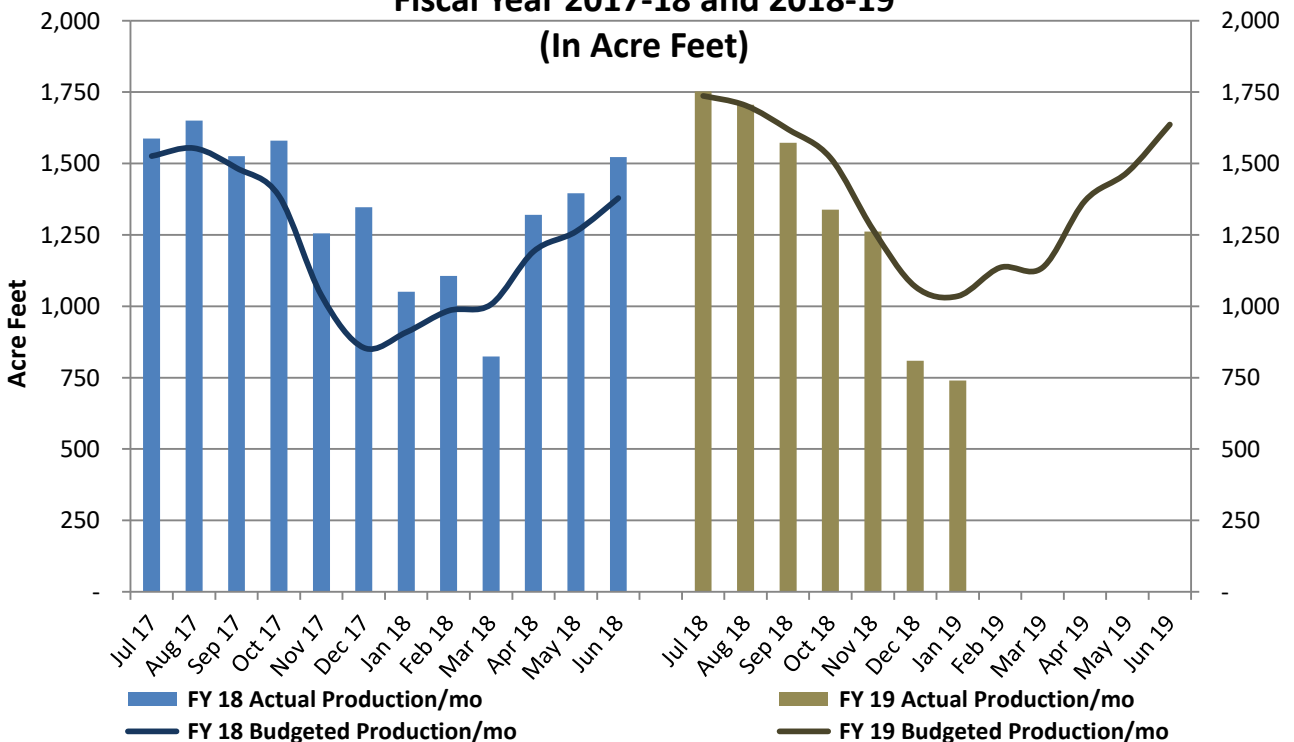
Vallecito Water District
 Water Production/Sales
 January 31, 2019

Water Sales FY 16-17, FY 17-18 and FY 18-19 (FYTD)
(in Acre Feet)

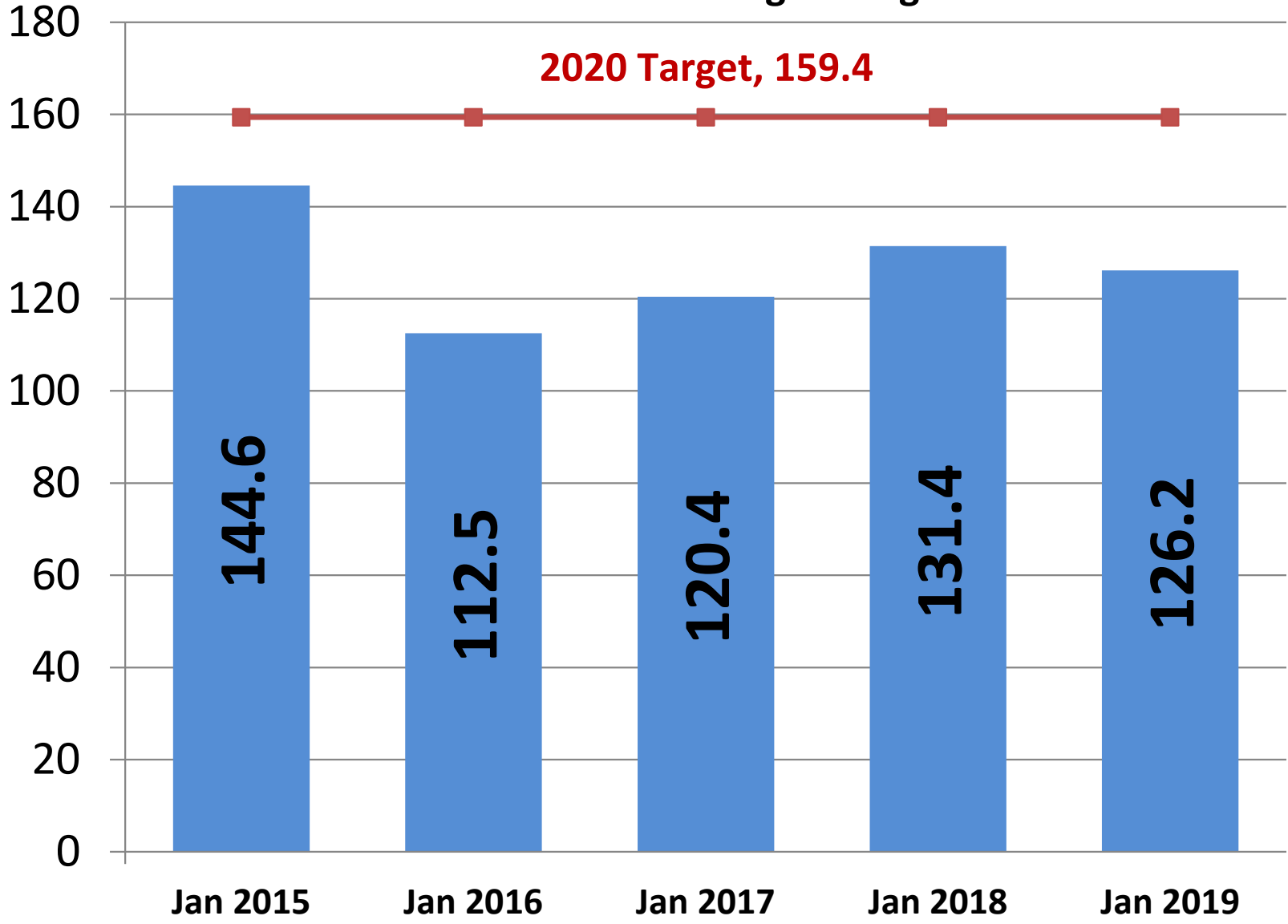


	Residential	Irrigation	Agricultural	Commer/ Indust/ Construct/ Other
FY 2016-17	5,267	1,778	619	1,108
FY 2017-18	5,857	2,317	719	1,108
FY 2018-19	5,658	2,202	593	1,119

Water Production Budget vs. Actual
Fiscal Year 2017-18 and 2018-19
(In Acre Feet)



Gallons per Capita per Day 12-Month Rolling Average



DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: MONTHLY FINANCIAL REPORTS

BACKGROUND:

The Monthly Revenue and Expense Reports and the Reserve Report for the seven months ended January 31, 2019 are presented.

DISCUSSION:

The Monthly Revenue and Expense reports summarize revenues by service type and expenses by department over the 7-month period. Comparisons to prior year actual and current year budget amounts are also presented. Each statement contains footnotes regarding significant variances exceeding predetermined dollar and percentage amounts. Any excess of revenues over expenses are transferred to reserves and reflected in the Reserve Report. Any excess of expenses above revenues are paid for out of reserves in the current fiscal year.

The Monthly Reserve Report presents the balances in each of the District's reserve funds. The report summarizes all sources and uses of reserves. Sources consist of operating transfers, capital facility fees, property taxes, dissolved RDA distributions, investment earnings and annexation fees. Uses are distributions for capital projects and debt service.

RECOMMENDATION:

For information only.

Vallecitos Water District
Water Revenue and Expense Report
For the Seven Months Ended January 31, 2019

	Current	Prior Year Actual			Current Year Budget		
	Year	Amount	Variance		Amount	Variance	
	Actual		\$	%		\$	%
Revenue							
Water Sales	\$20,276,767	\$18,676,779	\$ 1,599,988	8.6%	\$20,641,000	\$ (364,233)	-1.8%
Ready-to-serve	7,969,850	8,110,026	(140,176)	-1.7%	7,759,000	210,850	2.7%
Pumping cost recovery	224,044	205,779	18,265	8.9%	222,000	2,044	0.9%
Late & lock charges	243,401	278,850	(35,449)	-12.7%	269,000	(25,599)	-9.5%
Backflow fees	54,184	53,392	792	1.5%	57,000	(2,816)	-4.9%
Other revenue	86,525	113,350	(26,825)	-23.7%	71,000	15,525	21.9%
Total Revenue	28,854,771	27,438,176	1,416,595	5.2%	29,019,000	(164,229)	-0.6%
Expenses							
Water costs	17,748,545	18,494,808	(746,263)	-4.0%	19,033,000	(1,284,455)	-6.7%
Pumping costs	517,147	440,725	76,422	17.3%	544,000	(26,853)	-4.9%
Water quality	75,096	74,173	923	1.2%	89,000	(13,904)	-15.6%
Water treatment	251,610	260,825	(9,215)	-3.5%	276,000	(24,390)	-8.8%
Tanks & reservoirs	206,082	191,751	14,331	7.5%	264,000	(57,918)	-21.9%
Trans & distribution	1,522,540	818,853	703,687	85.9%	1,003,000	519,540	51.8%
Services	43,899	89,839	(45,940)	-51.1%	82,000	(38,101)	-46.5%
Meters	380,495	380,103	392	0.1%	395,000	(14,505)	-3.7%
Backflow prevention	26,886	22,636	4,250	18.8%	39,000	(12,114)	-31.1%
Customer accounts	432,191	296,449	135,742	45.8%	370,000	62,191	16.8%
Building & grounds	229,630	233,474	(3,844)	-1.6%	220,000	9,630	4.4%
Equipment & vehicles	141,295	155,079	(13,784)	-8.9%	187,000	(45,705)	-24.4%
Engineering	976,120	824,821	151,299	18.3%	924,000	52,120	5.6%
Safety & compliance	156,730	131,208	25,522	19.5%	155,000	1,730	1.1%
Information Technology	479,089	507,400	(28,311)	-5.6%	568,000	(88,911)	-15.7%
General & administrative	1,993,085	1,809,230	183,855	10.2%	1,742,000	251,085	14.4%
Total Expenses	25,180,440	24,731,374	449,066	1.8%	25,891,000	(710,560)	-2.7%
Net Operating Income	\$ 3,674,331	\$ 2,706,802	967,529	35.7%	\$ 3,128,000	546,331	17.5%

Explanation of Significant Variances

Transmission and distribution has an unfavorable prior year and budget variance as a result of higher than anticipated repairs due to main breaks during the year thus far.

The *Customer Accounts* unfavorable prior year variance is due to anticipated increases in outside services.

Variances are considered significant if they exceed \$58333 and 20%.

Vallecitos Water District
Sewer Revenue and Expense Report
For the Seven Months Ended January 31, 2019

	Current	Prior Year Actual			Current Year Budget		
	Year	Amount	Variance		Amount	Variance	
	Actual		\$	%		\$	%
Revenue							
Sewer service charges	\$10,738,022	\$10,562,085	\$ 175,937	1.7%	\$10,521,000	\$ 217,022	2.1%
Reclaimed water sales	1,151,500	1,202,707	(51,207)	-4.3%	1,151,000	500	0.0%
Other revenue	<u>679,275</u>	<u>45,135</u>	634,140	1405.0%	<u>45,000</u>	634,275	1409.5%
Total Revenue	<u>12,568,797</u>	<u>11,809,927</u>	758,870	6.4%	<u>11,717,000</u>	851,797	7.3%
Expenses							
Collection & conveyance	1,232,885	1,043,069	189,816	18.2%	1,345,000	(112,115)	-8.3%
Lift stations	103,188	111,935	(8,747)	-7.8%	170,000	(66,812)	-39.3%
Source Control	110,665	85,450	25,215	29.5%	110,000	665	0.6%
Effluent disposal	1,386,041	1,704,182	(318,141)	-18.7%	1,620,000	(233,959)	-14.4%
Meadowlark	1,791,685	1,553,685	238,000	15.3%	1,981,000	(189,315)	-9.6%
Customer accounts	275,521	196,924	78,597	39.9%	273,000	2,521	0.9%
Building & grounds	149,893	148,275	1,618	1.1%	151,000	(1,107)	-0.7%
Equipment & vehicles	117,157	117,089	68	0.1%	140,000	(22,843)	-16.3%
Engineering	365,574	318,823	46,751	14.7%	397,000	(31,426)	-7.9%
Safety & compliance	98,591	86,382	12,209	14.1%	118,000	(19,409)	-16.4%
Information technology	378,296	445,804	(67,508)	-15.1%	494,000	(115,704)	-23.4%
General & administrative	<u>753,487</u>	<u>732,224</u>	21,263	2.9%	<u>847,000</u>	(93,513)	-11.0%
Total Expenses	<u>6,762,983</u>	<u>6,543,842</u>	219,141	3.3%	<u>7,646,000</u>	(883,017)	-11.5%
Net Operating Income	<u>\$ 5,805,814</u>	<u>\$ 5,266,085</u>	539,729	10.2%	<u>\$ 4,071,000</u>	1,734,814	42.6%

Explanation of Significant Variances

Other revenues have a favorable prior year and budget variance from the litigation settlement related to illegal dumping in the Encina disposal system.

Lift stations has a favorable budget variance resulting from less than anticipated materials used during the year thus far.

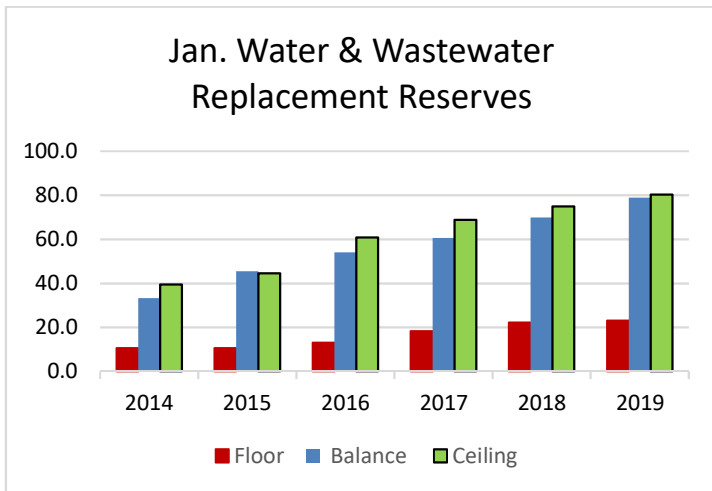
The **Customer Accounts** unfavorable prior year variance is due to anticipated increases in outside services.

The favorable budget variance in **Information Technology** is due to the timing of budgeted expenditures for hardware upgrades.

Variances are considered significant if they exceed \$58333 and 20%.

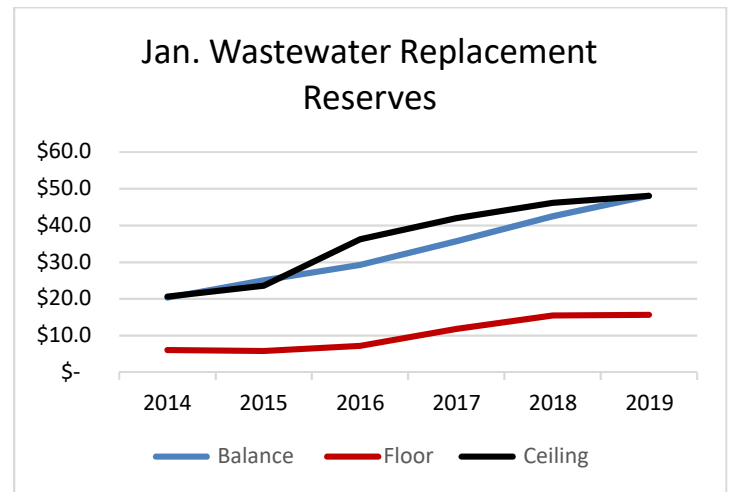
REPLACEMENT RESERVES

The District maintains two replacement reserves in cash equivalents and investments: One for the District’s water system, and the other for the District’s wastewater system. The District’s reserve policy establishes a floor of the sum of the next three years of projected system replacement costs, and a ceiling of the sum of the next ten years of system replacement costs. As of January 31, 2019, the total water and wastewater replacement reserve balance was \$78.8 million, 13 percent greater than January 31, 2018.



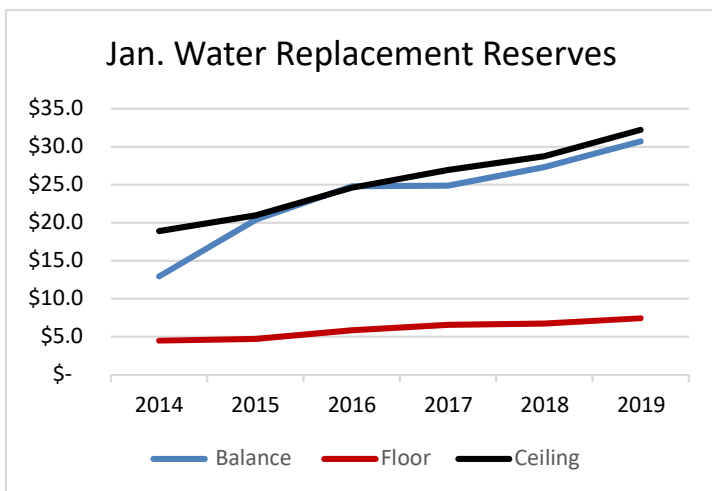
WASTEWATER REPLACEMENT RESERVE

As of January 31, 2019, the balance in the District’s wastewater replacement reserve exceeded the established ceiling of \$48.1 million. In accordance with the reserve policy of the District, \$1.3 million was transferred to the rate stabilization account to keep the replacement reserve balance within the established range.



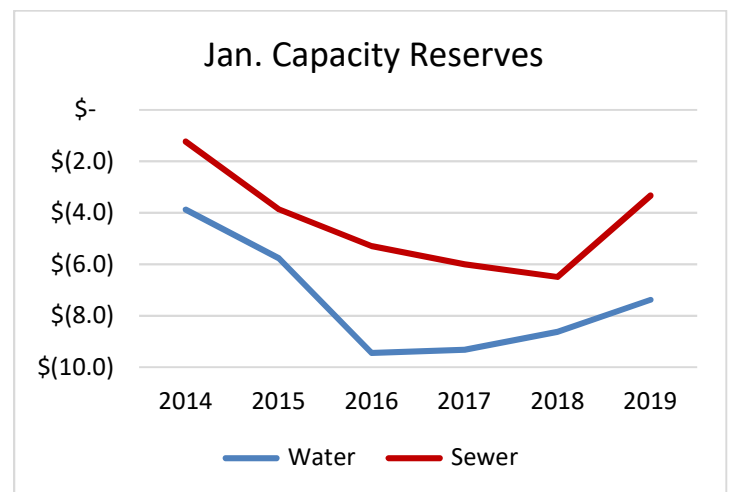
WATER REPLACEMENT RESERVE

As of January 31, 2019, the District’s water replacement reserve totaled \$30.7 million, an increase of 12 percent, or \$3.4 million, from the same month of the prior year. The month-end balance is within the floor and ceiling established by the reserve policy, leaving the District with sufficient reserves to meet infrastructure replacement needs.



CAPACITY RESERVES

The District collects capital facility fees from new development and increased demands from existing customers, maintains the collected fees in separate funds (one for water and one for wastewater), and uses the funds exclusively to provide capacity to serve new development and fund future construction of facilities identified in the District’s Master Plan and capital budget. As of January 31, 2019, the water capacity fund had a deficit of \$7.4 million and the sewer capacity fund had a deficit of \$3.3 million. The District’s capital facility fees situation is expected to improve with the adoption of the new Master Plan and the corresponding capacity fee study.



VALLECITOS WATER DISTRICT

RESERVE ACTIVITY FOR THE SEVEN MONTHS ENDED JANUARY 31, 2019

	110 Water 120		210 Wastewater 220		Total
	Replacement	Capacity	Replacement	Capacity	
BEGINNING BALANCE	\$ 32,797,105	\$ (9,161,412)	\$ 51,677,556	\$ (6,820,836)	\$ 68,492,413
REVENUES					
FY 18/19 Operating Transfers	3,674,331		5,805,814		9,480,145
Capital Facility Fees	-	2,453,057	-	5,010,023	7,463,080
Property Tax	724,176	-	570,527	-	1,294,703
RDA pass-through	570,490	-	570,490	-	1,140,979
Investment Earnings	395,574	-	351,436	-	747,010
TOTAL REVENUES	<u>5,364,570</u>	<u>2,453,057</u>	<u>7,298,267</u>	<u>5,010,023</u>	<u>20,125,918</u>
LESS DISTRIBUTIONS					
Capital Projects					
Encina Wastewater Authority Five Year Plan	-	-	1,924,278	214,331	2,138,608
Rock Springs Sewer Replacement	-	-	313,123	382,706	695,829
Stargaze Court Water Line Replacement	488,339	-	-	-	488,339
Expansion of the Men's Locker Room in Building B	215,530	-	207,080	-	422,610
Solar Panel Inverter Replacement	95,281	-	91,543	-	186,824
Laurels Sewer Lining	-	-	146,257	-	146,257
Audiovisual Upgrade	64,140	-	61,625	-	125,765
District Wide Valve Replacement	90,757	-	-	-	90,757
South Lake - Facility Upgrades	86,808	-	-	-	86,808
Fulton Road And Nctd Sewer Line Rehabilitation	-	-	85,309	-	85,309
MRF - Influent Pumps & Motors	-	-	79,660	-	79,660
South Vista Pressure Reducing Station Upgrade	62,298	-	-	-	62,298
Ultrasonic Algae Control System	-	-	59,718	-	59,718
Water & Sewer Master Plan	-	29,753	-	29,753	59,506
Mountain Belle Tank Chorine System	48,218	-	-	-	48,218
Montiel Gravity Outfall	-	-	16,769	20,496	37,265
Replace Roofs On Equipment Storages	14,881	-	14,298	-	29,179
Vulnerability assessment improvements	-	16,970	-	11,313	28,283
Palos Vista Pump Station Generator	26,941	-	-	-	26,941
North Vista Pressure Reducing Station Upgrade	25,564	-	-	-	25,564
Encina Land Parallel Outfall	-	-	-	23,935	23,935
Admin Emergency Generator - Auto Transfer Switch	11,882	-	11,881	-	23,763
Palos Vista Pump Station Motor Replacement	22,903	-	-	-	22,903
Sewer Rehabilitation And Repairs	-	-	20,915	-	20,915
Via Vera Cruz Tank Hill Stabilization	16,576	-	-	-	16,576
Coronado Hills Chlorine Injection System	15,759	-	-	-	15,759
Refurbish Pumps At North Twin Oaks Pump Station	15,355	-	-	-	15,355
All other capital projects	53,056	-	18,163	(15,393)	55,826
Capital Budget - Vehicles/Mobile Equipmnt	337,026	-	58,686	-	395,712
Debt Service	-	553,478	-	806,514	1,359,992
Interest Expense	-	69,923	-	42,900	112,824
TOTAL DISTRIBUTIONS	<u>1,691,313</u>	<u>670,124</u>	<u>3,109,306</u>	<u>1,516,555</u>	<u>6,987,298</u>
ENDING BALANCE	\$ 36,470,362	\$ (7,378,479)	\$ 55,866,517	\$ (3,327,368)	\$ 81,631,032
Less: Operating Reserves	5,748,700	-	6,468,600	-	12,217,300
Less: Rate Stabilization	-	-	1,316,017	-	1,316,017
Replacement Reserves/Restricted Funds	<u>\$ 30,721,662</u>	<u>\$ (7,378,479)</u>	<u>\$ 48,081,900</u>	<u>\$ (3,327,368)</u>	<u>\$ 68,097,715</u>
Replacement reserve floor	<u>\$ 7,428,200</u>		<u>\$ 15,665,900</u>		
Replacement reserve ceiling	<u>\$ 32,224,700</u>		<u>\$ 48,081,900</u>		

VALLECITOS WATER DISTRICT
INVESTMENT REPORT FOR JANUARY 2019

Attached is a detailed list of investments for all District funds that are not needed to meet current obligations. In accordance with Government Code Section 53646, the information is presented to the Board on a monthly basis and includes a breakdown by fund, financial institution, settlement and maturity date, yield, and investment amount. In addition, the report indicates the various percentages of investments in each type of institution.

The process and the presentation of the information to the Board are in compliance with requirements outlined in the District Investment Policy adopted on an annual basis. In addition to the investment portfolio, there are sufficient funds in the Operating Account to meet District obligations for the next 30 days. Maturity dates on investments are structured to meet the future financial obligations of the District (i.e., bond payments and construction projections). In that regard, the District will be able to meet expenditure requirements for the next six months without a need to liquidate an investment earlier than scheduled maturity dates.

Investment activity for the month of January follows:

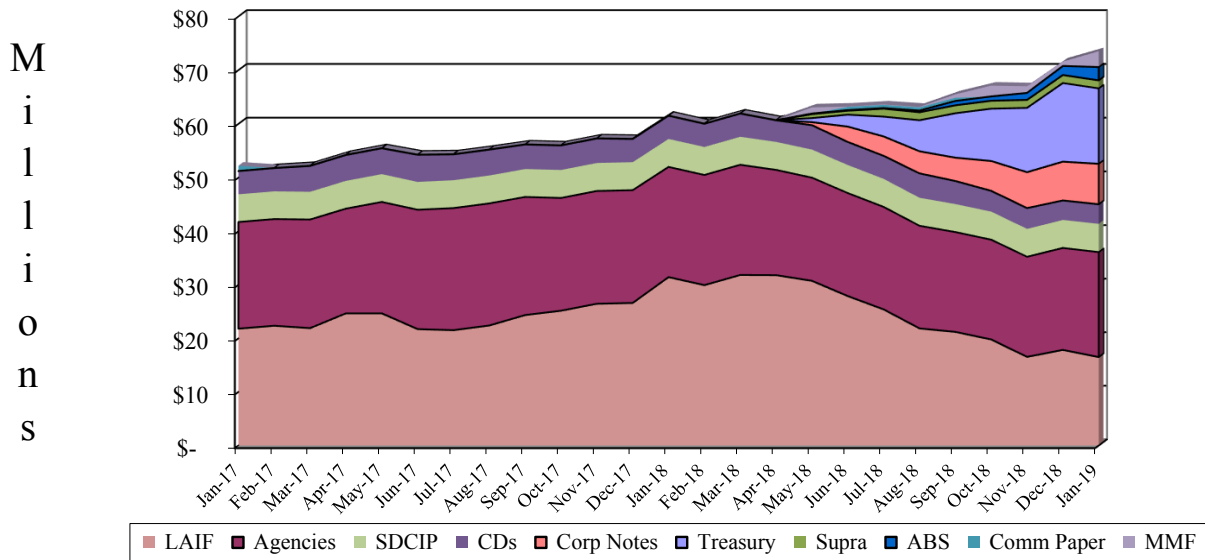
<u>Date</u>	<u>Activity</u>	<u>Investment</u>	<u>Amount</u>	<u>Maturity</u>	<u>Yield</u>
01/02/19	Withdrawal	LAIF	(550,000)	Open	2.36%
01/03/19	Deposit	LAIF	1,200,000	Open	2.36%
01/04/19	Deposit	LAIF	450,000	Open	2.36%
01/08/19	Deposit	LAIF	550,000	Open	2.36%
01/10/19	Maturity	US Treasury	(1,599,034)	01/10/19	2.17%
01/15/19	Interest Earned	LAIF	117,110	Open	2.36%
01/16/19	Withdrawal	LAIF	(900,000)	Open	2.36%
01/18/19	Deposit	LAIF	350,000	Open	2.36%
01/22/19	Withdrawal	LAIF	(3,000,000)	Open	2.36%
01/23/19	Maturity	FHLB	(500,000)	01/23/19	1.24%
01/25/19	Deposit	LAIF	450,000	Open	2.36%
01/25/19	Maturity	FNMA	(500,000)	01/25/19	1.00%
01/28/19	Purchase	NAR 2016-C A4	489,531	01/17/23	1.38%
01/28/19	Purchase	Federal Home Loan Bank	1,010,700	12/09/22	3.00%
01/29/19	Purchase	JP Morgan Chase	254,790	07/22/20	4.40%
01/31/19	Purchase	JDOT 2018-B A2	299,742	04/15/21	2.83%
01/31/19	Purchase	US Treasury	979,922	02/28/22	1.88%
01/31/19	Purchase	FHLB	507,580	09/09/22	3.13%
Change in investments during the month			<u>\$ (389,659)</u>		

	<u>Current</u>
Weighted average annual yield for total Vallecitos investments	2.340%
Weighted average days to maturity	442

The State Treasurer's Office provides fair market values of LAIF quarterly on their web site. The most recent valuation, which is used on this report, is as of December 31, 2018. The San Diego County Treasurer provides the fair values for the County investment pool. The most recent values and returns, which are used for this report, are for December 31, 2018. Fair values for federal agency obligations and corporate notes are provided by Union Bank trust account reporting

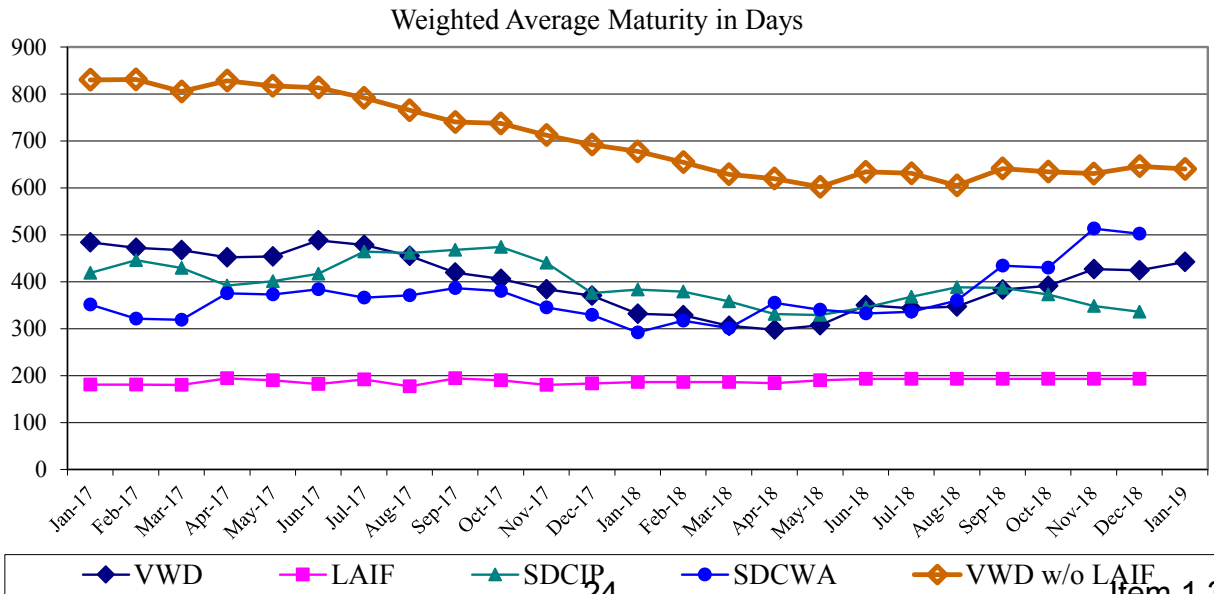
Safety

Criteria for selecting investments and the absolute order of priority are safety, liquidity and yield. To meet the objective of safety and avert credit risk, the District acquires only those investments permitted by the Board adopted investment policy and within the limits established by the policy. Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligation. The District also limits risk by investing in a range of investments to ensure diversification as indicated in the graph below.



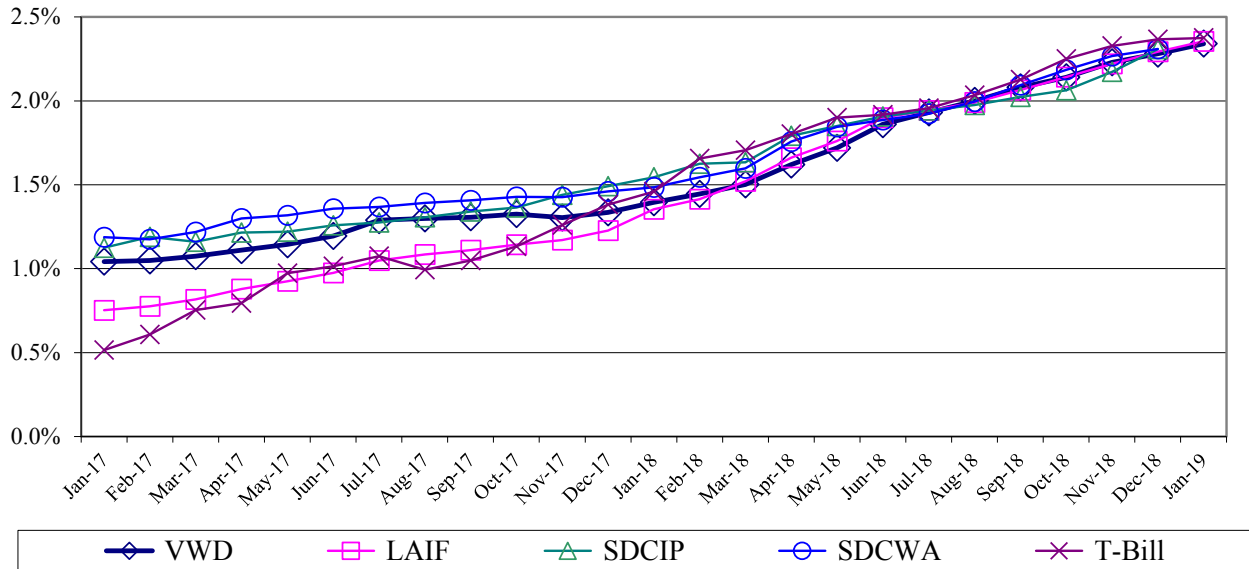
Liquidity

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The District averts interest rate risk by limiting terms of investments in accordance with the Investment Policy. Maturity in days is a measure of liquidity. The next graph compares the District's liquidity to other managed portfolios. The District's liquidity is graphed with and without LAIF. With LAIF the District is in fact very liquid with \$16.5 million available the same day. But for comparative purposes LAIF is eliminated from the District's portfolio and shown separately.



Yield

The next graph compares the District’s effective yield to LAIF, SDCIP, San Diego County Water Authority (SDCWA), and the average 91-day Treasury bill rate.



Investment/Debt Management

On March 7, 2018 the District entered into a contract with Chandler Asset Management to provide professional investment management and advisory services. Chandler manages the District’s investments in accordance with the District’s policy of safety, liquidity, and yield and continues to maintain investments of varying types within limits allowed by the investment policy (100% in federal agency obligations, 100% in LAIF, 100% in other local government investment pools, 25% in FDIC-backed corporate notes, 25% in commercial paper, 20% in certificates of deposit). Chandler’s portfolio summary is attached.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	1.21
Average Coupon	2.09%
Average Purchase YTM	2.34%
Average Market YTM	2.50%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.36 yrs
Average Life	1.26 yrs

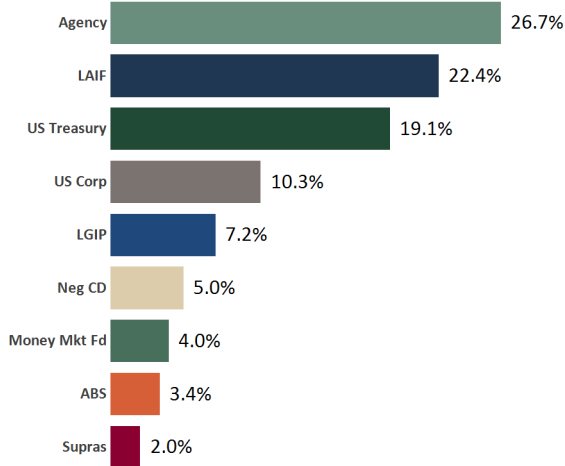
ACCOUNT SUMMARY

	Beg. Values as of 12/31/18	End Values as of 1/31/19
Market Value	71,611,721	73,521,950
Accrued Interest	311,864	259,369
Total Market Value	71,923,585	73,781,319
Income Earned	123,648	138,307
Cont/WD		
Par	72,197,916	73,993,175
Book Value	71,824,028	73,626,080
Cost Value	71,765,137	73,553,728

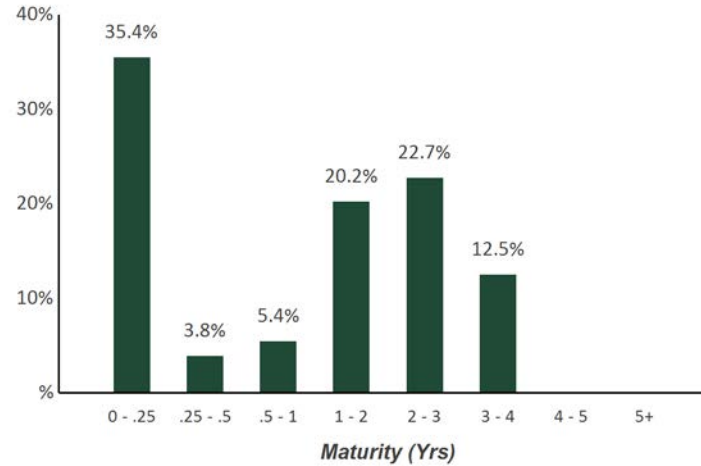
TOP ISSUERS

Local Agency Investment Fund	22.4%
Government of United States	19.1%
County of San Diego Pooled Inve	7.2%
Federal Home Loan Mortgage Corp	7.1%
Federal Home Loan Bank	6.8%
Federal Farm Credit Bank	6.4%
Federal National Mortgage Assoc	6.3%
Dreyfus Treasury and Agency	4.0%
Total	79.4%

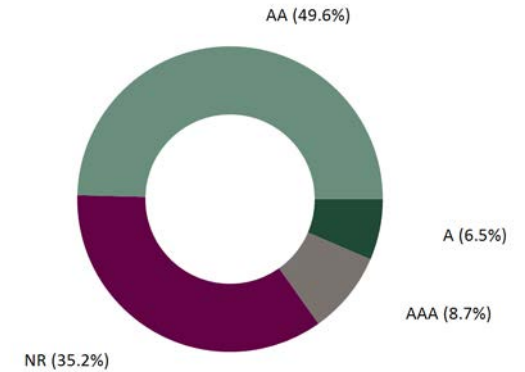
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of January 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
47788EAB4	John Deere Owner Trust 2018-B A2 2.83% Due 4/15/2021	300,000.00	01/29/2019 2.95%	299,742.19 299,742.80	100.01 2.84%	300,021.00 377.33	0.41% 278.20	Aaa / NR AAA	2.21 0.96
89190BAD0	Toyota Auto Receivables Owner 2017-B A3 1.76% Due 7/15/2021	500,000.00	09/26/2018 2.78%	494,160.16 494,880.85	99.21 2.87%	496,029.50 391.11	0.67% 1,148.65	Aaa / AAA NR	2.45 0.72
43814PAC4	Honda Auto Receivables Owner T 17-3 A3 1.79% Due 9/20/2021	387,000.00	12/11/2018 2.73%	381,981.09 382,229.06	98.93 2.92%	382,854.07 250.15	0.52% 625.01	NR / AAA AAA	2.64 0.95
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	500,000.00	11/14/2018 3.14%	493,105.47 493,604.42	99.02 2.89%	495,078.00 404.44	0.67% 1,473.58	Aaa / NR AAA	2.71 0.92
43814UAG4	Honda Auto Receivables 2018-2 A3 3.01% Due 5/18/2022	105,000.00	05/22/2018 3.03%	104,997.71 104,998.10	100.22 2.89%	105,236.04 114.13	0.14% 237.94	NR / AAA AAA	3.30 1.74
43815HAC1	Honda Auto Receivables Owner 2018-3 A3 2.95% Due 8/22/2022	205,000.00	08/21/2018 2.98%	204,971.87 204,974.91	100.30 2.81%	205,610.08 167.99	0.28% 635.17	Aaa / NR AAA	3.56 1.83
65478WAE5	Nissan Auto Receivables Owner 2016-C A4 1.38% Due 1/17/2023	500,000.00	01/24/2019 2.44%	489,531.25 489,560.13	98.11 2.81%	490,572.00 306.67	0.67% 1,011.87	Aaa / NR AAA	3.96 1.32
Total ABS		2,497,000.00	2.82%	2,468,489.74 2,469,990.27	2.86%	2,475,400.69 2,011.82	3.36% 5,410.42	Aaa / AAA AAA	2.93 1.08
AGENCY									
3133EFYS0	FFCB Callable Note Cont 2/22/2017 1.15% Due 2/22/2019	367,000.00	03/07/2017 1.40%	365,260.42 366,949.05	99.93 2.23%	366,757.05 1,864.05	0.50% (192.00)	Aaa / AA+ AAA	0.06 0.06
3133EGEF8	FFCB Callable Note Cont 6/13/2017 1.18% Due 6/13/2019	500,000.00	05/26/2017 1.43%	497,500.00 499,558.82	99.56 2.37%	497,824.50 786.67	0.68% (1,734.32)	Aaa / AA+ AAA	0.36 0.36
3130ABJS6	FHLB Callable Note Qrtly 9/28/2017 2% Due 6/28/2019	500,000.00	07/07/2017 2.00%	500,000.00 500,000.00	99.93 2.41%	499,649.00 913.19	0.68% (351.00)	Aaa / AA+ NR	0.41 0.16
3133EGLC7	FFCB Callable Note Cont 10/12/2016 1.08% Due 7/12/2019	500,000.00	07/12/2016 1.10%	499,675.00 499,952.21	99.42 2.40%	497,087.00 285.00	0.67% (2,865.21)	Aaa / AA+ AAA	0.44 0.44
3134GAEV2	FHLMC Callable Note Qtrly 2/28/2017 2.5% Due 8/28/2019	750,000.00	08/30/2016 2.45%	750,000.00 750,000.00	100.00 2.39%	749,968.50 3,270.83	1.02% (31.50)	Aaa / AA+ AAA	0.57 0.08
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	500,000.00	09/25/2015 1.32%	498,665.00 499,779.02	99.16 2.53%	495,776.00 2,065.97	0.67% (4,003.02)	Aaa / AA+ AAA	0.67 0.66

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3130A9UP4	FHLB Callable Note Cont 4/28/2017 1.19% Due 10/28/2019	500,000.00	10/28/2016 1.19%	500,000.00 500,000.00	99.03 2.52%	495,131.50 1,537.08	0.67% (4,868.50)	Aaa / AA+ NR	0.74 0.73
3134G9V95	FHLMC Callable Note Qtrly 2/22/2017 1.5% Due 11/22/2019	750,000.00	08/22/2016 1.50%	750,000.00 750,000.00	99.59 2.67%	746,927.25 4,968.75	1.02% (3,072.75)	Aaa / AA+ AAA	0.81 0.55
3136G3VH5	FNMA Callable Note Qtrly 12/30/2016 1.35% Due 12/30/2019	500,000.00	06/30/2016 1.35%	500,000.00 500,000.00	98.87 2.60%	494,365.50 581.25	0.67% (5,634.50)	Aaa / AA+ AAA	0.91 0.90
3135G0Q63	FNMA Callable Note Qtrly 3/30/2017 1.3% Due 3/30/2020	500,000.00	10/19/2016 1.30%	500,000.00 500,000.00	98.60 2.52%	493,014.50 2,184.72	0.67% (6,985.50)	Aaa / AA+ AAA	1.16 1.14
3130ABAY2	FHLB Callable Note Cont 7/28/2017 1.67% Due 4/28/2020	750,000.00	04/28/2017 1.67%	750,000.00 750,000.00	99.00 2.50%	742,470.75 3,235.63	1.01% (7,529.25)	Aaa / AA+ NR	1.24 1.21
3136G3NZ4	FNMA Callable Note Qtrly 11/29/2016 1.5% Due 5/29/2020	750,000.00	05/27/2016 1.50%	750,000.00 750,000.00	98.65 2.54%	739,897.50 1,937.50	1.01% (10,102.50)	Aaa / AA+ AAA	1.33 1.30
3130A8M67	FHLB Callable Note Cont 7/13/2017 1.2% Due 7/13/2020	500,000.00	11/22/2016 1.60%	492,970.00 497,207.04	98.16 2.50%	490,792.00 300.00	0.67% (6,415.04)	Aaa / AA+ NR	1.45 1.42
3135G0N66	FNMA Callable Note Qtrly 2/24/2017 1.4% Due 8/24/2020	1,000,000.00	08/24/2016 1.40%	1,000,000.00 1,000,000.00	98.18 2.60%	981,789.00 6,105.56	1.34% (18,211.00)	Aaa / AA+ AAA	1.56 1.52
3133EGC94	FFCB Callable Note Cont 2/2/2017 1.38% Due 11/2/2020	500,000.00	11/04/2016 1.40%	499,600.00 499,824.54	98.04 2.53%	490,180.00 1,705.83	0.67% (9,644.54)	Aaa / AA+ AAA	1.76 1.71
3133EGR49	FFCB Callable Note Cont 12/7/2017 1.77% Due 12/7/2020	250,000.00	12/07/2016 1.83%	249,437.50 249,740.12	98.62 2.54%	246,561.50 663.75	0.34% (3,178.62)	Aaa / AA+ AAA	1.85 1.80
3134GBT A0	FHLMC Callable Note Qtrly 9/22/2017 1.9% Due 12/22/2020	750,000.00	06/27/2017 1.90%	750,000.00 750,000.00	99.64 2.44%	747,280.50 1,541.67	1.01% (2,719.50)	Aaa / AA+ AAA	1.89 1.12
3136G4GA5	FNMA Callable Note Qtrly 4/28/2017 1.4% Due 1/28/2021	500,000.00	10/28/2016 1.40%	500,000.00 500,000.00	97.91 2.48%	489,528.00 58.33	0.66% (10,472.00)	Aaa / AA+ AAA	1.99 1.95
3133EFC54	FFCB Callable Note Cont 2/17/2017 1.62% Due 2/17/2021	150,000.00	11/18/2016 1.67%	149,667.00 149,839.72	98.17 2.54%	147,258.45 1,107.00	0.20% (2,581.27)	Aaa / AA+ AAA	2.05 1.98
3134G8LH0	FHLMC Callable Note Qtrly 8/26/2016 1.5% Due 2/26/2021	514,000.00	02/26/2016 1.50%	514,000.00 514,000.00	99.65 2.55%	512,183.52 3,319.58	0.70% (1,816.48)	Aaa / AA+ AAA	2.07 0.56
3130A7ES0	FHLB Callable Note Qtrly 6/22/2016 1.75% Due 3/22/2021	275,000.00	04/06/2017 2.11%	274,381.25 274,666.23	99.36 2.53%	273,249.63 1,724.48	0.37% (1,416.60)	Aaa / AA+ NR	2.14 1.12
3133EFZ91	FFCB Callable Note Cont 4/12/2017 1.62% Due 4/12/2021	750,000.00	04/12/2016 1.62%	749,925.00 749,967.10	98.03 2.55%	735,200.25 3,678.75	1.00% (14,766.85)	Aaa / AA+ AAA	2.20 2.13

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of January 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3133EHHM8	FFCB Callable Note Cont 8/3/2017 1.99% Due 5/3/2021	750,000.00	05/03/2017 1.99%	750,000.00 750,000.00	98.78 2.55%	740,832.75 3,648.33	1.01% (9,167.25)	Aaa / AA+ AAA	2.25 2.18
3136G3A70	FNMA Callable Note Qtrly 1/27/2017 1.5% Due 7/27/2021	500,000.00	07/27/2016 1.50%	500,000.00 500,000.00	97.30 2.63%	486,516.50 83.33	0.66% (13,483.50)	Aaa / AA+ AAA	2.49 2.42
3134G95L7	FHLMC Callable Note Qtrly 11/25/2016 1.6% Due 8/25/2021	1,000,000.00	08/25/2016 1.60%	1,000,000.00 1,000,000.00	97.74 2.52%	977,386.00 6,933.33	1.33% (22,614.00)	Aaa / AA+ AAA	2.57 2.48
3130A9F89	FHLB Callable Note Qtrly 12/30/2016 1.625% Due 9/30/2021	1,000,000.00	09/30/2016 1.63%	1,000,000.00 1,000,000.00	97.72 2.51%	977,243.00 5,461.81	1.33% (22,757.00)	Aaa / AA+ NR	2.67 2.57
3136G4GF4	FNMA Callable Note Qtrly 4/28/2017 1.55% Due 10/28/2021	1,000,000.00	10/31/2016 1.55%	1,000,000.00 1,000,000.00	96.98 2.70%	969,821.00 4,004.17	1.32% (30,179.00)	Aaa / AA+ AAA	2.74 2.65
3134GAYX6	FHLMC Callable Note Qtrly 5/26/2017 1.875% Due 11/26/2021	1,000,000.00	11/30/2016 1.88%	1,000,000.00 1,000,000.00	98.25 2.52%	982,514.00 3,385.42	1.34% (17,486.00)	Aaa / AA+ AAA	2.82 2.72
3133EJ3B3	FFCB Note 2.8% Due 12/17/2021	1,000,000.00	12/26/2018 2.70%	1,002,780.00 1,002,687.85	100.62 2.57%	1,006,216.00 3,422.22	1.37% 3,528.15	Aaa / AA+ AAA	2.88 2.74
313383WD9	FHLB Note 3.125% Due 9/9/2022	500,000.00	01/30/2019 2.68%	507,580.00 507,574.24	101.72 2.62%	508,599.50 6,163.19	0.70% 1,025.26	Aaa / AA+ AAA	3.61 3.36
3130AFE78	FHLB Note 3% Due 12/9/2022	1,000,000.00	01/25/2019 2.71%	1,010,700.00 1,010,669.67	101.53 2.58%	1,015,318.00 7,083.33	1.39% 4,648.33	Aaa / AA+ AAA	3.86 3.60
Total Agency		19,806,000.00	1.75%	19,812,141.17 19,822,415.61	2.53%	19,597,338.65 84,020.72	26.68% (225,076.96)	Aaa / AA+ AAA	1.88 1.70
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	16,520,281.67	Various 2.38%	16,520,281.67 16,520,281.67	1.00 2.38%	16,520,281.67 36,347.17	22.44% 0.00	NR / NR NR	0.00 0.00
Total LAIF		16,520,281.67	2.38%	16,520,281.67	2.38%	16,520,281.67 36,347.17	22.44% 0.00	NR / NR NR	0.00 0.00



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LOCAL GOV INVESTMENT POOL									
90SDCP\$00	County of San Diego Pooled Investment Pool	5,287,000.00	Various 2.36%	5,287,000.00 5,287,000.00	1.00 2.36%	5,287,000.00 0.00	7.17% 0.00	NR / NR AAA	0.00 0.00
Total Local Gov Investment Pool		5,287,000.00	2.36%	5,287,000.00	2.36%	5,287,000.00 0.00	7.17% 0.00	NR / NR AAA	0.00 0.00
MONEY MARKET FUND FI									
261908206	Dreyfus Treasury Money Market Fund	2,941,892.96	Various 2.04%	2,941,892.96 2,941,892.96	1.00 2.04%	2,941,892.96 0.00	3.99% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		2,941,892.96	2.04%	2,941,892.96	2.04%	2,941,892.96 0.00	3.99% 0.00	Aaa / AAA NR	0.00 0.00
NEGOTIABLE CD									
05580AGN8	BMW Corp Negotiable CD 1.35% Due 3/11/2019	245,000.00	03/10/2017 1.35%	245,000.00 245,000.00	99.91 2.20%	244,778.28 1,304.88	0.33% (221.72)	NR / NR NR	0.11 0.11
78012UEY7	Royal Bank of Canada Yankee CD 2.6% Due 4/8/2019	500,000.00	08/24/2018 2.55%	500,130.05 500,037.81	100.01 2.55%	500,037.81 7,438.89	0.69% 0.00	P-1 / A-1+ F-1+	0.18 0.18
966594AY9	Whitney Bank Negotiable CD 1.65% Due 4/22/2019	245,000.00	04/20/2017 1.65%	245,000.00 245,000.00	99.86 2.29%	244,654.06 1,151.84	0.33% (345.94)	NR / NR NR	0.22 0.22
29266NK97	Enerbank USA Negotiable CD 1.5% Due 5/15/2019	233,000.00	06/18/2015 1.58%	232,301.00 232,949.55	99.76 2.34%	232,444.06 162.78	0.32% (505.49)	NR / NR NR	0.28 0.28
89113XX33	Toronto Dominion NY Yankee CD 2.68% Due 5/24/2019	500,000.00	05/23/2018 2.68%	500,000.00 500,000.00	100.00 2.68%	500,000.00 9,417.22	0.69% 0.00	P-1 / A-1+ F-1+	0.31 0.31
06740KJJ7	Barclays Bank Delaware Negotiable CD 1.9% Due 9/16/2019	245,000.00	09/16/2015 1.90%	245,000.00 245,000.00	99.75 2.31%	244,380.40 1,759.97	0.33% (619.60)	NR / NR NR	0.62 0.61
49306SXX7	Key Bank Negotiable CD 1.7% Due 3/9/2020	245,000.00	03/08/2017 1.70%	245,000.00 245,000.00	99.05 2.57%	242,684.02 1,666.00	0.33% (2,315.98)	NR / NR NR	1.10 1.08
40434AZ44	HSBC Bank USA NA Callable Neg. CD S/A 7/8/2018 1.4% Due 7/8/2020	245,000.00	09/16/2016 1.45%	244,510.00 244,815.77	98.22 2.67%	240,630.18 225.53	0.33% (4,185.59)	NR / NR NR	1.44 1.41



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
NEGOTIABLE CD									
254672L89	Discover Bank Negotiable CD 1.5% Due 10/26/2020	245,000.00	10/26/2016 1.50%	245,000.00 245,000.00	97.57 2.94%	239,055.57 986.71	0.33% (5,944.43)	NR / NR NR	1.74 1.69
66476QBW7	Northern Nevada Bank Callable Neg CD Qtrly 6/29/18 1.85% Due 12/29/2020	245,000.00	06/29/2017 1.85%	245,000.00 245,000.00	98.34 2.74%	240,939.37 37.25	0.33% (4,060.63)	NR / NR NR	1.91 1.88
94986TXN2	Wells Fargo Callable NCD Qtrly 9/4/18 1.15% Due 3/4/2021	243,000.00	03/04/2016 1.15%	243,000.00 243,000.00	99.94 1.87%	242,845.94 1,148.42	0.33% (154.06)	NR / NR NR	2.09 0.09
20033AQU3	Comenity Capital Bank Negotiable CD 1.65% Due 6/30/2021	245,000.00	06/30/2016 1.65%	245,000.00 245,000.00	97.12 2.89%	237,937.63 22.15	0.32% (7,062.37)	NR / NR NR	2.41 2.36
48126XAH8	JP Morgan Chase Bank NA Callable Neg. CD Qtrly 8/16/17 1.65% Due 8/16/2021	245,000.00	08/16/2016 1.65%	245,000.00 245,000.00	96.58 3.05%	236,630.80 852.80	0.32% (8,369.20)	NR / NR NR	2.54 2.47
Total Negotiable CD		3,681,000.00	1.86%	3,679,941.05 3,680,803.13	2.55%	3,647,018.12 26,174.44	4.98% (33,785.01)	Aaa / AAA AAA	1.02 0.86
SUPRANATIONAL									
4581X0CD8	Inter-American Dev Bank Note 2.125% Due 11/9/2020	750,000.00	05/22/2018 2.81%	737,865.00 741,276.28	99.18 2.60%	743,820.75 3,630.21	1.01% 2,544.47	Aaa / AAA AAA	1.78 1.72
459058GH0	Intl. Bank Recon & Development Note 2.75% Due 7/23/2021	750,000.00	07/24/2018 2.86%	747,607.50 748,023.40	100.49 2.54%	753,704.25 458.33	1.02% 5,680.85	Aaa / AAA NR	2.48 2.38
Total Supranational		1,500,000.00	2.84%	1,485,472.50 1,489,299.68	2.57%	1,497,525.00 4,088.54	2.04% 8,225.32	Aaa / AAA AAA	2.13 2.05
US CORPORATE									
46625HHS2	JP Morgan Chase Note 4.4% Due 7/22/2020	250,000.00	01/25/2019 3.07%	254,790.00 254,763.39	102.03 2.99%	255,065.50 275.00	0.35% 302.11	A2 / A- AA-	1.47 1.42
40428HPV8	HSBC USA Inc Note 2.75% Due 8/7/2020	250,000.00	10/10/2018 3.26%	247,772.50 248,147.66	99.59 3.03%	248,985.75 3,322.92	0.34% 838.09	A2 / A AA-	1.52 1.45
00440EAT4	Chubb INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	500,000.00	09/27/2018 3.21%	490,920.00 492,381.83	99.16 2.79%	495,780.00 2,811.11	0.68% 3,398.17	A3 / A A	1.76 1.70
459200JF9	IBM Corp Note 2.25% Due 2/19/2021	500,000.00	06/26/2018 3.07%	489,640.00 491,975.55	98.52 3.00%	492,589.50 5,062.50	0.67% 613.95	A1 / A A	2.05 1.97



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
69371RN93	Paccar Financial Corp Note 2.8% Due 3/1/2021	300,000.00	07/23/2018 3.12%	297,585.00 298,070.54	99.46 3.07%	298,380.00 3,500.00	0.41% 309.46	A1 / A+ NR	2.08 1.98
06406FAA1	Bank of NY Mellon Corp Callable Note Cont 03/15/2021 2.5% Due 4/15/2021	500,000.00	08/24/2018 3.05%	493,125.00 494,248.18	99.18 2.88%	495,924.00 3,680.56	0.68% 1,675.82	A1 / A AA-	2.21 2.11
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	350,000.00	06/28/2018 3.08%	349,247.50 349,403.46	100.60 2.72%	352,107.35 2,333.33	0.48% 2,703.89	A2 / A+ NR	2.28 2.18
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	500,000.00	10/12/2018 3.30%	483,360.00 485,259.70	97.71 2.99%	488,556.50 1,950.00	0.66% 3,296.80	A1 / A AA-	2.30 2.22
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.25% Due 5/21/2021	320,000.00	Various 3.09%	321,372.10 321,052.46	100.72 2.91%	322,309.76 2,022.23	0.44% 1,257.30	A2 / A A	2.30 2.12
931142EJ8	Wal-Mart Stores Note 3.125% Due 6/23/2021	290,000.00	06/20/2018 3.13%	289,985.50 289,988.41	101.08 2.66%	293,125.04 956.60	0.40% 3,136.63	Aa2 / AA AA	2.39 2.29
02665WBG5	American Honda Finance Note 1.7% Due 9/9/2021	500,000.00	07/20/2018 3.19%	478,045.00 481,732.98	96.69 3.03%	483,430.00 3,352.78	0.66% 1,697.02	A2 / A+ NR	2.61 2.50
89233P5F9	Toyota Motor Credit Corp Note 3.4% Due 9/15/2021	500,000.00	05/31/2018 3.03%	505,785.00 504,617.39	101.37 2.85%	506,829.00 6,422.22	0.70% 2,211.61	Aa3 / AA- A+	2.62 2.47
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	500,000.00	Various 3.29%	489,627.50 491,197.51	99.39 2.87%	496,935.50 920.14	0.67% 5,737.99	A2 / A A	2.93 2.79
74005PBA1	Praxair Callable Note Cont 11/15/2021 2.45% Due 2/15/2022	300,000.00	06/27/2018 3.15%	292,848.00 294,017.54	99.31 2.69%	297,924.00 3,389.17	0.41% 3,906.46	A2 / A NR	3.04 2.88
037833CQ1	Apple Inc Callable Note Cont 4/11/22 2.3% Due 5/11/2022	500,000.00	10/30/2018 3.30%	483,395.00 484,581.99	98.64 2.74%	493,207.00 2,555.56	0.67% 8,625.01	Aa1 / AA+ NR	3.28 3.12
68389XBB0	Oracle Corp Callable Note Cont 3/15/2022 2.5% Due 5/15/2022	500,000.00	Various 3.28%	486,304.00 488,104.37	98.82 2.88%	494,090.50 2,638.89	0.67% 5,986.13	A1 / AA- A	3.29 3.12
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	500,000.00	12/11/2018 3.31%	495,015.00 495,214.56	101.02 2.67%	505,080.00 3,166.67	0.69% 9,865.44	Aa2 / AA A+	3.29 3.10
09247XAJ0	Blackrock Inc Note 3.375% Due 6/1/2022	500,000.00	11/28/2018 3.36%	500,215.00 500,204.41	101.54 2.89%	507,706.00 2,812.50	0.69% 7,501.59	Aa3 / AA- NR	3.33 3.12
Total US Corporate		7,560,000.00	3.19%	7,449,032.10 7,464,961.93	2.87%	7,528,025.40 51,172.18	10.27% 63,063.47	A1 / A+ A+	2.56 2.43



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US TREASURY									
912828WW6	US Treasury Note 1.625% Due 7/31/2019	600,000.00	08/29/2018 2.44%	595,593.75 597,632.46	99.59 2.46%	597,538.80 26.93	0.81% (93.66)	Aaa / AA+ AAA	0.50 0.49
9128283S7	US Treasury Note 2% Due 1/31/2020	750,000.00	08/24/2018 2.57%	744,082.03 745,873.29	99.46 2.55%	745,956.75 41.44	1.01% 83.46	Aaa / AA+ AAA	1.00 0.98
9128283Y4	US Treasury Note 2.25% Due 2/29/2020	750,000.00	06/25/2018 2.51%	746,835.94 747,971.49	99.69 2.55%	747,656.25 7,178.87	1.02% (315.24)	Aaa / AA+ AAA	1.08 1.05
912828X21	US Treasury Note 1.5% Due 4/15/2020	750,000.00	07/23/2018 2.62%	735,937.50 740,216.42	98.81 2.51%	741,064.50 3,368.82	1.01% 848.08	Aaa / AA+ AAA	1.21 1.18
9128284J6	US Treasury Note 2.375% Due 4/30/2020	750,000.00	11/29/2018 2.80%	745,605.47 746,140.97	99.82 2.52%	748,652.25 4,576.14	1.02% 2,511.28	Aaa / AA+ AAA	1.25 1.21
912828XH8	US Treasury Note 1.625% Due 6/30/2020	750,000.00	05/31/2018 2.43%	737,753.91 741,712.57	98.78 2.51%	740,829.75 1,077.35	1.01% (882.82)	Aaa / AA+ AAA	1.41 1.38
912828Y46	US Treasury Note 2.625% Due 7/31/2020	750,000.00	10/31/2018 2.87%	746,894.53 747,346.50	100.18 2.50%	751,318.50 54.39	1.02% 3,972.00	Aaa / AA+ AAA	1.50 1.46
912828VV9	US Treasury Note 2.125% Due 8/31/2020	750,000.00	08/28/2018 2.66%	742,236.33 743,888.63	99.42 2.50%	745,635.00 6,780.04	1.02% 1,746.37	Aaa / AA+ AAA	1.58 1.53
912828L65	US Treasury Note 1.375% Due 9/30/2020	750,000.00	06/27/2018 2.53%	731,044.92 736,053.66	98.18 2.50%	736,347.75 3,513.05	1.00% 294.09	Aaa / AA+ AAA	1.67 1.62
912828WC0	US Treasury Note 1.75% Due 10/31/2020	750,000.00	07/20/2018 2.64%	735,292.97 738,708.68	98.73 2.50%	740,449.50 3,371.89	1.01% 1,740.82	Aaa / AA+ AAA	1.75 1.70
912828A42	US Treasury Note 2% Due 11/30/2020	750,000.00	11/28/2018 2.85%	737,695.31 738,771.13	99.13 2.49%	743,437.50 2,596.15	1.01% 4,666.37	Aaa / AA+ AAA	1.83 1.78
912828N89	US Treasury Note 1.375% Due 1/31/2021	750,000.00	10/30/2018 2.86%	725,859.38 728,587.30	97.87 2.47%	734,004.00 28.49	0.99% 5,416.70	Aaa / AA+ AAA	2.00 1.96
912828U81	US Treasury Note 2% Due 12/31/2021	750,000.00	11/08/2018 3.05%	726,650.39 728,358.90	98.81 2.43%	741,064.50 1,325.97	1.01% 12,705.60	Aaa / AA+ AAA	2.92 2.81
912828W55	US Treasury Note 1.875% Due 2/28/2022	1,000,000.00	01/30/2019 2.56%	979,921.88 979,939.74	98.33 2.44%	983,320.00 7,976.52	1.34% 3,380.26	Aaa / AA+ AAA	3.08 2.94
912828W89	US Treasury Note 1.875% Due 3/31/2022	750,000.00	09/27/2018 2.92%	724,013.67 726,571.70	98.33 2.43%	737,460.75 4,790.52	1.01% 10,889.05	Aaa / AA+ AAA	3.16 3.03
912828XR6	US Treasury Note 1.75% Due 5/31/2022	750,000.00	09/24/2018 2.93%	719,208.98 722,164.37	97.82 2.44%	733,623.00 2,271.63	1.00% 11,458.63	Aaa / AA+ AAA	3.33 3.20



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828XW5	US Treasury Note 1.75% Due 6/30/2022	350,000.00	09/07/2018 2.80%	336,792.97 338,162.17	97.78 2.43%	342,234.20 541.44	0.46% 4,072.03	Aaa / AA+ AAA	3.41 3.28
9128282P4	US Treasury Note 1.875% Due 7/31/2022	1,000,000.00	12/28/2018 2.53%	977,617.19 978,164.78	98.13 2.44%	981,289.00 51.80	1.33% 3,124.22	Aaa / AA+ AAA	3.50 3.36
912828L24	US Treasury Note 1.875% Due 8/31/2022	750,000.00	09/20/2018 2.94%	720,439.45 723,169.70	98.08 2.44%	735,585.75 5,982.39	1.01% 12,416.05	Aaa / AA+ AAA	3.58 3.41
Total US Treasury		14,200,000.00	2.70%	13,909,476.57 13,949,434.46	2.48%	14,027,467.75 55,553.83	19.09% 78,033.29	Aaa / AA+ AAA	2.11 2.04
TOTAL PORTFOLIO		73,993,174.63	2.34%	73,553,727.76 73,626,079.71	2.50%	73,521,950.24 259,368.70	100.00% (104,129.47)	Aa1 / AA+ AAA	1.36 1.21
TOTAL MARKET VALUE PLUS ACCRUED						73,781,318.94			

**VALLECITOS WATER DISTRICT
SUMMARY OF LEGAL FEES**

Matter Description	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
General Counsel Services	\$ 3,223	\$ 14,057	\$ 6,416	\$ 7,639	\$ 8,896	\$ 7,886
Fees and Taxes	182		1,040		78	988
Labor/Employment	609		493	3,770	6,409	852
Engineering - Construction/Contracting	2,059	1,274	1,947	1,404	260	858
VWD v. Brian Thomas Boyd	658	1,730	3,375	494	2,718	130
Annual Public Policy & Ethics Program	4,600					
Total	\$ 11,331	\$ 17,061	\$ 13,271	\$ 13,308	\$ 18,361	\$ 10,714

DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: APPROVAL OF TEMPORARY OFF-SITE WATER SERVICE AGREEMENT APN 219-221-35 (ARNE RISY)

BACKGROUND:

Arne Risy, owner of the subject property, has requested approval of a Temporary Off-Site Water Service Agreement to provide water service to an existing residential duplex.

DISCUSSION:

Mr. Risy, owner of Assessor Parcel Numbers (APN) 219-221-21 (commercial) and 219-221-35 (residential duplex), approached the Vallecitos Water District (VWD or District) inquiring about a boundary adjustment. During the plan check process, it was discovered that a single water meter was feeding both the commercial and residential properties. District policy states that only one water meter may serve a single APN. In order to resolve the issue, the customer was required to process a Temporary Off-Site Water Agreement for APN 219-221-35 and install an additional meter for APN 219-221-21.

The subject properties are located within the District's water service boundary. The off-site residential property is located at 349 & 351 South Rancho Santa Fe Road (219-221-35) and is behind the commercial property located at 337 & 339 South Rancho Santa Fe Road (219-221-21). A VWD 8-inch ACP water main is located in South Rancho Santa Fe Road.

District standards require the extension of facilities along the frontage of properties requiring service. APN 219-221-35 is currently not located adjacent to any existing VWD facilities. In this case, the extension of the water main into APN 219-221-35 would only serve a single parcel. There would be no benefit to the District for extension of these facilities.

The property owner will be responsible to hire a private contractor for the service lines and meter installation. Mr. Risy will be responsible to show proof of a recorded private easement that allows for water pipelines to be installed to service the off-site property. The property owner will be required to pay District capital facility fees for the additional water meter that will be installed to serve APN 219-221-21.

Per District Ordinance No. 118, a "Temporary Off-Site Service Agreement" is defined as service to those properties that do not abut, traverse, or lie adjacent to existing pipelines, but future pipeline extensions to serve and benefit the property may occur.

It is not likely that future pipeline extensions would be constructed. If a pipeline extension is ever constructed which can serve this property, the Agreement requires the owners to relocate the water meter to the new main at that time.

FISCAL IMPACT:

None. Future water revenues will offset costs of service.

RECOMMENDATION:

Approve a Temporary Off-Site Water Service Agreement with the following conditions:

1. Execution of a Temporary Off-Site Water Agreement to be recorded on 219-221-35.
2. Payment of \$500 Administration fee and associated County of San Diego recording fees.
3. Provide off-site agreement exhibit to be recorded by Vallecitos Water District and any associated costs for review.
4. Submittal of proof of a recorded easement across adjacent property for private water service lines.

ATTACHMENTS:

2 Map Exhibits (1 Plat and 1 Aerial)

APPROVAL OF TEMPORARY OFF-SITE WATER SERVICE AGREEMENT APN 219-221-35 (ARNE RISY)

ALVIN DUNN
ELEMENTARY

RANCHO SANTA FE RD

PAWNEE ST

COMMODORE DR

PROPOSED PRIVATE
UTILTY EASEMENT

LA MIRADA DR

APN 219-221-21

APN 219-221-35

LA ROSA DR



APPROVAL OF TEMPORARY OFF-SITE WATER SERVICE AGREEMENT APN 219-221-35 (ARNE RISY)

ALVIN DUNN
ELEMENTARY

RANCHO SANTA FERD

PAWNEE ST

COMMODORE DR

PROPOSED PRIVATE
UTILILITY EASEMENT

LA MIRADA DR

APN 219-221-21

APN 219-221-35

LA ROSA DR

DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR
SKYLINE TOWNHOMES APN 221-661-23
(WESTERN PACIFIC HOUSING, INC.)

BACKGROUND:

Western Pacific Housing, Inc., owner of the project, has completed the installation of water and sewer facilities for their residential subdivision located north of San Marcos Blvd between Business Park Drive and Acacia Drive.

DISCUSSION:

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

The project constructed approximately 462 feet of 12-inch diameter water main and 873 feet of 8-inch diameter sewer main, and upsized 30 feet of existing 8-inch diameter water main along San Marcos Blvd with new 10-inch water main to meet fire flow requirements.

Upon final acceptance of the project, water and sewer service will be available to 189 multi-family residential units and a 103-room Hotel site.

The owner has provided the District with the required security to guarantee repairs due to failure of materials or workmanship for a period of one year. All current fees and charges have been paid to date.

Along with the water and sewer mains, assorted appurtenances were installed such as water meters, fire hydrants, gate valves, sewer laterals and manholes.

The owner has paid all water and wastewater capacity fees for their project. These include \$923,669.36 in water capital facility fees and \$1,633,335.00 in wastewater capital facility fees for the residential subdivision and \$205,441.00 in water capital facility fees and \$316,768.00 in wastewater capital facility fees for the hotel.

FISCAL IMPACT:

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

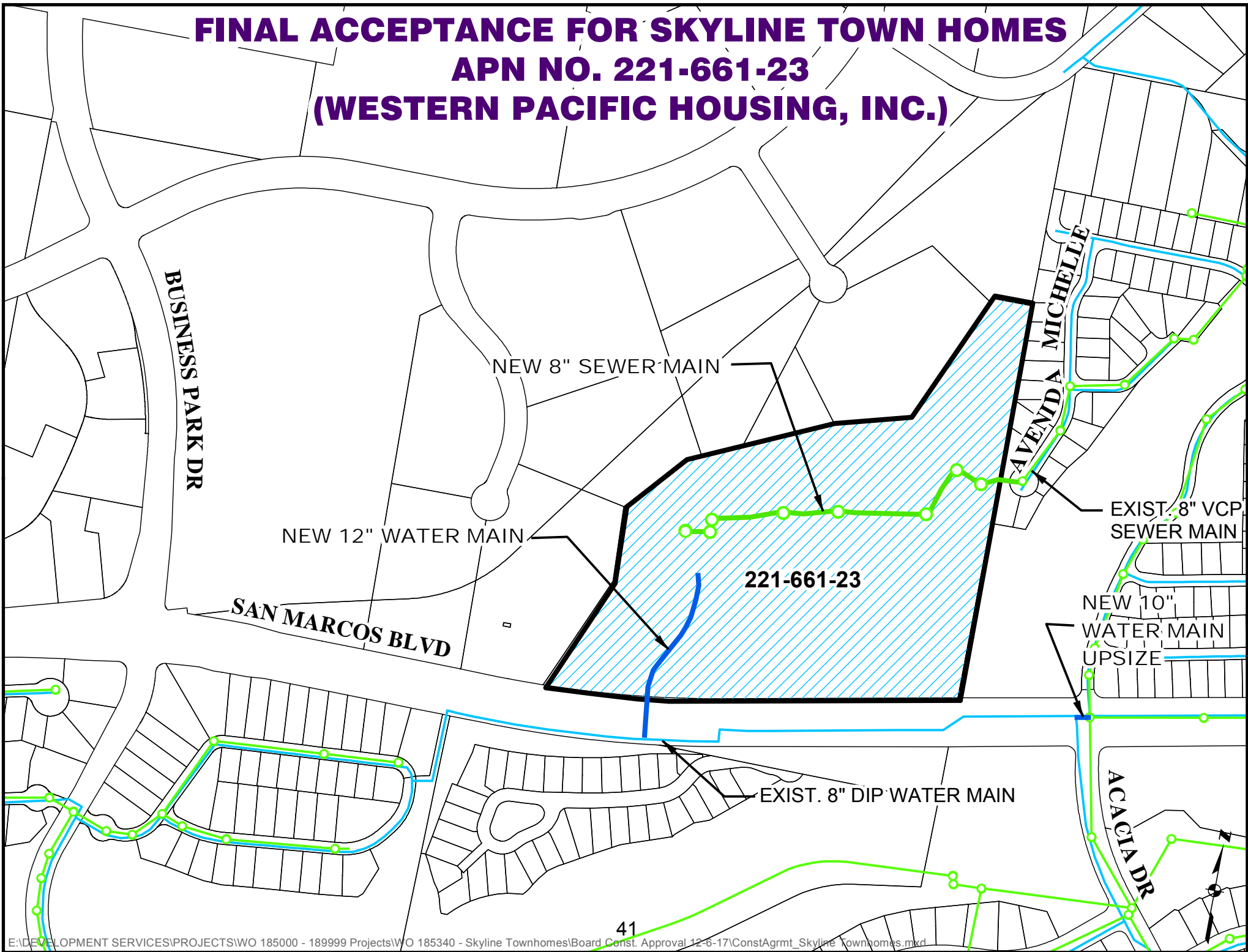
RECOMMENDATION:

Accept the project improvements and approve the filing of a Notice of Completion for Skyline Town Homes.

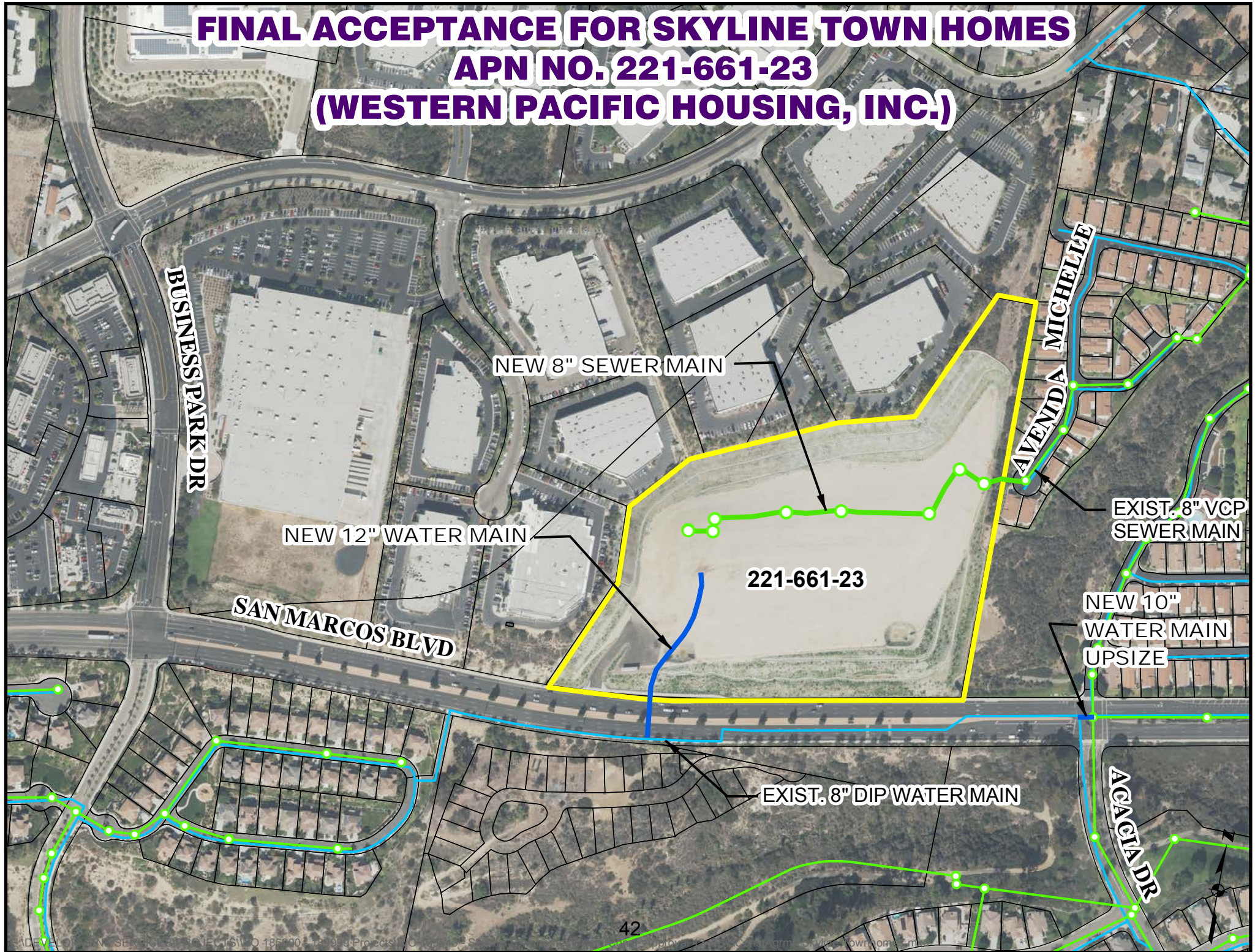
ATTACHMENTS:

2 Map Exhibits – 1 Plat Map & 1 Aerial

FINAL ACCEPTANCE FOR SKYLINE TOWN HOMES
APN NO. 221-661-23
(WESTERN PACIFIC HOUSING, INC.)



FINAL ACCEPTANCE FOR SKYLINE TOWN HOMES
APN NO. 221-661-23
(WESTERN PACIFIC HOUSING, INC.)



Vallecitos is Using Trenchless Technology

Vallecitos finds innovative technologies to ensure pipelines are designed, built, and operated to be safe, reliable, and sustainable to achieve pipe integrity. This means ensuring a pipeline and all its related components are running properly. Pipe integrity can be lost due to a combination of many factors such as missing pieces, cracks, pinholes, offsets at joints, and root intrusion.

There are many methods, technologies and practices to ensure pipeline integrity. Recently, Vallecitos' Engineering Department utilized a Cured-In-Place-Pipe (CIPP) Liner and Spiral Wound Liner to maintain District pipes.

The CIPP Liners are epoxy saturated felt tubes which are inserted into the existing pipe, then cured and hardened by steam. There are no joints or seams. Spiral Wound Liners use an above ground winding machine to feed interlocking PVC profile into an old pipe. Both methods result in a new "pipe within a pipe."

Instead of digging the pipeline up to replace it, the sewer line is rehabilitated from inside the pipe. This trenchless technology method increases the efficiency and the service life of

the pipe without having to replace it; eliminating paving, reducing traffic interruptions, as well as saving the District, and in turn the rate payers, money.

This technology is very effective in hard to reach areas, such as easements. In addition, for projects in the streets, the trenchless method reduces disruptions and impacts to businesses and neighborhoods.

As a result of using this technology, the District recently rehabilitated 1,595 feet of sewer pipe and is scheduled to rehabilitate another 2,300 feet next year. Sections of critical infrastructure were rehabilitated at an affordable price due to the CIPP and Spiral Wound Liner options.

Overall, the project was a success. No sewer laterals were cut and work was done without a sewer bypass. Further, the project was \$37,000 under budget. The lining part of the operation took less than three hours. This is the first time Vallecitos has used Spiral Wound technology.

Environmental Laboratory Accreditation Program Certification for Vallecitos' Water and Wastewater Labs

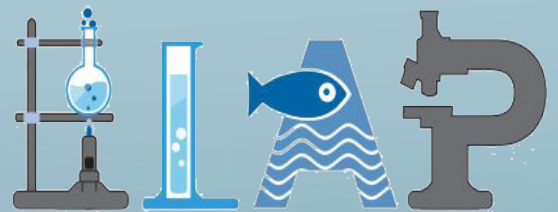
The Vallecitos Water District's Water Laboratory is now accredited with the State Water Board's Division of Drinking Water. This allows the District to operate its own water laboratory which will save the District thousands of dollars each year.

Results will be processed faster, because the samples won't need to be transported to a different location and wait in queue until they are processed.



The Meadowlark Reclamation Facility (MRF) Lab also received Environmental Laboratory Accreditation Program (ELAP) Certification. The MRF lab is certified in: coliform (using a membrane filtration procedure); chlorine residual; turbidity; and pH. In the next year, the MRF's lab will try for biochemical oxygen demand (BOD) and total suspended solids (TSS) certification

Congratulations to both labs in saving ratepayer money.



Environmental Laboratory Accreditation Program
State Resources Control Board

Vallecitos to Host WaterSmart Landscape Classes

Vallecitos will be hosting an upcoming WaterSmart Landscape Makeover Series at the District's offices located at 201 Vallecitos de Oro in San Marcos. This is an educational program that will empower residents to upgrade their high-water-use turf area into a WaterSmart landscape.

This is done through four classes with lectures, hands-on lab work, demonstrations, homework assignments and one-on-one coaching by local landscape and irrigation professionals, all at no cost to residents. For program parameters and to apply, please visit: <https://landscapemakeover.watersmartsd.org/>.

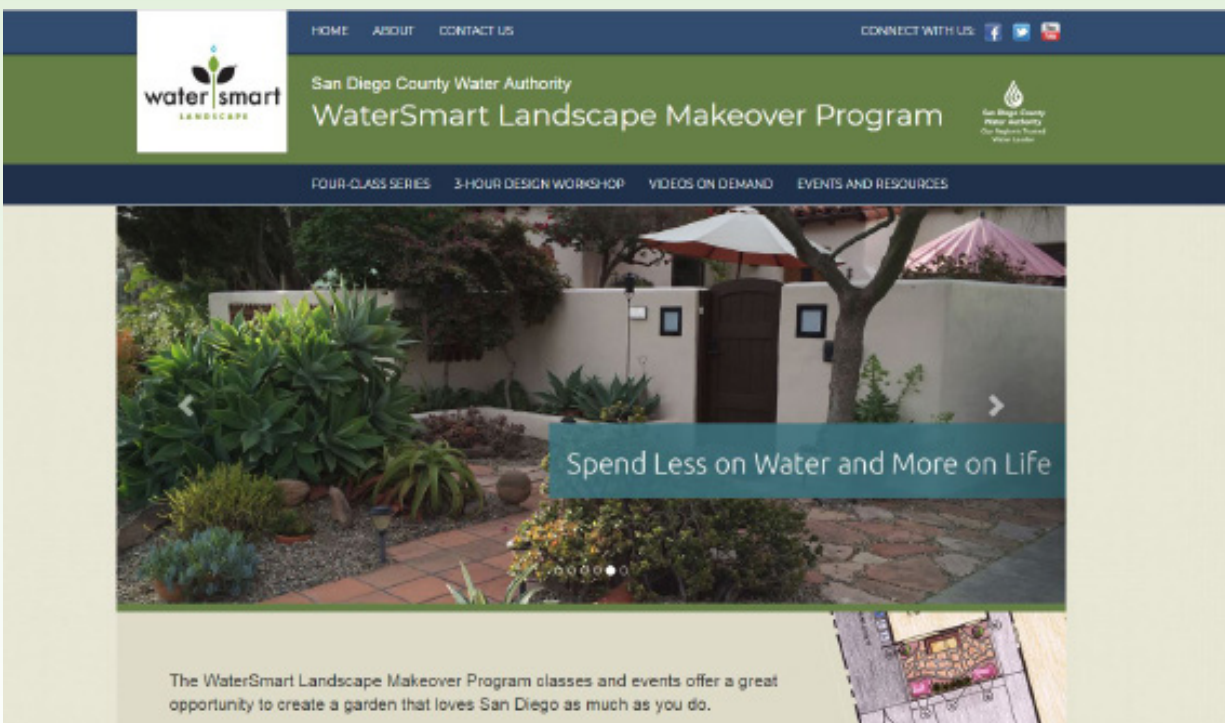
Applications are currently being accepted for the Spring session that begins on Monday, April 29, 2019. The class schedule is as follows:

Monday, April 29 from 5:30 p.m. until 8:30 p.m.

Monday, May 6 from 5:30 p.m. until 8:30 p.m.

Monday, May 13 from 5:30 p.m. until 8:30 p.m.

Monday, May 20 from 5:30 p.m. until 8:30 p.m.





201 Vallecitos de Oro
San Marcos, CA 92069
(760) 744-0460
www.vwd.org

Board of Directors

Division 1: Betty Evans
Division 2: Jim Hernandez
Division 3: Craig Elitharp
Division 4: Mike Sannella
Division 5: Hal Martin

Management Staff

Glenn Prum, General Manager
Rhondi Emmanuel, Administrative Services Manager
Ed Pedrazzi, Operations and Maintenance Manager
James Gumpel, District Engineer
Wes Owen, Finance Manager



Between the Pipes is a publication of information and interest to Vallecitos water and sewer customers. If you receive water or sewer services from another district, please disregard any information that does not apply to you.

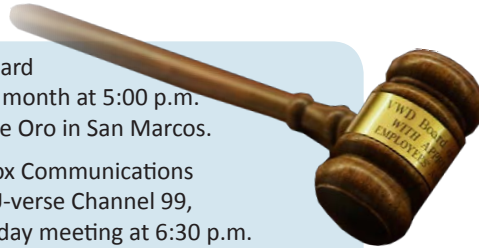
Postal Customer

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San Diego, CA
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ECRWSS

The public is welcome to attend the Vallecitos Board Meetings the first and third Wednesday of each month at 5:00 p.m. in the Administration building—201 Vallecitos de Oro in San Marcos.

Meetings are also aired on San Marcos TV on Cox Communications Channel 19, Time Warner Channel 24 or AT&T U-verse Channel 99, which air on the Monday following the Wednesday meeting at 6:30 p.m. Visit www.san-marcos.net/smtv for programming schedule.



“Like us” on Facebook or follow us on Twitter @vallecitoswater

Vallecitos Open House Tour set for Saturday, June 22, 2019, from 8:30 a.m. to 12:30 p.m.

Our water and wastewater specialists offer customers a first-hand look at what it takes to operate the District and provide reliable, exceptional and sustainable water and wastewater services to the more than 100,000 residents in our service area.

Open House is scheduled for June 22, 2019, from 8:30 a.m. to 12:30 p.m. and begins at the District’s Administrative Offices located at 201 Vallecitos de Oro, in San Marcos. Lunch will be provided. Register online at www.vwd.org/openhouse or contact Alicia Yerman at (760) 752-7123.



DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: MRF BIOLOGICAL SELECTOR IMPROVEMENT PROJECT

BACKGROUND:

The Meadowlark Water Reclamation Facility (MRF) treats primary sewer effluent through its secondary process of a roughing filter, aeration basins, and secondary clarifiers. Secondary effluent from this process is then either discharged to Encina Wastewater Authority (EWA) through the failsafe pipeline to EWA's ocean outfall or is further treated at MRF into recycled water and pumped to Mahr Reservoir. Currently the existing membrane panels in the aeration basin, which are no longer manufactured, are failing and need replacement. These panels were installed in 2011, replacing the panels from the 2007 MRF upgrades.

Concurrently, the District has been studying ways to improve efficiency in the secondary process with use of an anaerobic selector zone. An anaerobic selector zone allows greater nutrient removal from the secondary effluent which will improve treatment efficiency at MRF. This project will tackle both issues by making modifications to the aeration basin, including replacing the failing membrane panels with ceramic disc diffusers and adding geo-membrane baffling, a new compressed air mixing system, and process control probes to create and monitor the new anaerobic selector zone.

DISCUSSION:

Trussell Technologies Inc. (Trussell) was selected from the District's As-Needed Engineering Services Agreement list to complete a planning study in fiscal year 2017/2018. The study recommended the benefits of improving the aeration basin operation and capacity. The study identified the addition of an anaerobic selector zone to the existing aeration basin would improve overall treatment and improve plant efficiency. An anaerobic selector, using proper mixing, baffling, and oxygen transfers, will improve removal of soluble particles in the effluent, discouraging the growth of filaments and providing phosphorus removal, with less chemical additions. Anaerobic selectors are also associated with a reduction in energy costs associated with aeration.

Building off the planning study, Trussell was selected to propose to the District a final design bid package of plans, specifications, and construction cost estimate (PS&E) for the panel replacements and the anaerobic selector zone. If an agreement with the District's recycled water customers can be reached on reimbursement costs for the anaerobic selector zone, the District will construct the full design by Trussell, otherwise only the panel replacement portion will be executed. The panel replacement portion is necessary to replace the failing membrane panels with new ceramic disc diffusers for secondary treatment.

District staff reviewed the scope and fee proposal from Trussell. District staff will use the PS&E to solicit bids to construct the proposed improvements contingent on an agreement with recycled water customers.

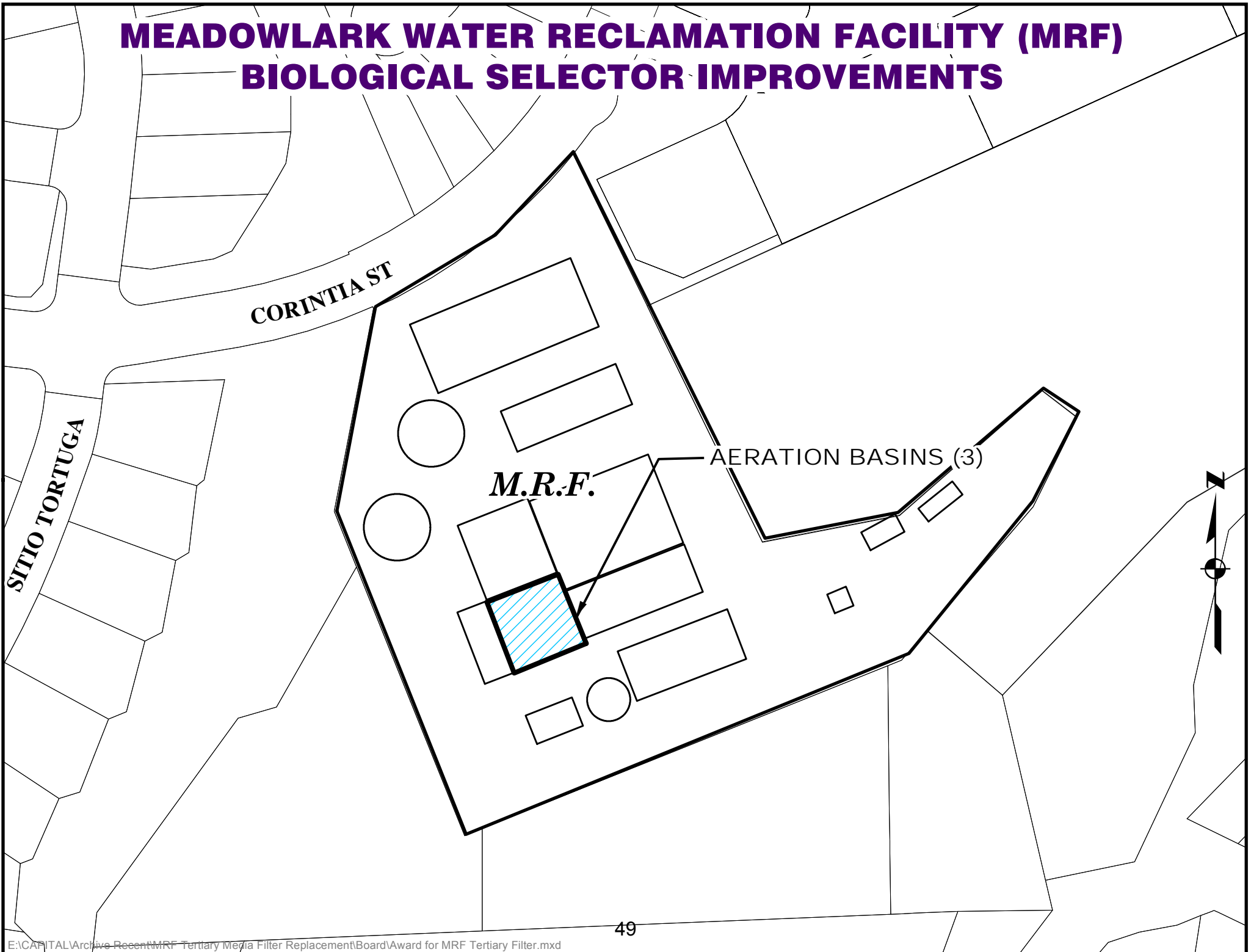
FISCAL IMPACT:

The approved 2018/2019 Capital Budget amount for this project is \$1,666,000. Currently \$50,000 has been spent to date, including the planning study and staff time. Trussell's scope and fee is \$110,537.

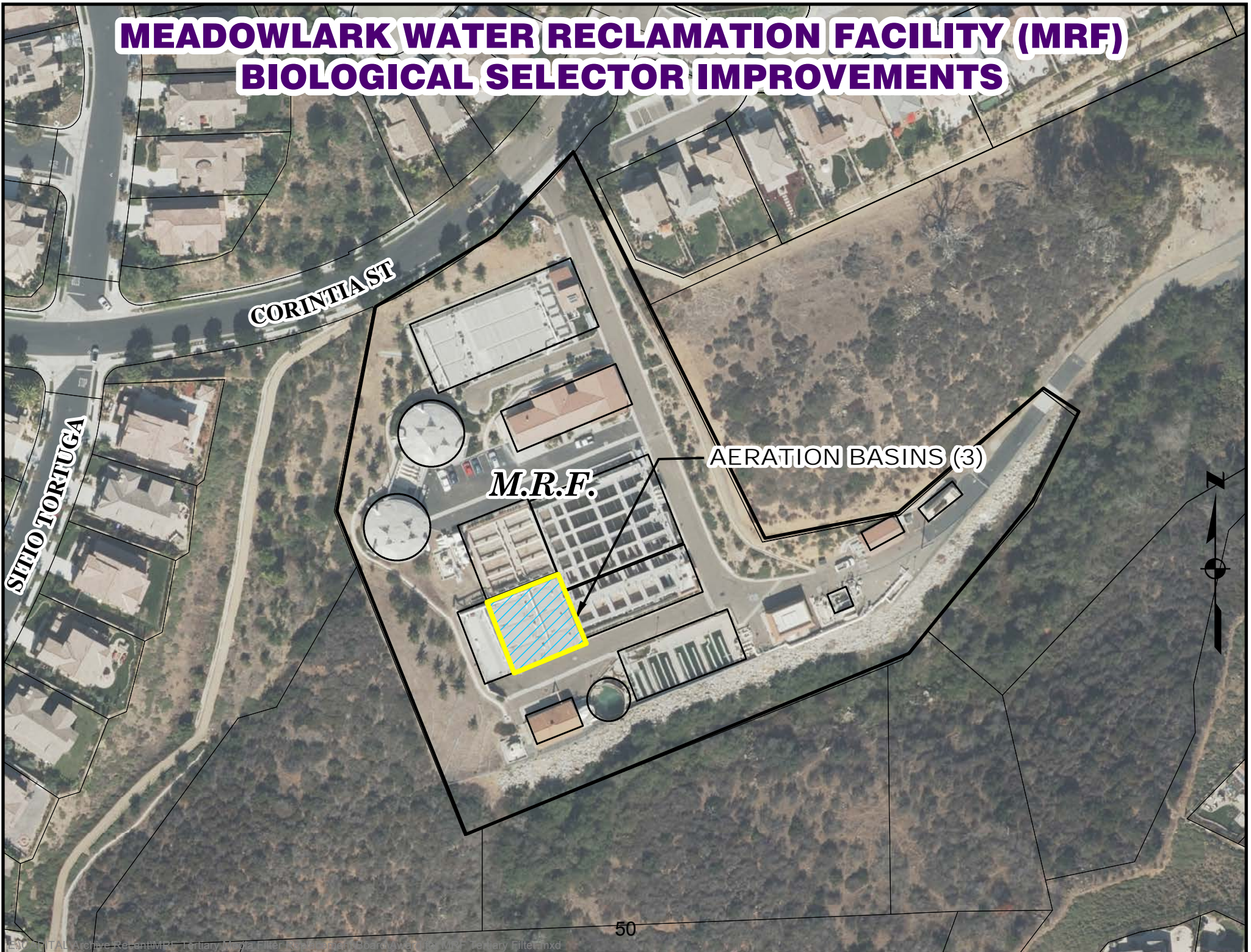
RECOMMENDATION:

Approve Purchase Order for Trussell Technologies Inc. in the amount of \$110,537 for the final PS&E design for the MRF Biological Selector Improvement Project.

MEADOWLARK WATER RECLAMATION FACILITY (MRF) BIOLOGICAL SELECTOR IMPROVEMENTS



MEADOWLARK WATER RECLAMATION FACILITY (MRF) BIOLOGICAL SELECTOR IMPROVEMENTS



DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: ORDINANCE ESTABLISHING THE GENERAL PROVISIONS FOR CONDUCTING THE BUSINESS OF THE BOARD AND REPEALING ORDINANCE NO. 203

BACKGROUND:

At the October 3, 2018 Board meeting, the Board voted 4 – 1 to become a member of the Chamber of Commerce with the caveat that any per diem requests need to be presented to the full Board for consideration.

DISCUSSION:

Ordinance 203, Section 2.1, maintains the list for authorized District memberships. Due to the approval of membership to the Chamber of Commerce, Ordinance 203 needs to be amended to include the Chamber of Commerce on the authorized membership list.

RECOMMENDATION:

Approve amendment to Ordinance 203.

ORDINANCE NO.

**ORDINANCE OF THE VALLECITOS WATER DISTRICT
ESTABLISHING THE GENERAL PROVISIONS FOR
CONDUCTING THE BUSINESS OF THE BOARD AND
REPEALING ORDINANCE NO. 203**

BE IT ORDAINED by the Board of Directors of the VALLECITOS Water District as follows:

SECTION 1: BOARD OF DIRECTORS

Section 1.1: Regular Meetings - Time and Place

Regular Meetings of the Board of Directors of the Vallecitos Water District shall be held with notice on the first and third Wednesday of each month, at the hour of 5:00 p.m. at the location of the principal place of business of the District, namely, 201 Vallecitos de Oro, San Marcos, California. Notification, including the location, shall be made in accordance with the Ralph M. Brown Act (California Government Code §54950 through §54926), as amended. Closed Sessions will be scheduled before the start of the meeting.

Section 1.2: Adjourned Meetings

A majority vote by the Board of Directors may terminate and adjourn a Board meeting at any place in the agenda to any time and place specified in the order of adjournment, except that if no Directors are present at any regular or adjourned regular meeting, the General Manager may declare the meeting adjourned to a stated time and place, and he/she shall cause written notice of adjournment in accordance with the Ralph M. Brown Act, as amended.

Section 1.3: Special Meetings

A. Special non-emergency Board meetings may be called by the Board President or a majority of the Board. Written notification shall be made and posted at least 24 hours in accordance with the Ralph M. Brown Act, as amended.

B. Special emergency Board Meetings may be held with notice in the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities. An emergency situation means a crippling disaster which impairs public health, safety, or both, as determined by the General Manager, Board President or Vice President in the President's absence.

Section 1.4: Rules for Conducting Meetings

Except as otherwise provided by law, or ordinance adopted by the Board, "Roberts Rules of Order, Revised," are hereby adopted as the rules of practice and procedure governing the conduct of the business and procedure before the Board. The Board President shall preside at all meetings and shall have a vote on all matters before the Board. In the absence of the President, the Vice President shall preside, and in the absence of both, the presiding officer shall be elected by a majority vote of the members of the Board.

Section 1.5: Agenda

The General Manager, in cooperation with the Board President, shall prepare an agenda for each regular, adjourned, and special meeting. Any Director may request any item to be placed on the agenda.

Section 1.6: Minutes of Meetings

A. The minutes of the Meetings of the Board shall be recorded and kept by the Secretary in a book maintained for that purpose for each calendar year. Unless otherwise expressly directed by the Board at the time of adoption, all ordinances and resolutions adopted by the Board may be referred to in the minutes of the meetings of the Board by number and title, but the same shall be recorded in full in separate books kept for that purpose for each calendar year.

B. The Board President or other person who may preside at the meeting, or the Secretary, shall authenticate the minutes, ordinances and resolutions after these have been transcribed into the appropriate books, and when so authenticated, these shall constitute the official minutes, ordinances and resolutions of the Board.

C. The Minute Book, the Ordinance Book and the Resolution Book shall be kept at the office of the Secretary at the principal place of business of the District.

Section 1.7: District Seal

The seal, an impression of which is herewith affixed to this document, bearing the words "Vallecitos Water District, Organized March 24, 1955," is adopted as the official seal of this District.

Section 1.8: Standing Advisory Committees

A. The District shall have the following standing advisory committees, each of whose function is to advise the Board of Directors and General Manager with respect to the subjects under its jurisdiction: Engineering/Equipment, Finance/Investment, Public Awareness/Personnel/Policy, and Legal/Legislative Affairs. Other standing committees may be established by the Board President. The precise and/or additional duties and responsibilities of each standing committee shall be as specified by the President from time to time. Each standing committee shall have two (2) members appointed by the President from the members of the Board; however, in no event shall the same two (2) members be permitted to serve together on more than one (1) standing committee without the unanimous approval of the Board. The President shall appoint a committee chairman from the two (2) members of the Board serving on each committee; however, no member shall be permitted to chair more than one (1) standing committee without the unanimous approval of the Board.

B. Ad Hoc advisory committees for special purposes not falling within the assigned function of an existing standing committee may be created and appointments made thereto from the members of the Board, not to exceed two (2) such members on any one ad hoc committee, from time to time by the President. Ad hoc committees may include members of the public and said appointment shall be made by the Board.

C. All committee members shall serve at the pleasure of the Board President. The General Manager shall be an ex-officio non-voting member of each committee. Each committee shall meet at such times, places, and frequency as may be directed by its chairman, by the President, or by the Board in accordance with the Ralph M. Brown Act, as amended. Each committee shall cause to be prepared and filed promptly with the Board current minutes of all of its meetings.

Section 1.9: Board Reorganization

A. Following a District election, on the first Tuesday after the first Monday in November in each even numbered year, the Board shall reorganize at the first meeting after the election is certified by the Registrar of Voters and appoint or reappoint its officers pursuant to the County Water District Act in conformance with the Uniform District Election Law, Elections Code, §23500 et. seq.

B. In addition to the minimum reorganization requirement, Board policy determines that the Board will reorganize annually to provide that each elected Director will have the opportunity to hold the office of President once during their first term. The President serves at the pleasure of the Board.

C. Each elected Director, who desires, shall have an opportunity to hold a position on the Encina Wastewater Authority and San Diego County Water Authority Boards at least once during their four-year term.

Section 1.10: Adoption of Ordinances and Resolutions

Except as otherwise provided by law, ordinances and resolutions of the District shall be adopted, amended, and repealed (in whole or in part) by the Board only in the following manner:

A. Ordinances shall be adopted by the Board, and may be amended or repealed (in whole or in part) only by an ordinance adopted by the Board. The Board may adopt the ordinance (in whole or in part) as originally proposed or as modified by the Board.

B. Formal resolutions, that is, resolutions which are numbered and titled documents separate from the minutes of the meetings of the Board and required to be kept in the Resolution Book shall be adopted by the Board, and may be amended or repealed (in whole or in part) only by a formal resolution or an ordinance adopted by the Board, only at a duly held meeting of the Board. The number and title of formal resolutions may but are not required to be, set forth in the agenda for the meeting.

C. At the time of presentation to the Board of the proposed ordinance or the proposed formal resolution, as the case may be, the reading in full thereof shall be deemed waived unless otherwise requested by any member of the Board. Ordinances and formal resolutions adopted by the Board shall contain the signed approval and attestation of the then Presiding Officer and Secretary, respectively, of the District.

D. Minute resolutions, as distinguished from formal resolutions, shall be adopted by the Board, and may be amended or repealed (in whole or in part) only by a minute resolution or a formal resolution or an ordinance adopted by the Board, only at a duly held meeting of the Board.

SECTION 2: DISTRICT MEMBERSHIPS, PER DIEM COMPENSATION, REIMBURSEMENTS, ETHICS TRAINING AND ELIGIBILITY FOR EMPLOYEE BENEFITS

Section 2.1: Authorized District Memberships

The Board has determined it to be in the best interests of the District, and its constituents, to maintain memberships in affiliated national, state, and local organizations which have applicability to the functions of the District. The District shall hold membership in the following organizations:

American Water Works Association (AWWA)
 Association of California Water Agencies (ACWA)
 California Association of Sanitation Agencies (CASA)
 California Special Districts Association (CSDA)
 California Water Environment Association
 Council of Water Utilities
 North County Water Group
 San Diego North Economic Development Council (SDNEDC)
 *San Marcos Chamber of Commerce
 Southern California Alliance of Publicly Owned Treatment Works (SCAP)
 Urban Water Institute
 Water Education Foundation (WEF)
 Water Environment Federation
 WaterReuse

In addition to the above listed organizations, the Board may remove existing memberships or approve additional memberships and authorize attendance at meetings, events, or conferences by motion from time to time. The General Manager may approve District membership of, and employee participation in, professional, technical, and business related associations and organizations.

Section 2.2: Per Diem Compensation

Each Director shall receive compensation of \$200 per diem for attending meetings of the Board or for each day's service as a member of the Board, not to exceed compensation for one meeting in any 24-hour period or ten meetings per month. The Board may consider an annual increase in the per diem equivalent to the San Diego Consumer Price Index (CPI-U), up to a maximum of 5 percent, following the operative date of the last adjustment. Public notice shall be provided annually in accordance with Water Code Section 20203 if an increase is to be considered. Any increase adopted by this Section shall become effective 60 days from the date of approval. Compensable meetings which are pre-designated and considered occasions that constitute performance of official duties include the following:

* San Marcos Chamber of Commerce events are not eligible for per diem reimbursement unless approved by the Board

A. Regular, Adjourned, and Special meetings of the Board, including pre-meetings with the Board Chair.

B. Committee Meetings, limited to the two Directors serving on the committee, other meetings, such as District sponsored special functions, open houses, and community out-reach functions, including pre-meetings with the appropriate representative(s).

C. Meetings of other public agencies of which the District is a member or sub-member agency such as the Encina Wastewater Authority, San Diego County Water Authority, the Metropolitan Water District of Southern California, and Local Agency Formation Commission (LAFCO), including pre-meetings with the appropriate representative(s).

D. Conferences, meetings, and other functions in which the District is a member of as listed in Section 2.1 above, and which have a significant and meaningful link to the purposes, policies, and interests of the District.

E. Meetings which provide educational training including ethics training in accordance with Government Code Section 53232.1.

F. Other meetings or conferences which the Board approves as an agenda item at a regular meeting that serves a benefit to the District and constitute the performance of official duties.

Any amounts paid as a per diem compensation by other organizations shall be deducted from the \$200 District per diem.

Board members shall report on meetings or conferences attended at a regularly scheduled Board meeting after the event, which may include a written report that can be distributed to all Board members electronically.

Section 2.3: Reimbursement of Expenses and Reporting

Each Director shall be entitled to payment and/or reimbursement for actual and necessary expenses incurred in the performance of official duties including expenses incurred relating to travel, meals, lodging, and other actual and necessary expenses incurred for attendance at meetings and conferences of organizations listed in Section 2.1 or approved in accordance with Section 2.2F. Lodging expenses may not exceed the maximum group rate published by the conference or activity sponsor. Requests for Reimbursement must be submitted on a District approved Expense Form and shall include receipts documenting each expense in accordance with District Resolution 1365.

Director expenses and per diems shall be reported on a cumulative quarterly basis, (attaching a summary of per diems and expenses from District appointed positions to other agencies).

Section 2.4: Ethics training

In accordance with Government Code Section 53234, Board members and any designated employees shall have at least (2) hours of ethics training every two (2) years. Certificates of completion of ethics training shall be maintained for at least five (5) years.

Section 2.5: Eligibility for Employee Benefits

Members of the Board shall be eligible for all benefits, allowable by law, the same as full time, regular employees.

ALL OTHER ORDINANCES OR AMENDMENTS IN CONFLICT HEREWITH ARE HEREBY REPEALED.

This Ordinance shall become effective upon adoption, and a summary shall be published one time in a newspaper of general circulation within the District.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held this 20th day of February, 2019, by the following roll call vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Hal J. Martin, President
 Board of Directors
 Vallecitos Water District

ATTEST:

Glenn Pruum, Secretary
 Board of Directors
 Vallecitos Water District

DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: RESOLUTION CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

DISCUSSION:

Vista Irrigation District (VID) is requesting Vallecitos Water District concur in the nomination of Paul E. Dorey to the Executive Committee of the ACWA/JPIA. Mr. Dorey has served as VID's representative to the JPIA Board of Directors for 12 years as well as the JPIA Liability Subcommittee for 9 years.

In order for a nomination to be made, a resolution in support of the nomination is required from three agencies.

RECOMMENDATION:

Request Board direction.



1391 Engineer Street • Vista, California 92081-8840
Phone (760) 597-3100 • Fax: (760) 598-8757
www.vidwater.org

Board of Directors

Jo MacKenzie, *President*
Paul E. Dorey
Marty Miller
Patrick H. Sanchez
Richard L. Vásquez

Administrative Staff

Brett L. Hodgkiss
General Manager
Lisa R. Soto
Board Secretary
David B. Cosgrove
General Counsel

February 7, 2019

ACWA/JPIA Member Agencies

Re: Nomination of Paul E. Dorey to the ACWA/JPIA Executive Committee

Dear General Manager:

The Vista Irrigation District (VID) has nominated Board member Paul E. Dorey to serve on the ACWA/JPIA Executive Committee. Elections will take place at the JPIA Board of Directors meeting on May 8, 2017 at the Spring ACWA Conference in Monterey, California.

Paul has served as VID's representative to the JPIA Board of Directors for 12 years, and he has been a member of the JPIA Liability Subcommittee for 9 years. We hope your organization will concur with this nomination.

As a member of ACWA/JPIA, Vista Irrigation District requests that your Board submit a resolution of support *concurring* with the nomination of Paul Dorey to serve on the ACWA/JPIA Executive Committee, and vote for him at the election. As you can see from the attached background information regarding Paul Dorey, he is well qualified for this position. All concurring nominations must reach the JPIA office to the attention of Sylvia Robinson at P.O. Box 619082, Roseville, CA 95661-9082 by 4:30 p.m. on Friday, March 22, 2019. If you have any questions, please feel free to contact me.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Brett Hodgkiss".

Brett Hodgkiss
General Manager

Attachments:

- Statement of candidacy for Paul E. Dorey
- Vista Irrigation District nominating resolution
- Sample concurring resolution

Paul E. Dorey

Statement of Candidacy



I have served on the ACWA/JPIA Board of Directors since 2007. During the last nine years, I have had the privilege of serving on the Liability Committee of the JPIA. The Liability Committee has successfully kept its focus on providing member agencies with the most comprehensive, affordable and reliable liability insurance possible. Our Committee has recommended significant reductions in the premiums paid by member agencies while also increasing the insurance coverages provided.

I was elected to the Vista Irrigation District Board of Directors in 2006. The District provides water service to over 135,000 residents in northern San Diego County. I served on the Board of Directors of the Groundwater Resources Association of California, and I currently serve on the San Luis Rey Watershed Council and the Southern California Water Coalition. My wife Nancy and I have lived in Vista since 1971, where we raised our two daughters.

My forty-six years of public service, first in the United States Marine Corps and then in the water industry, have given me the necessary experience and background to serve as a member of the JPIA Executive Committee. This experience has helped me recognize the importance of safety and risk management and the value of developing appropriate policies and procedures, as well as establishing conservative fiscal controls.

As a member of the JPIA's Executive Committee, I will perform my duties and make decisions to guide the organization to most efficiently benefit its member agencies. I will take my responsibility seriously and serve as a very useful and productive member of the Executive Committee. I value your trust and will honor it if elected to the Executive Committee.

Thank you for your support. If you have any questions about my candidacy, feel free to contact me at (760) 208-5263 or Paul.Dorey@vidwater.org.

RESOLUTION NO. 19-08

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VISTA IRRIGATION DISTRICT
NOMINATING PAUL E. DOREY TO THE EXECUTIVE COMMITTEE
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY (“ACWA/JPIA”)

WHEREAS, Vista Irrigation District is a member district of the ACWA/JPIA that participates in all four of its Programs: Liability, Property, Workers’ Compensation, and Employee Benefits; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA’s Executive Committee, the member district must place into nomination its member of the ACWA/JPIA Board of Directors for such open position;

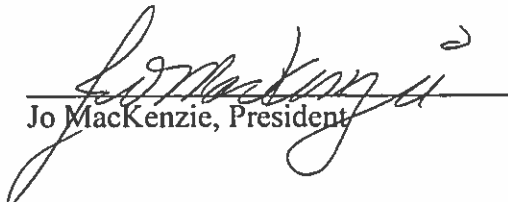
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vista Irrigation District that its member of the ACWA/JPIA Board of Directors, Paul E. Dorey, be nominated as a candidate for the Executive Committee for the election to be held on May 6, 2019.

BE IT FURTHER RESOLVED that the ACWA/JPIA staff is hereby requested, upon receipt of the formal concurrence of three other member districts, to effect such nomination.


BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors for the Vista Irrigation District this 6th day of February 2019.

AYES: Directors Miller, Vásquez, Dorey, Sanchez, and MacKenzie
NOS: None
ABSTAIN: None
ABSENT: None


Jo MacKenzie, President

ATTEST:



Lisa R. Soto, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY (“ACWA/JPIA”)**

WHEREAS, this District is a member District of the ACWA/JPIA; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA’s Executive Committee, three member Districts must concur with the nominating District; and

WHEREAS, another ACWA/JPIA member District, the Vista Irrigation District, has requested that this District concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of the ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vallecitos Water District that this District concur with the nomination of Paul E. Dorey of the Vista Irrigation District to the Executive Committee of the ACWA/JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this Resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, California 95661-9082.

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 20th day of February, 2019, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Hal J. Martin, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Prum, Secretary
Board of Directors
Vallecitos Water District

DATE: FEBRUARY 20, 2019
TO: BOARD OF DIRECTORS
SUBJECT: SAN MARCOS BOYS & GIRLS CLUB ANNUAL AUCTION

BACKGROUND:

The Board has previously approved District sponsorship by way of purchasing a table or individual tickets for the Boys and Girls Club Annual Auction.

DISCUSSION:

The San Marcos Boys & Girls Club will be holding its annual auction on Saturday, April 27, 2019. Additional information is attached.

FISCAL IMPACT:


Individual ticket is \$150 and table sponsorship is \$1,500.

RECOMMENDATION:

Presented for Board discussion.



**BOYS & GIRLS CLUB
OF SAN MARCOS**



**40th
ANNUAL
AUCTION**

Saturday, April 27, 2019

Boys & Girls Club of San Marcos

1 Positive Place | San Marcos, CA 92069

*Kicking off the 40th year of building Great Futures at the
Boys & Girls Club of San Marcos!*

Formal invitation to follow. Sponsorship opportunities are available at various levels.

LEARN MORE