

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, APRIL 17, 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 APRIL 17, 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.

INTRODUCTION

Human Resources Analyst Bridget Anderson will introduce new employee, **Timothy Sheppard**, Purchasing/Warehouse Assistant.

PRESENTATION

Chris Robbins, Public Information/Conservation Supervisor, will present a video on “How to Read Your Water Meter.”

CONSENT CALENDAR

1.1 APPROVAL OF MINUTES (pp. 6-21)

- A. BOARD TRAINING WORKSHOP MEETING – MARCH 13, 2019
- B. BOARD WORKSHOP MEETING – MARCH 13, 2019
- C. CLOSED SESSION BOARD MEETING – MARCH 13, 2019
- D. FINANCE/INVESTMENT COMMITTEE MEETING – MARCH 14, 2019
- E. REGULAR BOARD MEETING – MARCH 20, 2019
- F. CLOSED SESSION BOARD MEETING – MARCH 27, 2019

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH APRIL 17, 2019 – \$3,468,175.02 (pp. 22-27)

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS (pp. 28-50)

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

1.4 OPERATIONS & MAINTENANCE METRICS QUARTERLY REPORT – MARCH 31, 2019 (pp. 51-58)

1.5 ADOPTION OF RESOLUTION ORDERING THE ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS THE “MENCHACA ANNEXATION” (APN 228-130-31) INTO THE VALLECITOS WATER DISTRICT AND SEWER IMPROVEMENT DISTRICT (pp. 59-63)

The Menchaca property consists of approximately 1.59 acres located along St. Paul Drive north of Montiel Road and east of Nordahl Road.

Recommendation: Adopt Resolution

1.6 REQUEST FOR ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS “ORCHARD HILLS ANNEXATION” (APN 218-220-10 & 17) INTO THE VALLECITOS WATER DISTRICT FOR WATER AND SEWER SERVICE (WARMINGTON RESIDENTIAL CALIFORNIA INC.) (pp. 64-67)

The property is a proposed residential development located on the northeast side of Richland Road, between Tuscany Avenue and Tres Rancheros Lane within the City of San Marcos.

Recommendation: Approve Annexation with Conditions

- 1.7 REQUEST FOR ANNEXATION OF CERTAIN PROPERTIES DESIGNATED AS "SUNRISE ORIX" (APN 228-312-09 & 228-312-10) INTO THE VALLECITOS WATER DISTRICT AND APN 228-312-10 INTO THE VWD SEWER IMPROVEMENT DISTRICT (SUNRISE GARDENS PROJECT OWNER, LLC.) (pp. 68-71)

The property is located south of Barham Drive and west of Meyers Avenue.

Recommendation: 1) Approve Annexation of APNs 228-312-09 and 228-312-10 into VWD's Water Service Boundary; and 2) Approve Annexation of APN 228-312-10 into VWD's Sewer Service Area with Conditions

- 1.8 POSITION RECLASSIFICATION OF MECHANIC ASSISTANT TO MECHANIC (pp. 72)

Over time the duties of the Mechanic Assistant have changed due to the needs of the District.

Recommendation: Approve Position Reclassification

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

ACTION ITEMS

- 2.1 CONSTRUCTION CONTRACT AWARD OF SCHOOLHOUSE TANK REFURBISHMENT (pp. 73-76)

The existing interior lining has deteriorated and requires refurbishment.

Recommendation: 1) Increase project budget by \$192,000; and 2) Authorize General Manager to execute construction contract with West Coast Industrial Linings

- 2.2 REQUEST FOR APPROVAL OF A PURCHASE ORDER TO INFRASTRUCTURE ENGINEERING COMPANY FOR PIPE ASSESSMENT SERVICES AT HIGH POINT SUBDIVISION (pp. 77-79)

A pipe assessment is required to determine the condition of the existing ductile iron water main.

Recommendation: Approve Purchase Order

2.3 AD HOC COMMITTEE RECOMMENDATION RELATED TO THE DISTRICT'S HILLSIDE PROPERTY (pp. 80-83)

The Ad Hoc Committee was established to oversee the development of the District-owned property adjacent to the Administrative Facilities.

Recommendation: **1) Authorize the General Manager to enter into a Professional Services Agreement to facilitate development of hillside property; and 2) Authorize the appropriation of funds to cover initial development costs**

2.4 ELECTION TO FILL FOUR EXECUTIVE COMMITTEE MEMBER POSITIONS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA) (pp. 84-91)

There are four Executive Committee member positions to be filled, two are currently vacant.

Recommendation: **Request Board Direction**

2.5 ELECTION TO FILL TWO POSITIONS ON THE NEWLY FORMED CALIFORNIA WATER INSURANCE FUND BOARD (pp. 92-95)

Calleguas Municipal Water District is requesting Vallecitos Water District vote for Scott Quady for election to the newly founded California Water Insurance Fund Board of Directors.

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 (pp. 96)

WEF Headwaters Tour

June 27-28, 2019 – Begins and ends in Sacramento, CA

*****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, April 12, 2019.

Diane Posvar

MINUTES OF A TRAINING WORKSHOP MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 13, 2019, AT 3:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Training Workshop Meeting to order at the hour of 3:06 p.m.

Director Hernandez led the pledge of allegiance.

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

Staff Present: General Manager Pruum
Information Technology Supervisor Labarrere
Executive Secretary Posvar
Administrative Secretary Johnson

Others Present: Chuck Bowers, Audio Associates

ADOPT AGENDA FOR THE TRAINING WORKSHOP MEETING OF MARCH 13, 2019

19-03-08 MOTION WAS MADE by Director Hernandez, seconded by Director Evans, and carried unanimously, to adopt the agenda for the Training Workshop Meeting of March 13, 2019.

PUBLIC COMMENT

None.

ITEMS FOR DISCUSSION

BOARD OF DIRECTORS TRAINING ON NEW BOARD ROOM EQUIPMENT

General Manager Pruum stated the purpose of the workshop was to provide training for the Board on the new audiovisual equipment that has been installed in the Board Room.

Chuck Bowers of Audio Associates demonstrated new functions of the audiovisual equipment including taking attendance and voting as well as the Request to Speak (RTS) function. The RTS function allows the Board President to call on Board members to speak and turn their microphones on and off. During the demonstration it was determined that the voting system needs further minor programming adjustments.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Training Workshop Meeting of the Board of Directors at the hour of 3:31 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, March 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 Pruiam, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A WORKSHOP MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 13, 2019, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Workshop Meeting to order at the hour of 4:00 p.m.

Legal Counsel Norvell led the pledge of allegiance.

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

Staff Present: General Manager Pruim
Legal Counsel Norvell
District Engineer Gumpel
Development Services Senior Engineer Scholl
Executive Secretary Posvar

Others Present: Scott Lynch, Black & Veatch
Michael Page, Recon Environmental

ADOPT AGENDA FOR THE WORKSHOP MEETING OF MARCH 13, 2019

19-03-09 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, to adopt the agenda for the Workshop Meeting of March 13, 2019.

PUBLIC COMMENT

Mike Hunsaker, member of the public and President of the Twin Oaks Valley Property Owners Association, addressed the Board stating that at a recent Finance Committee meeting it was mentioned that the District has not been receiving desalinated water for several months because of a pipeline issue and is still being charged for desal water. He checked with the San Diego County Water Authority and was told it's been over a year and that the issue concerns grouting in over 90 feet of piping. Mr. Hunsaker asked why the District is spending that sort of money on water that it's not receiving, how long has the District not been receiving desal water, how long have customers been getting inferior water at inflated prices, and what is causing the delay in reconnection of the water? He thanked the Board.

ITEMS FOR DISCUSSION

2018 MASTER PLAN AND PROGRAM ENVIRONMENTAL IMPACT REPORT

Development Services Senior Engineer Scholl clarified that the Master Plan document and draft Program Environmental Impact Report (PEIR) were completed in 2018; therefore, the document is titled as the 2018 Master Plan and PEIR. He facilitated a presentation with assistance from Scott Lynch of Black & Veatch and Michael Page of Recon Environmental which included the following:

- Previous Board Meetings
- Objectives
- Master Plan Purpose & Goals
- Land Use
- Duty Factors
- Water Duty Factor Comparison with Past Master Plans
- Sewer Duty Factor Comparison with Past Master Plans
- Water and Wastewater Demand Projections
- 2018 Master Plan CIP Phasing
- Historical Water Demands & Future Demand Projections
- Historical Wastewater Flows & Future Flow Projections
- Design Criteria – Water
- Water System Peaking Curves
- Design Criteria – Wastewater
- Wastewater System Peaking Curves
- Water and Wastewater Models
- Model Illustration
- Creating a Capital Improvement Program
- 2018 Master Plan Water and Wastewater CIP
- 2018 Master Plan Water CIP
 - Reservoirs
 - Pump Stations
 - Pipelines
 - Southern Area
 - Central Area
 - Northern Area
- 2018 Master Plan Wastewater CIP
 - Southern Area
 - North & Central Areas
- 2018 Master Plan Land Outfall CIP
- 2018 Master Plan Wastewater CIP
 - Land Outfall
 - Treatment
- Projected CIP Cost Estimates

- CIP Cost Estimate Comparison
- CIP Costs per Phase
- CEQA/PEIR Purpose
- PEIR Effects to be Analyzed
- Notice of Preparation
- Draft PEIR Public Review
- Finalizing PEIR and Master Plan

Question and answer took place during the presentation.

Development Services Senior Engineer Scholl, while discussing comment letters received from Latham & Watkins and Mike Hunsaker, clarified that the 2018 Master Plan does not include the Newland Sierra project because it was not an approved land use as of the June 30, 2014 cut-off date for the 2018 Master Plan.

Development Services Senior Engineer Scholl discussed the next steps for finalizing the PEIR and Master Plan which include composing responses to all draft PEIR comment letters received during the public review. The Mitigation Monitoring and Reporting Program has been completed and is to be approved by the Board as part of the Final PEIR. The Board will hold a hearing to receive public comments, will certify the Final PEIR, and approve the 2018 Water, Wastewater, and Recycled Water Master Plan.

General discussion took place regarding public outreach to clarify the questions of interested parties who submitted comment letters. Development Services Senior Engineer Scholl stated he will be attending a meeting of the county-endorsed Twin Oaks Valley Sponsor Group (TOVSG) next week where he plans to provide a presentation on the Master Plan and how the District's Development Services Department manages development. At that meeting he will ascertain the TOVSG's interest in receiving a broader presentation from the District's public outreach staff.

Diego Flores of Latham & Watkins and representing the Golden Door, addressed the Board stating that he had no comments and would be attending the next meeting. He thanked staff for their responses to Latham & Watkins' questions.

Mike Hunsaker, member of the public, addressed the Board and expressed his concerns that the District will not receive all the water it has been promised; 1.4 million acre feet of water will now belong to the Indian tribes; the Bureau of Reclamation is planning on giving the tribes up to 2.9 million acre feet; there will be changes to contingency plans for shortages and one will be called for in January 2020; and SANDAG's growth projections are not accurate in his opinion. He welcomes the opportunity to discuss these concerns with the sponsor group.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Workshop Meeting of the Board of Directors at the hour of 5:12 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, March 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 Pruijm, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A CLOSED SESSION MEETING
OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 13, 2019, AT 5:20 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 5:20 p.m.

Director Hernandez led the pledge of allegiance.

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

Staff Present: General Manager Pruim
Legal Counsel Norvell
Executive Secretary Posvar

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF MARCH 13, 2019

19-03-10 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to adopt the agenda for the Closed Session Meeting of March 13, 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

19-03-11 MOTION WAS MADE by Director Evans, seconded by Director Elitharp, and carried unanimously, to move into Closed Session pursuant to Government Code Section 54957.6.

REPORT AFTER CLOSED SESSION

The Closed Session ended at 5:46 p.m. There was no reportable action.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Closed Session Meeting of the Board of Directors at the hour of 5:47 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, March 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 MEETING OF THE
FINANCE/INVESTMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
THURSDAY, MARCH 14, 2019 AT 4:00 P.M.
AT THE DISTRICT OFFICE, 201 VALLECITOS DE ORO,
SAN MARCOS, CALIFORNIA

Director Sannella called the meeting to order at the hour of 4:00 p.m.

Present: Director Martin
 Director Sannella
 General Manager Pruim
 Finance Manager Owen
 Operations & Maintenance Manager Pedrazzi
 Accounting Supervisor Glenn
 Financial Analyst Arthur
 Administrative Secretary Johnson

ITEM(S) FOR DISCUSSION

REVIEW OPERATING BUDGET REQUESTS

Finance Manager Owen presented the preliminary operating budget, reviewing information regarding the water and sewer operations budget and materials which included a summary of operating expenses by department, detail by department, and further line-item requests for materials and services by department. The presentation included the following:

- Budget Calendar
- Draft Operating Budget – Water
- Pumping
- Water Quality
- Transmission & Distribution
- Meters
- Draft Operating Budget – Sewer
- Collection/Conveyance
- Meadowlark Plant
- Next Steps – Budget Calendar

Finance Manager Owen reviewed the water operations budget-to-budget comparison. Budget requests for FY 2019-20 total \$426,000 more than FY 2018-19, an increase of 3.65%. The major reasons for the increase are water pumping, water quality, water treatment, transmission and distribution, and meters. Budget requests for the FY 2019-20 wastewater operations budget increased \$405,000 from FY 2018-19, an increase of 3.1%, mainly due to collections and conveyance and the Meadowlark plant. Operations & Maintenance Manager Pedrazzi provided more detailed information on the increases.

Upcoming Committee meetings are tentatively scheduled as follows:

- April 15 – Review salary and benefits as well as capital budget requests.
- April 29 – Preliminary review of water purchases and sales, draft operating budget, update on the Cost of Service Study Request for Proposal, and any Board requests.
- May 13 – Review of draft proposed budget and any Board requested items.

Finance Manager Owen anticipates a Board workshop meeting on May 29 for the first review of the proposed budget and approval of the recommended budget at the June 5 Regular Board meeting.

ACWA/JPIA REFUND CHECK

General Manager Pruim asked for the Committee's recommendation as to what should be done with the \$165,806 ACWA/JPIA refund that Andy Sells presented to the Board at the March 6, 2019 Board meeting.

Director Martin recommended putting the entire refund toward the CalPERS pension liability. Director Sannella concurred with Director Martin and suggested using a small portion of the refund to fund a celebration for the employees for their efforts in the District receiving the refund.

General discussion took place.

The Committee recommended placing this topic on a future Board agenda for further discussion.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 4:56 p.m.

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 20, 2019, AT 5:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Regular meeting to order at the hour of 5:00 p.m.

Director Sannella led the pledge of allegiance.

Present: Director Elitharp
Director Hernandez
Director Sannella
Director Martin

Absent: Director Evans

Staff Present: General Manager Pruum
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Public Information/Conservation Supervisor Robbins
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 20, 2019

19-03-12 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, with Director Evans absent, to adopt the agenda for the Regular Board Meeting of March 20, 2019.

PUBLIC COMMENT

None.

INTRODUCTION

Operations & Maintenance Manager Ed Pedrazzi introduced new employee Justin Shutt, Construction Worker I.

PRESENTATION

Public Information/Conservation Supervisor Robbins presented a video, "The Work that We Do: Pump Replacement." The video is one in a series of videos created by the District which will be shown on San Marcos TV, the Internet, and social media. President Martin suggested staff create a video on water testing.

CONSENT CALENDAR

19-03-13 MOTION WAS MADE by Director Hernandez, seconded by Director Elitharp, and carried unanimously, with Director Evans absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – March 6, 2019
- B. Regular Board Meeting – March 6, 2019

1.2 Warrant List through March 20, 2019 - \$1,493,718.21

1.3 Financial Reports

- A. Water Meter Count – February 28, 2019
- B. Water Production/Sales Report – 2018/2019
- C. Per Capita Water Consumption – February 28, 2019
- D. Water Revenue and Expense Report – February 28, 2019
- E. Sewer Revenue and Expense Report – February 28, 2019
- F. Reserve Funds Activity – February 28, 2019
- G. Investment Report – February 28, 2019
- H. Legal Fees Summary – February 28, 2019

ACTION ITEMS

None.

REPORTS

GENERAL MANAGER

General Manager Pruim reported that seven western states have agreed on a drought conservation plan for the Colorado River. The plan has been submitted to the Bureau of Reclamation. It is an important step on the way to precluding a shortage declaration on the Colorado River.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated there has been no movement on Assembly Constitutional Amendment 3, which is a proposed constitutional amendment that would set aside 2% of the general fund for water projects.

Legal Counsel Gilpin commented on a book, *Thirst for Independence: The San Diego Water Story*, which is about the history of water in San Diego.

SAN DIEGO COUNTY WATER AUTHORITY

None.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated the Capital Improvement Committee met this morning during which the Committee reviewed the status of capital improvement projects, water reuse stakeholders, the purchase and implementation of security software, and the Hertzberg bill (SB 332) as it pertains to EWA's decision to move forward with a recycled water project at the South Parcel.

General Manager Pruum stated SB 332 proposes zero liquid discharge in the future. This will affect wastewater agencies as well as water districts affiliated with wastewater agencies. He further stated he submitted a letter opposing SB 332.

General discussion took place.

President Martin reported on his attendance to the Policy and Finance Committee meeting at which the Committee approved items discussed at the workshop.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Hernandez, Sannella and Martin reported on their attendance to the WaterReuse Annual Conference March 17 – 19.

Director Sannella reported on his attendance to the Urban Water Institute Conference February 27 – March 1.

Director Elitharp reported on his attendance to the Council of Water Utilities meeting on March 19.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

President Martin requested an item be placed on future Closed Session Board meeting agendas regarding the status of the funds the San Diego County Water Authority owes the District.

Director Hernandez requested an update on the North San Diego Water Reuse Coalition at a future Board meeting.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 5:27 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 3, 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 Pruijm, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A CLOSED SESSION MEETING
OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 27, 2019, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

Vice President Evans called the Closed Session meeting to order at the hour of 4:00 p.m.

Director Hernandez led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Hernandez
Director Sannella
Director Martin (4:05 p.m.)

Staff Present: General Manager Pruum
Legal Counsel Gilpin
Executive Secretary Posvar

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF MARCH 27, 2019

19-03-14 MOTION WAS MADE by Director Sannella, seconded by Director Elitharp, and carried unanimously, to adopt the agenda for the Closed Session Meeting of March 27, 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

19-03-15 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to move into Closed Session pursuant to Government Code Section 54957.6.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at 5:17 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 5:18 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, April 17, 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 Pruim, Secretary
Board of Directors
Vallecitos Water District

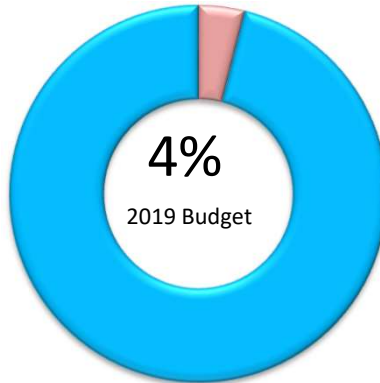
**VALLECITOS WATER DISTRICT
DISBURSEMENTS SUMMARY
March 31, 2019**

Summary

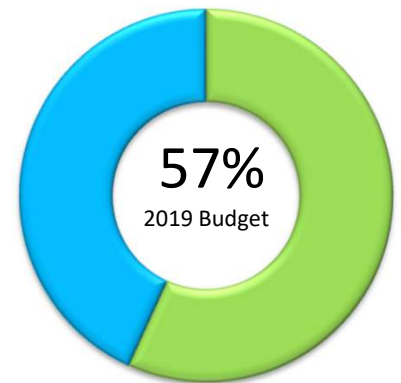
March Disbursements	\$	2,967,237	*
YTD Disbursements	\$	42,535,518	*
FY2019 Budget	\$	74,880,200	

* Excludes Debt Service

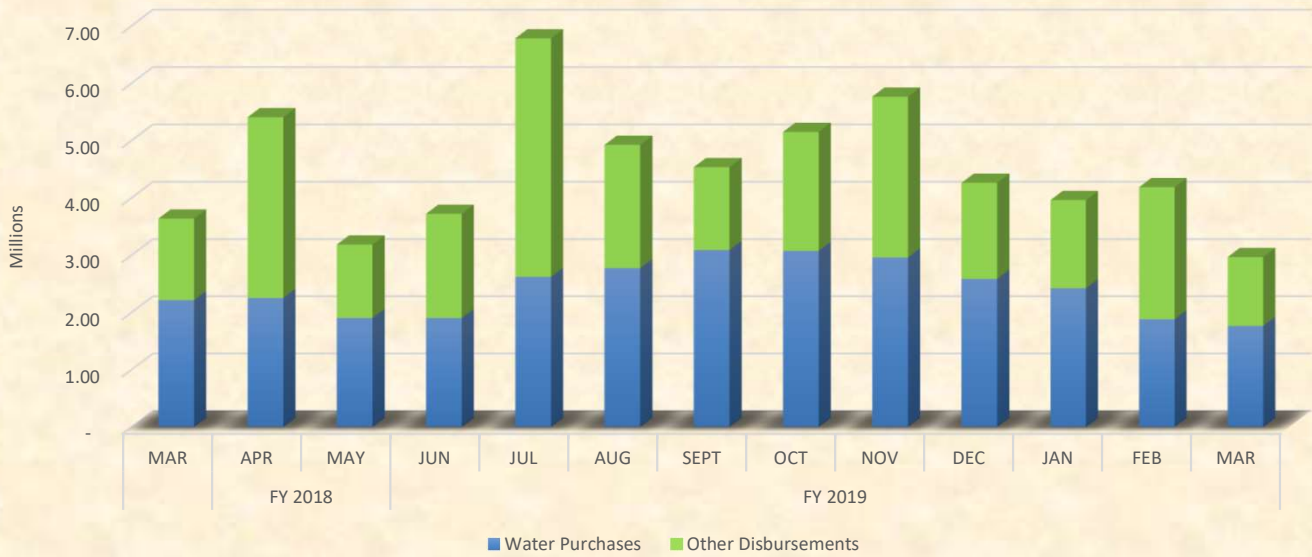
March



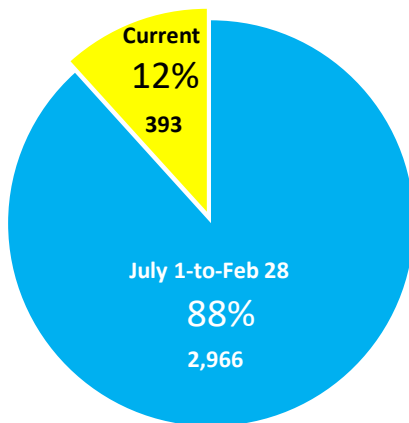
FYTD



Disbursements by Month



Invoices Processed



Top 10 Vendors - FYTD

SAN DIEGO COUNTY WATER AUTH.	\$23.5M
ENCINA WASTEWATER AUTHORITY	\$4.6M
PUBLIC EMPLOYEES RETIRE SYSTM	\$2.3M
ACWA/JOINT POWERS INSURANCE	\$2.2M
SAN DIEGO GAS & ELECTRIC	\$1.2M
BURTECH PIPELINE INCORPORATED	\$832K
CASS CONSTRUCTION INC	\$619K
OLIVENHAIN MWD	\$574K
CREW BUILDERS, INC.	\$416K
SANEXEN WATER, INC.	\$377K

VALLECITOS WATER DISTRICT
WARRANTS LIST
April 17, 2019

PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
Accurate Measurement Systems	Pressure Transmitters 2 - MRF & Coronado Hills Tank	115937	3,458.31
Adam Manville	Closed Account Refund	115938	203.04
Airgas USA LLC	Cylinder Rental	115939	103.31
Am Ortega Construction	Closed Account Refund	115940	782.63
Apollo Realty Investments, LLC	Closed Account Refund	115941	44.78
AT&T	Internet Svc - Mar	115942	64.25
AT&T	Phone Svc SCADA - Mar	115943	350.22
AT&T	Phone Svc - Feb	115944	2,842.11
Best Best & Krieger	Legal Svcs - Feb	115945	6,827.74
Black & Veatch Corporation	Water/Sewer Master Plan Prj 20141-03	115946	16,200.72
Boncor Water Systems	Soft Water Svc - March	115947	1,680.00
Boys & Girls Club of San Marcos	Table - Annual Auction Event	115948	1,500.00
State Board of Equalization	Annual Use Tax 2018	115949	8,538.00
Core Logic Information Solutions Inc	Real Quest Engineering Map Svcs - Feb	115950	206.00
Corodata Media Storage Inc	Back Up Storage Tape - Feb	115951	210.79
Council of Water Utilities	COWU Meeting 3-19-19, Elitharp, Evans, Pruim	115952	135.00
County of San Diego	Facility Permit - Poinsettia	115953	519.00
Craig Elitharp	COWU Meeting 3-19-19	115954	19.25
CWEA	Membership Dues - E Garcia	115955	188.00
CWEA	Membership Dues - J Scott	115956	188.00
CWEA	Membership & Cert Renewal - C Deering	115957	275.00
DirecTV Inc	Satellite Svc - March	115958	120.24
Craig Durban	CWEA - Cert Renewal	115959	97.00
Emcor Service	HVAC - Preventive Maintenance	115960	410.50
Employment Screening Services Inc	Employee Screening	115961	109.50
Enbo Zhang	Closed Account Refund	115962	150.00
Fisher Scientific LLC	Lab Supplies	115963	475.51
Gallade Chemical Inc.	Sodium Hypochlorite	115964	156.67
Golden State Graphics	Fall Splash Newsletter Prj 20191-26	115965	3,560.69
Heidi Bastein	Closed Account Refund	115966	40.88
James R Hernandez	WateReuse Conference 3-17-19	115967	115.29
Huntington & Associates, Inc.	Pump Control Rebuild Kits - 3	115968	1,511.19
Industrial Electric Machinery	Telescoping Valves for Motors 2 - MRF	115969	2,933.60
Infosend Inc	Support, Postage, Printing, Door Hangers, Processing - Feb	115970	8,009.30
Jerome Janus	PARMA Conference 2-11-19	115971	402.64
Jennifer Fries	Closed Account Refund	115972	88.95
JCI Jones Chemicals Inc	Chlorine	115973	2,043.21
Leonore B Kohn	Closed Account Refund	115974	66.00
Lloyd Pest Control	Pest Control - Feb	115975	1,240.00
Marcon Products Inc	Concrete - MRF Salt Tank	115976	341.94
Hal Martin	Urban Water Institute Conference 2-27-19, WateReuse Conference 3-17-19	115977	408.21
Matheson Tri-Gas Inc	Cylinder Rental	115978	50.72
Melissa & Kevin Williams	Closed Account Refund	115979	127.70
Michelle Brown	Closed Account Refund	115980	25.18
Mike Sannella	Urban Water Institute 2-27-19	115981	232.84
Morton Salt, Inc.	Industrial Salt - MRF	115982	3,535.00
Occu Med Ltd	Medical Svcs	115983	84.00
One Source Distributors LLC	SCADA Processor & Supplies, PLC Upgrade Supplies - MRF	115984	32,684.22
Ostari Inc	IT Support - Mar	115985	3,000.00
Pacific Pipeline Supply	Hardware Supplies	115986	99.27
Paula Black	Closed Account Refund	115987	56.21
Penco, Inc.	Sulfend RT	115988	10,115.66
PG & JC LLC	Closed Account Refund	115989	56.22

VALLECITOS WATER DISTRICT
WARRANTS LIST
April 17, 2019

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Recycled Aggregate Materials Co Inc	Concrete Recycling	115990	200.00
Randy & Linda Curtis	Closed Account Refund	115991	83.23
Rely Environmental	Fuel Island Maintenance	115992	199.50
Richmond American Homes	Closed Account Refund	115993	1,456.60
Ryan Montes	Closed Account Refund	115994	78.55
SDG&E	Power - Feb	115995	91,299.44
Steve & Mihaela White	Closed Account Refund	115996	72.25
Superior Ready Mix Concrete LP	Rock & Cold Mix	115997	2,974.25
The Keze Group LLC	Water & Sewer Master Plan Prj 20141-03	115998	1,365.00
Total Resource Mgt Inc	Maximo Support - Feb	115999	163.00
Trane US Inc	IT Support - Server Communication	116000	971.81
Univar USA Inc	Sodium Hypo Liquichlor, Sodium Bisulfite	116001	3,544.71
Viasat Inc	Internet Svc - Feb & Mar	116002	302.28
E.H. Wachs Company	Pressure Transducer - For Valve Turning Truck	116003	686.51
Waxie Sanitary Supply	Cleaning Supplies	116004	972.58
Tri-City Emergency Medical Group	Medical Svcs	116005	425.00
Wright Brother The Building Comp.	Closed Account Refund	116006	902.71
Xerox Corporation	Copier Lease - Feb	116007	409.61
Xylem Water Solutions USA, Inc.	Switches 2 - For High Level Alarms - MRF	116008	700.22
Aloha Printing	Door Hangers	116009	202.75
Aqua-Metric Sales Co	Meters 5, Meter Registers 100	116010	19,635.46
Arthur A. Browne Plumbing Inc.	Kitchen Sink Line Cleaning - Building A	116011	450.00
CalGovHR	Membership Fee - B Anderson	116012	60.00
CalGovHR	Membership Fee - R Emmanuel	116013	60.00
Christian Wheeler Engineering	Geotechnical Svcs Prj 90003	116014	1,975.00
Doane & Hartwig Water Systems Inc	Pump - For Odor Scrubber - MRF	116015	812.92
Electrical Sales Inc	Electrical Supplies	116016	150.49
Fleet Pride	Fleet Supplies	116017	32.90
Freeway Trailer Sales	Fleet Supplies	116018	50.54
G & W Truck Accessories	Spray In Bed Liner Veh 272 Prj 20181-30	116019	1,800.00
Grainger Inc	Window & Door Sealant, Pipe Wrenches, Hardware Supplies	116020	927.98
Kennedy/Jenks Consultants	San Marcos Interceptor Prj 71004	116021	9,660.00
KRC Rock Inc	Landscape Supplies	116022	75.43
Mallory Safety & Supply, LLC	Safety Supplies	116023	2,477.75
MGM Plastics Inc	Hardware Supplies	116024	60.23
Olivenhain MWD	Treated Water - Feb	116025	39,222.76
Olympic Coatings California	Powder Coating Svcs Veh 272 Prj 20181-30	116026	226.28
Southern Contracting Company	Short Circuit and Arc Flash Study	116027	23,800.00
T.S. Industrial Supply	Non Potable Hoses - 3, Hardware Supplies	116028	2,418.39
Talley Communications	SCADA Upgrade Supplies, Radios 8	116029	6,220.93
Unifirst Corporation	Uniform Delivery	116030	1,438.86
UPS	Shipping Svcs - Mar	116031	16.80
3E Company Environmental	Spill Hotline Support 19-20	116032	580.00
Walters Wholesale Electric	Electrical Supplies, Hardware Supplies Prj 20191-10	116033	1,473.60
Garnishments	Payroll Garnishments	116034 through	-
ACWA/Joint Powers Insurance	Workers Comp Quarter Ending 3-31-2019	116040	49,754.61
ACWA/Joint Powers Insurance	Medical Insurance May	116041	211,859.05
Alex Macawill	Closed Account Refund	116042	49.13
All Star Signs, Inc	Name Plates 8	116043	112.06
Altman Specialty Plants Inc	Succulents 370 Prj 20191-30	116044	635.40
AM Ortega Construction	Closed Account Refund	116045	917.86
Black Oxide Service Inc	Palos Vista Pump Station Motor Replacement Prj 20161-8	116046	465.00
Brookfield Residential	Closed Account Refund	116047	72.20
Cass Construction Inc	Emergency Main Break Repair - MRF to Encina Connection	116048	55,527.71

VALLECITOS WATER DISTRICT
WARRANTS LIST
April 17, 2019

PAYEE	DESCRIPTION	CHECK#	AMOUNT
CCI	Water Treatment - Mar	116049	220.00
Christina Goodsell	Closed Account Refund	116050	5.76
Complete Paperless Solutions	Laserfiche Audit Trail	116051	3,484.93
CR Tovr LLC	Closed Account Refund	116052	1,574.69
CWEA	Membership Renewal - R Salazar	116053	188.00
CWEA	Cert Renewal - J Aceves	116054	92.00
David Saavedra	Self Improvement Program	116055	208.00
Davidson Builders Inc.	Closed Account Refund	116056	83.06
DirecTV Inc	Satellite Svc - Apr	116057	74.54
EDCO Waste & Recycling Serv	Trash Svc - Mar	116058	873.64
Employment Screening Services Inc	Employment Screening Svcs	116059	79.00
Betty Evans	COWU Meeting 3-19-19	116060	19.25
Heidi Bastien	Closed Account Refund	116061	40.88
Helix Water District	Water Smart Contest Prj 20191-29	116062	27.66
Home Depot Credit Services	Hardware Supplies - Mar	116063	1,306.09
Infosend Inc	Processing, Postage, Printing, Door Hangers, Mar	116064	12,079.84
Infrastructure Engr Corp	Rock Springs Sewer Prj 90003	116065	4,026.34
Janel Olsen	CSMFO Membership	116066	110.00
Jesse Halbig	Collection Cert Renewal - CWEA	116067	184.00
JCI Jones Chemicals Inc	Chlorine	116068	2,043.21
Kevin Livigni	Closed Account Refund	116069	58.35
Kim & Steve Spadaro	Closed Account Refund	116070	6.80
Knight Security & Fire Systems	Answering & Patrol Svc - Apr	116071	588.19
Larry Jones	Closed Account Refund	116072	374.24
Left Coast Window Cleaning	Janitorial Svcs - Apr	116073	553.13
Mallory Safety & Supply, LLC	Safety Supplies	116074	1,120.49
Mike Sannella	WateReuse Conference 3-17-19	116075	224.97
One Source Distributors LLC	SCADA Processor & Supplies, PLC Upgrade Supplies - MRF	116076	32,744.01
Palomar Backflow, Inc.	Backflow Testing	116077	495.00
Patriot Portable Restroom Inc	Portable Restroom Rental	116078	230.86
Penco, Inc.	Sulfend RT	116079	10,019.03
Red Truck Fire & Safety Co.	Fire Extinguisher Svc - Rebuild & Testing	116080	85.16
Air Quality Compliance Solutions, Inc.	Fuel Island Maintenance	116081	199.50
SDG&E	Power - Mar	116082	20,589.00
San Diego Local Agency Formation Commission	Menchaca Annexation Fees	116083	50.00
San Marcos Chamber Of Commerce	Membership Renewal 19-20	116084	712.50
San Marcos Woods Homeowners Association	Rock Springs Sewer Prj 90003	116085	7,750.00
Shred-It US JV LLC	Shredding Svcs - Mar	116086	185.34
Smart & Final	Office Supplies	116087	138.31
Southern Counties Lubricants, LLC	Diesel Fuel	116088	767.66
Standard Insurance Company	LIFE, LTD & ADD Insurance - Apr	116089	6,583.46
Staples Advantage	Office Supplies - Mar	116090	333.76
State Board of Equalization	Storage Tank Fees Jan - Mar	116091	213.24
State Board of Equalization	Menchaca Annexation Fees	116092	350.00
State Board of Equalization	Stefan Terrace Annexation Fees	116093	350.00
Stephanie W. Mai	Closed Account Refund	116094	57.29
Union Bank FKA 1st Bank Card	Meetings & Travel - Mar	116095	3,307.45
Union Bank FKA 1st Bank Card	Meetings & Travel - Mar	116096	3,062.08
Union Bank FKA 1st Bank Card	Meetings & Travel - Mar	116097	5,021.02
UPS	Shipping Svcs - Mar	116098	34.62
Verizon Wireless	Ipad Svc - Mar	116099	396.59
Xylem Dewatering Solutions Inc	Chlorine Injection Pump - MRF	116100	13,412.03
Alicia Yerman	Disaster Management Seminar 3-22-19	116101	65.89
AP Technology LLC	Secure Pro Maintenance 19-20	116102	350.00

VALLECITOS WATER DISTRICT
WARRANTS LIST
April 17, 2019

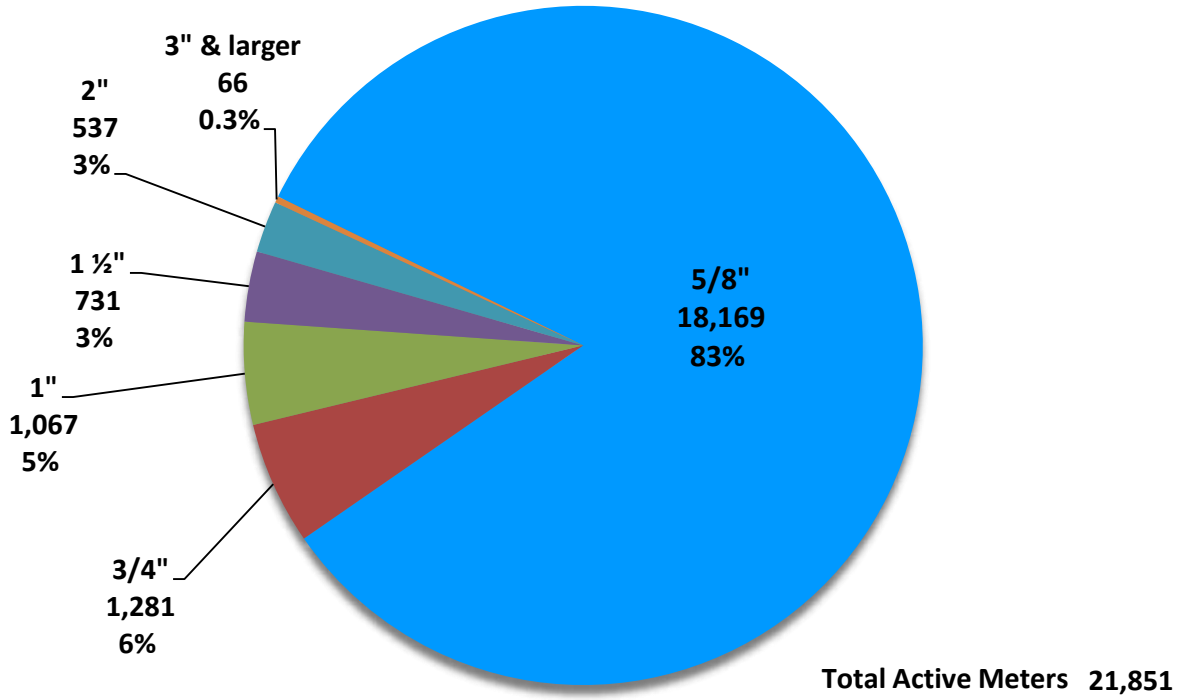
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Aqua-Metric Sales Co	2 Inch Meters - 8	116103	7,870.78
Atom Engineering Construction, Inc.	Raise Electrical Vault - MRF	116104	12,398.00
Chandler Asset Management, Inc.	Investment Mgmt Svcs - Mar	116105	4,053.01
Jeffrey Colwell	Video Production Svcs Prj 20191-27	116106	358.75
County of San Diego	Recording Fees - Feb	116107	32.00
Dodge Data & Analytics LLC	Schoolhouse Tank Refurbish Prj 20181-3	116108	1,203.75
El Camino Rental	Concrete	116109	269.72
Eurofins Eaton Analytical Inc	Algae Analysis - Mahr	116110	210.00
Fleet Pride	Fleet & Hardware Supplies	116111	311.44
Gallade Chemical Inc.	Sodium Hypochlorite	116112	78.33
Gamble Street Partners, LLC	Deposit Refund Prj 20151-901	116113	3,020.56
Grainger Inc	Hardware Supplies	116114	74.65
Harris	Onsite Utilization Review - North Star - Customer Service	116115	6,947.50
Joe's Paving Co Inc	Paving Svcs 1,045 Sq. Ft	116116	11,715.70
Sue Joubran	Deposit Refund Prj 20171-275	116117	1,822.15
Marcon Products Inc	Hardware Supplies Prj 20161-4	116118	146.00
Mission Resource Conservation District	Water Use Evaluations - 6 Prj 20191-29	116119	138.00
Pacific Pipeline Supply	Valve Gates & Boxes, PVC Pipes 84, Hardware Supplies	116120	7,192.16
Parkhouse Tire Inc	Tires 4 Veh 259	116121	1,665.88
Rick Post Welding	Welding Svcs Prj 20191-10	116122	540.00
Rupe's Hydraulics	Backhoe Repair Parts Veh 193	116123	448.37
San Diego County Water Authority	Connection Fees Quarter Ending 3-31-19	116124	52,701.00
San Marcos Unified School Dist	Deposit Refund Prj 20181-344	116125	5,116.91
Spatial Wave Inc	Mapplet Annual Maintenance 19-20	116126	5,000.00
T.S. Industrial Supply	Fire Hoses for Tank Cleaning - 8, Hardware Supplies	116127	2,377.34
Traffic Supply Inc	Traffic Cones 50, Custom Signs 4, Barricades 4	116128	1,204.11
Unifirst Corporation	Uniform Delivery	116129	683.90
Univar USA Inc	Sodium Bisulfite	116130	2,378.04
Valley Center MWD	Hazardous Waste Training - A Longville 2-27-19	116131	75.00
Vortex Industries Inc	Preventative Maintenance - Doors - Head Quarters	116132	260.00
VWR International	Convection Oven, Hardware Supplies MRF	116133	2,073.28
Walters Wholesale Electric	Hardware Supplies	116134	305.25
Total Disbursements (192 Checks)			926,536.27
 WIRES			
San Diego County Water Authority	February Water Bill	Wire	1,654,365.61
Public Employees Retirement System	Retirement Contribution - March 27, 2019 Payroll	Wire	70,197.66
Public Employees Retirement System	Retirement Contribution - April 10, 2019 Payroll	Wire	70,448.87
Total Wires			1,795,012.14
 PAYROLL			
Total direct deposits		Wire	236,848.92
VWD Employee Association		116034	600.00
Garnishments		116035 thr	607.83
IRS	Federal payroll tax deposits	Wire	94,062.79
Employment Development Department	California payroll tax deposit	Wire	17,823.75
CalPERS	Deferred compensation withheld	Wire	15,647.29
VOYA	Deferred compensation withheld	Wire	7,159.23
Total March 27, 2019 Payroll Disbursements			372,749.81

VALLECITOS WATER DISTRICT
WARRANTS LIST
April 17, 2019

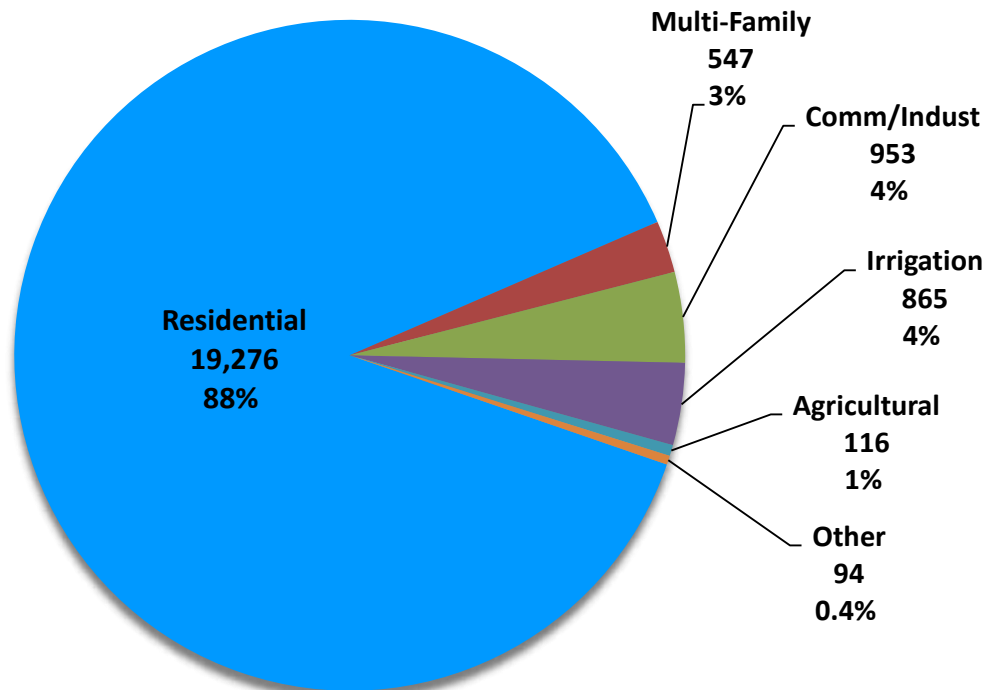
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Total direct deposits		Wire	6.90
IRS	Federal payroll tax deposits	Wire	393.84
Employment Development Department	California payroll tax deposit	Wire	34.61
VOYA	Deferred compensation withheld	Wire	<u>1,921.00</u>
Special Payroll Disbursements (i.e., final checks, accrual payouts, etc.)			<u>2,356.35</u>
Total direct deposits		Wire	236,486.16
VWD Employee Association		116037	600.00
Garnishments		116038 thr 116039	607.83
IRS	Federal payroll tax deposits	Wire	93,961.84
Employment Development Department	California payroll tax deposit	Wire	17,711.51
CalPERS	Deferred compensation withheld	Wire	15,143.88
VOYA	Deferred compensation withheld	Wire	<u>7,009.23</u>
Total April 10, 2019 Payroll Disbursements			<u>371,520.45</u>
Total Payroll Disbursements			<u>746,626.61</u>
TOTAL DISBURSEMENTS			<u>3,468,175.02</u>

Vallecitos Water District
 Active Water Meters
 March 31, 2019

Active Meters by Size as of March 31, 2019

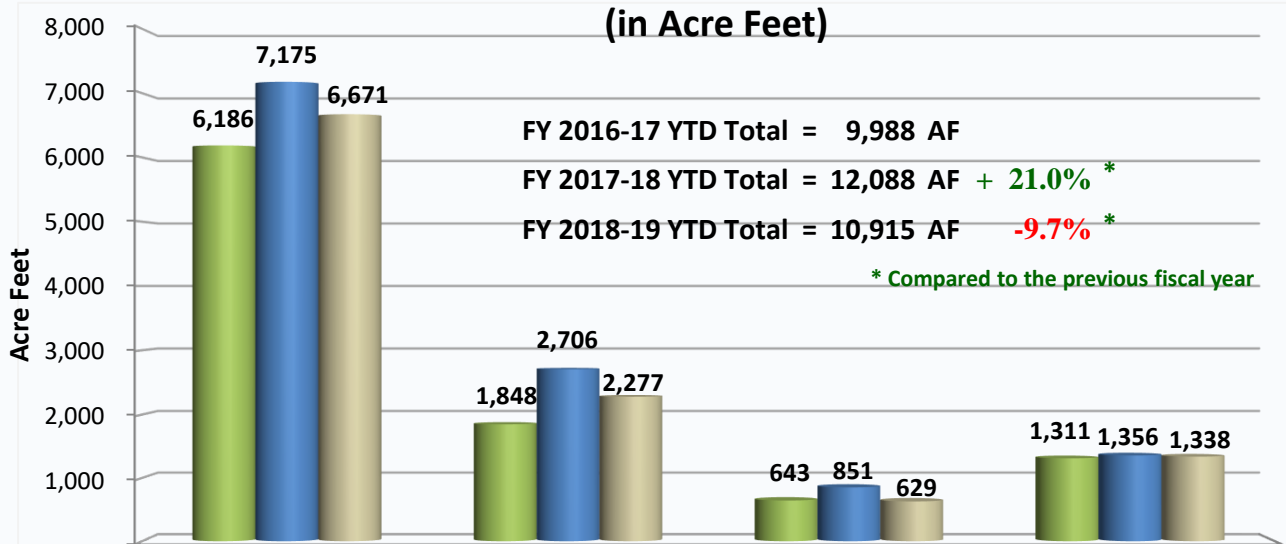


Active Meters by Type as of March 31, 2019



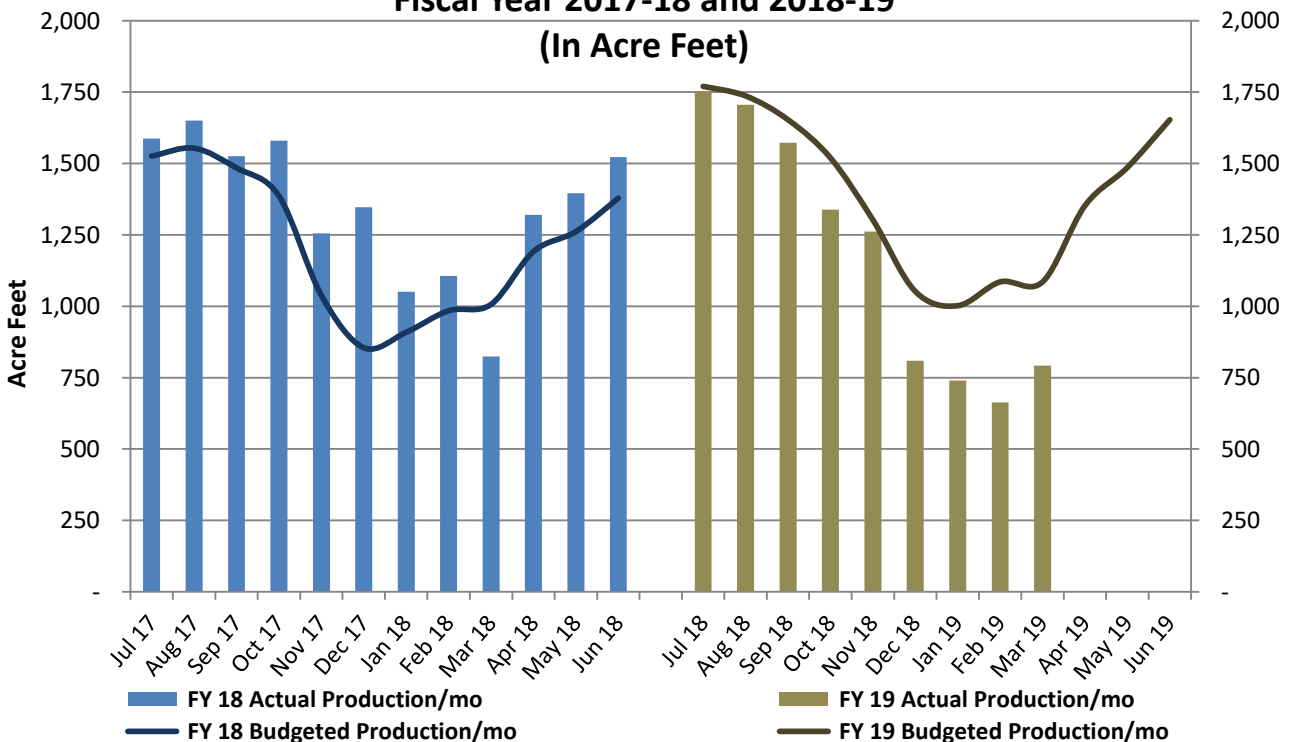
Vallejos Water District
 Water Production/Sales
 March 31, 2019

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	6,186	1,848	643	1,311
FY 2017-18	7,175	2,706	851	1,356
FY 2018-19	6,671	2,277	629	1,338

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



OVERVIEW

With the third quarter complete, the District's water fund has a net operating income of \$3.8 million (before depreciation) while the sewer fund has a net operating income of \$7.4 million (before depreciation). The District is cash funding capital projects and current on all debt service payments.

WATER FUND

The Water Fund performed better than expected during the third quarter of Fiscal Year 2019.

Revenues: Water sales, Ready to Serve (RTS), and Pumping Cost Recovery all performed as expected. Other revenue is high as a result of the large refund payment received from ACWA/JPIA.

Revenue	Budget	YTD Actual	Percent
Water Sales	\$ 31,800,000	\$ 22,796,144	72%
Ready to Serve	13,300,000	10,340,075	78%
Pumping Cost Rec	340,000	248,760	73%
Other	690,000	560,098	81%
Total	\$ 46,130,000	\$ 33,945,077	74%

Expenses: Water Purchases were low due to decreased demand during the unusually wet winter months. Operating expenses were higher than budgeted primarily due to the number of water main breaks that occurred over the summer months. Supporting expenses were lower than budgeted due to timing of budgeted materials being purchased and outside services being performed. General & Administration costs are high primarily as a result of less labor charged to projects than anticipated.

Expense	Budget	YTD Actual	Percent
Water Purchases	\$ 32,250,000	\$ 21,141,414	66%
Operating	4,517,000	3,658,637	81%
Supporting	4,155,000	3,006,535	72%
General & Admin	2,985,000	2,357,878	79%
Total	\$ 43,907,000	\$ 30,164,464	69%

SEWER FUND

The Sewer Fund continues to be stable as revenues received in this fund consist of fixed monthly charges and are therefore very predictable.

Revenues: Sewer service charges performed as planned and Reclaimed Water Sales are adjusted at the end of each fiscal year to recover actual costs. Other revenues are high from the litigation settlement related to illegal dumping in the Encina disposal system and the large refund received from ACWA/JPIA.

Revenue	Budget	YTD Actual	Percent
Sewer Service	\$ 17,954,000	\$ 13,696,161	76%
Reclaimed	1,974,000	1,480,500	75%
Other	80,000	770,681	963%
Total	\$ 20,008,000	\$ 15,947,342	80%

SEWER FUND (continued)

Expenses: Treatment expenses are low due to timing of budgeted materials being purchased and outside services being performed. Operating expenses are lower than expected due to budgeted repairs that have not been performed and lower than anticipated labor. Supporting and General & Administration are low primarily as a result of lower outside service and staffing costs.

Expense	Budget	YTD Actual	Percent
Treatment	\$ 6,173,000	\$ 4,027,438	65%
Operating	2,793,000	1,814,379	65%
Supporting	2,699,000	1,777,766	66%
General & Admin	1,452,000	920,203	63%
Total	\$ 13,117,000	\$ 8,539,786	65%

RESERVES AND FUNDS:

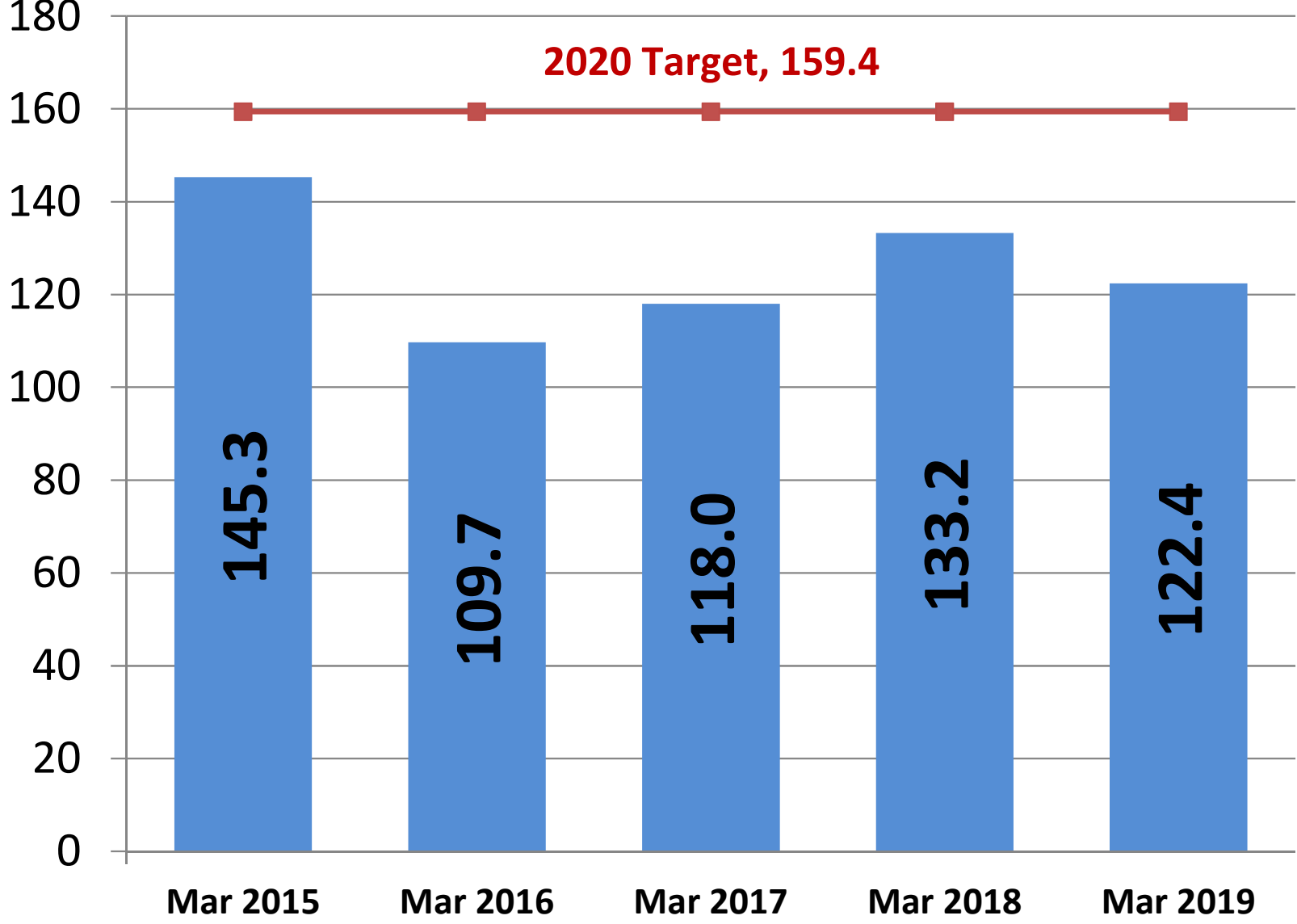
The following is a summary of the replacement reserves and capacity funds as of March 31, 2019.

Water:		
Revenues	Replacement	Capacity
FY 18/19 Operating Transfers	\$ 3,780,613	-
Capital Facility Fees	-	\$ 2,502,418
Property tax & Other	1,867,132	-
Total Revenue	5,647,745	2,502,418
Distributions		
Capital Projects	1,921,830	159,427
Debt Service	-	553,478
Total Distributions	1,921,830	712,905
Beginning Balance	32,797,105	(9,161,412)
Ending Balance	36,523,021	(7,371,899)
Less: Operating Reserves	5,748,700	-
Replacement Reserve Balance	\$ 30,774,321	\$ (7,371,899)
Replacement Reserve Floor	\$ 7,428,200	
Replacement Reserve Ceiling	\$ 32,224,700	

Wastewater:		
Revenues	Replacement	Capacity
FY 18/19 Operating Transfers	\$ 7,407,556	-
Capital Facility Fees	-	\$ 5,061,915
Property tax & Other	1,690,137	-
Total Revenue	9,097,693	5,061,915
Distributions		
Capital Projects	3,368,298	924,080
Debt Service	-	1,031,976
Total Distributions	3,368,298	1,956,056
Beginning Balance	51,677,556	(6,820,836)
Ending Balance	57,406,951	(3,714,977)
Less: Operating Reserves	6,468,600	-
Less: Rate Stabilization	2,856,451	-
Replacement Reserve Balance	\$ 48,081,900	\$ (3,714,977)
Replacement Reserve Floor	\$ 15,665,900	
Replacement Reserve Ceiling	\$ 48,081,900	

For More Information. This summary is based on detailed information produced by the District's accounting department. If you would like additional information, or have questions, please call 760-744-0460 x262.

Gallons per Capita per Day 12-Month Rolling Average



DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: MONTHLY FINANCIAL REPORTS

BACKGROUND:

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

DISCUSSION:

The Monthly Revenue and Expense reports summarize revenues by service type and expenses by department over the 9-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 Nine Months Ended March 31, 2019

	Current Year <u>Actual</u>	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Water Sales	\$ 22,796,144	\$22,686,734	\$ 109,410	0.5%	\$23,621,000	\$ (824,856)	-3.5%
Ready-to-serve	10,340,075	10,352,292	(12,217)	-0.1%	9,976,000	364,075	3.6%
Pumping cost recovery	248,760	249,246	(486)	-0.2%	254,000	(5,240)	-2.1%
Late & lock charges	294,685	348,585	(53,900)	-15.5%	346,000	(51,315)	-14.8%
Backflow fees	69,938	68,439	1,499	2.2%	73,000	(3,062)	-4.2%
Other revenue	195,475	215,788	(20,313)	-9.4%	89,800	105,675	117.7%
Total Revenue	<u>33,945,077</u>	<u>33,921,084</u>	23,993	0.1%	<u>34,359,800</u>	(414,723)	-1.2%
Expenses							
Water costs	21,141,414	22,643,905	(1,502,491)	-6.6%	23,121,000	(1,979,586)	-8.6%
Pumping costs	630,756	560,062	70,694	12.6%	625,000	5,756	0.9%
Water quality	91,200	109,404	(18,204)	-16.6%	115,000	(23,800)	-20.7%
Water treatment	309,698	323,258	(13,560)	-4.2%	355,000	(45,302)	-12.8%
Tanks & reservoirs	272,565	245,058	27,507	11.2%	338,000	(65,435)	-19.4%
Trans & distribution	1,791,143	1,045,998	745,145	71.2%	1,289,000	502,143	39.0%
Services	45,972	176,948	(130,976)	-74.0%	106,000	(60,028)	-56.6%
Meters	479,284	491,686	(12,402)	-2.5%	507,000	(27,716)	-5.5%
Backflow prevention	38,019	31,965	6,054	18.9%	50,000	(11,981)	-24.0%
Customer accounts	515,031	421,010	94,021	22.3%	476,000	39,031	8.2%
Building & grounds	299,892	289,898	9,994	3.4%	283,000	16,892	6.0%
Equipment & vehicles	179,629	197,705	(18,076)	-9.1%	241,000	(61,371)	-25.5%
Engineering	1,221,844	1,063,128	158,716	14.9%	1,188,000	33,844	2.8%
Safety & compliance	195,768	173,527	22,241	12.8%	201,000	(5,232)	-2.6%
Information Technology	594,371	609,884	(15,513)	-2.5%	730,000	(135,629)	-18.6%
General & administrative	2,357,878	2,297,800	60,078	2.6%	2,239,000	118,878	5.3%
Total Expenses	<u>30,164,464</u>	<u>30,681,236</u>	(516,772)	-1.7%	<u>31,864,000</u>	(1,699,536)	-5.3%
Net Operating Income	<u>\$ 3,780,613</u>	<u>\$ 3,239,848</u>	540,765	16.7%	<u>\$ 2,495,800</u>	1,284,813	51.5%

Explanation of Significant Variances

The favorable budget variance in **Other revenues** is from the refund received from ACWA/JPIA related to lower than expected insurance claims.

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 favorable prior year variance in **Services** is due to completing the District-wide poly to copper service line conversion.

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

Vallecitos Water District
Sewer Revenue and Expense Report
For the Nine Months Ended March 31, 2019

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Sewer service charges	\$ 13,696,161	\$ 13,532,213	\$ 163,948	1.2%	\$ 13,464,000	\$ 232,161	1.7%
Reclaimed water sales	1,480,500	1,545,207	(64,707)	-4.2%	1,481,000	(500)	0.0%
Other revenue	770,681	106,502	664,179	623.6%	62,000	708,681	1143.0%
Total Revenue	<u>15,947,342</u>	<u>15,183,922</u>	763,420	5.0%	<u>15,007,000</u>	940,342	6.3%
Expenses							
Collection & conveyance	1,545,662	1,372,588	173,074	12.6%	1,731,000	(185,338)	-10.7%
Lift stations	132,491	144,224	(11,733)	-8.1%	220,000	(87,509)	-39.8%
Source Control	136,226	109,309	26,917	24.6%	142,000	(5,774)	-4.1%
Effluent disposal	1,848,874	2,128,682	(279,808)	-13.1%	2,082,000	(233,126)	-11.2%
Meadowlark	2,178,564	1,987,634	190,930	9.6%	2,547,000	(368,436)	-14.5%
Customer Accounts	339,300	293,195	46,105	15.7%	351,000	(11,700)	-3.3%
Building & grounds	200,262	187,403	12,859	6.9%	195,000	5,262	2.7%
Equipment & vehicles	142,047	148,009	(5,962)	-4.0%	180,000	(37,953)	-21.1%
Engineering	496,826	415,212	81,614	19.7%	511,000	(14,174)	-2.8%
Safety & compliance	124,394	112,910	11,484	10.2%	152,000	(27,606)	-18.2%
Information technology	474,937	532,146	(57,209)	-10.8%	634,000	(159,063)	-25.1%
General & administrative	920,203	1,005,094	(84,891)	-8.4%	1,089,000	(168,797)	-15.5%
Total Expenses	<u>8,539,786</u>	<u>8,436,406</u>	103,380	1.2%	<u>9,834,000</u>	(1,294,214)	-13.2%
Net Operating Income	<u>\$ 7,407,556</u>	<u>\$ 6,747,516</u>	660,040	9.8%	<u>\$ 5,173,000</u>	2,234,556	43.2%

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 and the refund received from ACWA/JPIA related to lower than expected insurance claims.

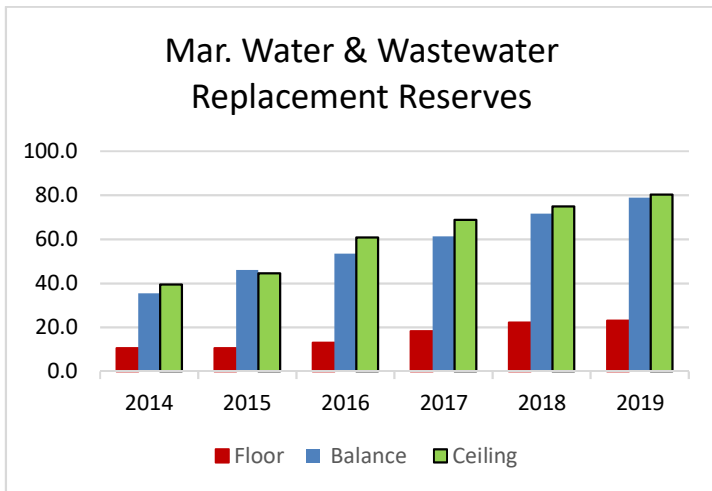
Lift stations has a favorable budget variance resulting from less than anticipated materials used during the year thus far.

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 \$75000 and 20%.

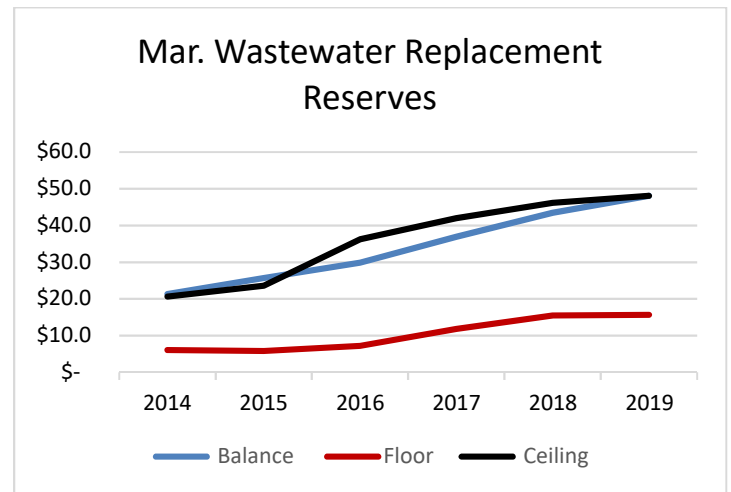
REPLACEMENT RESERVES

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 March 31, 2019, the total water and wastewater replacement reserve balance was \$78.9 million, 10 percent greater than March 31, 2018.



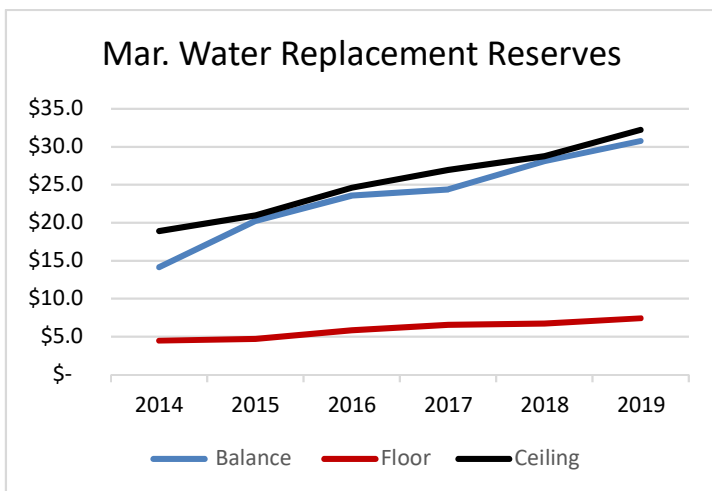
WASTEWATER REPLACEMENT RESERVE

As of March 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, \$2.9 million was transferred to rate stabilization to keep the replacement reserve balance within the established range.



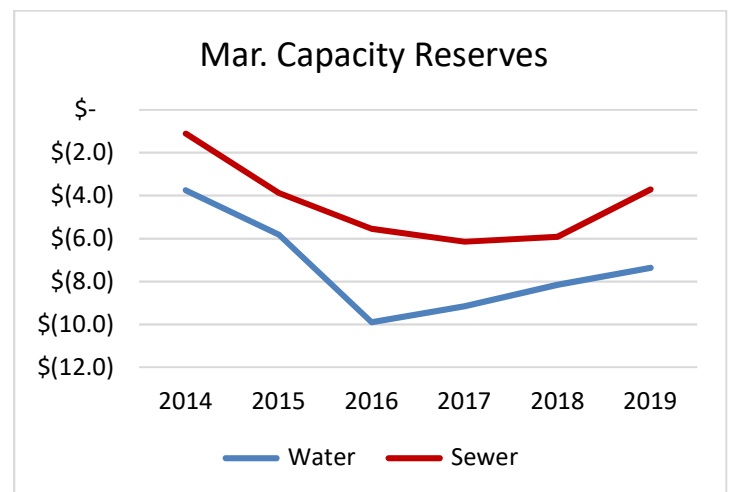
WATER REPLACEMENT RESERVE

As of March 31, 2019, the District’s water replacement reserve totaled \$30.8 million, an increase of 10 percent, or \$2.7 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 March 31, 2019, the water capacity fund had a deficit of \$7.4 million and the sewer capacity fund had a deficit of \$3.7 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 NINE MONTHS ENDED MARCH 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	3,780,613			7,407,556			11,188,169
Capital Facility Fees	-		2,502,418	-		5,061,915	7,564,333
Property Tax	757,530		-	597,103		-	1,354,632
RDA pass-through	570,490		-	570,490		-	1,140,979
Investment Earnings	539,113		-	522,545		-	1,061,658
TOTAL REVENUES	5,647,745		2,502,418	9,097,693		5,061,915	22,309,772
LESS DISTRIBUTIONS							
Capital Projects							
Encina Wastewater Authority Five Year Plan	-		-	1,924,278		214,331	2,138,608
Rock Springs Sewer Replacement	-		-	438,392		535,813	974,205
Stargaze Court Water Line Replacement	488,339		-	-		-	488,339
Expansion of the Men's Locker Room in Building B	239,534		-	230,142		-	469,676
Audiovisual Upgrade	113,803		-	109,341		-	223,144
Solar Panel Inverter Replacement	98,541		-	94,675		-	193,216
District Wide Valve Replacement	148,109		-	-		-	148,109
Laurels Sewer Lining	-		-	146,257		-	146,257
Water & Sewer Master Plan	-		44,067	-		44,067	88,134
South Lake - Facility Upgrades	86,808		-	-		-	86,808
Fulton Road And Nctd Sewer Line Rehabilitation	-		-	85,309		-	85,309
MRF - Influent Pumps & Motors	-		-	81,418		-	81,418
Mountain Belle Tank Chlorine System	64,270		-	-		-	64,270
South Vista Pressure Reducing Station Upgrade	62,298		-	-		-	62,298
Ultrasonic Algae Control System	-		-	59,718		-	59,718
City of San Marcos Joint Projects	30,430		-	19,456		-	49,886
Montiel Gravity Outfall	-		-	18,291		22,356	40,647
Schoolhouse Tank Refurbishment	32,277		-	-		-	32,277
Palos Vista Pump Station Generator	31,479		-	-		-	31,479
Encina Land Parallel Outfall	-		-	-		30,942	30,942
Replace Roofs On Equipment Storages	14,881		-	14,298		-	29,179
Vulnerability assessment improvements	-		16,970	-		11,313	28,283
Admin Emergency Generator - Auto Transfer Switch	12,830		-	12,830		-	25,660
North Vista Pressure Reducing Station Upgrade	25,564		-	-		-	25,564
Sewer Rehabilitation And Repairs	-		-	25,118		-	25,118
Palos Vista Pump Station Motor Replacement	24,397		-	-		-	24,397
Asset Managment Replacement Schedule	9,825		-	9,441		-	19,266
Via Vera Cruz Tank Hill Stabilization	18,844		-	-		-	18,844
HVAC System Upgrade	9,561		-	9,186		-	18,747
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	32,802		-	25,509		2,569	60,879
Capital Budget - Vehicles/Mobile Equipmnt	346,126		-	64,639		-	410,765
Debt Service	-		553,478	-		1,031,976	1,585,454
Interest Expense	-		98,390	-		62,688	161,079
TOTAL DISTRIBUTIONS	1,921,830		712,905	3,368,298		1,956,056	7,959,089
ENDING BALANCE	\$ 36,523,021		\$ (7,371,899)	\$ 57,406,951		\$ (3,714,977)	\$ 82,843,096
Less: Operating Reserves	5,748,700		-	6,468,600		-	12,217,300
Less: Rate Stabilization	-		-	2,856,451		-	2,856,451
Replacement Reserves/Restricted Funds	\$ 30,774,321		\$ (7,371,899)	\$ 48,081,900		\$ (3,714,977)	\$ 67,769,345
Replacement reserve floor	\$ 7,428,200			\$ 15,665,900			
Replacement reserve ceiling	\$ 32,224,700			\$ 48,081,900			

VALLECITOS WATER DISTRICT
INVESTMENT REPORT FOR MARCH 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 March follows:

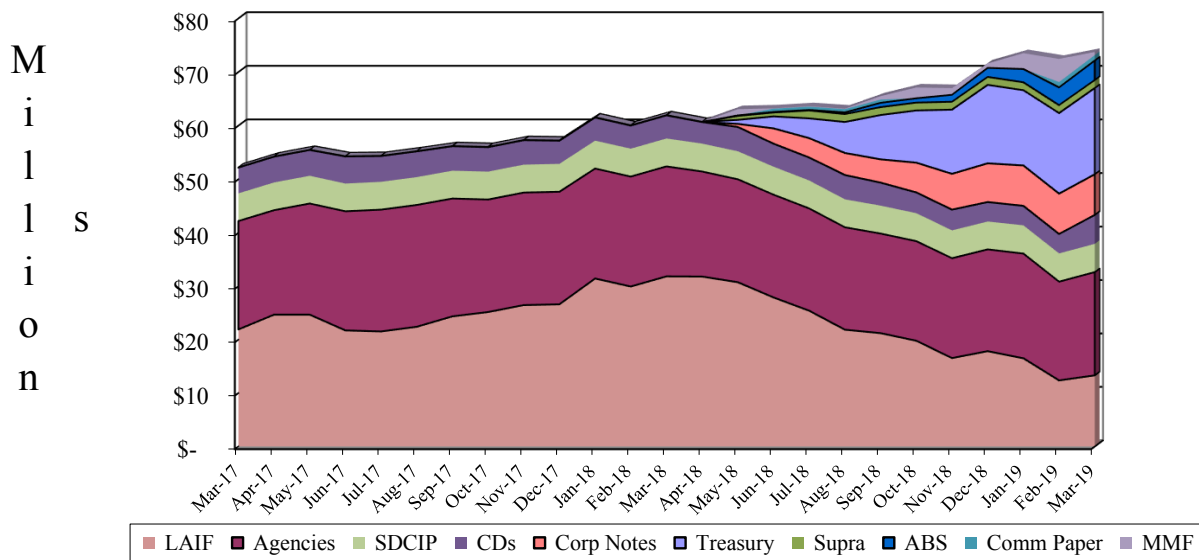
<u>Date</u>	<u>Activity</u>	<u>Investment</u>	<u>Amount</u>	<u>Maturity</u>	<u>Yield</u>
03/04/19	Deposit	LAIF	400,000	Open	2.44%
03/06/19	Purchase	FNMA	500,350	01/11/22	2.63%
03/06/19	Purchase	Bank of Montreal CD	1,000,000	03/05/20	2.69%
03/07/19	Deposit	LAIF	500,000	Open	2.44%
03/11/19	Deposit	LAIF	500,000	Open	2.44%
03/11/19	Matured	BMW CD	(245,000)	03/11/19	1.35%
03/13/19	Purchase	JDOT 2019-A	359,984	12/15/21	2.85%
03/15/19	Withdrawal	LAIF	(1,250,000)	Open	2.44%
03/19/19	Deposit	LAIF	400,000	Open	2.44%
03/20/19	Purchase	US Treasury	981,406	09/30/22	1.88%
03/26/19	Purchase	BK Nova Scotia CD	999,995	12/17/19	2.61%
03/28/19	Deposit	LAIF	400,000	Open	2.44%
03/28/19	Full Call	FHLB	(500,000)	06/28/19	1.13%
Change in investments during the month			<u>\$ 4,046,734</u>		

	<u>Current</u>
Weighted average annual yield for total Vallecitos investments	2.410%
Weighted average days to maturity	471

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 February 28, 2019. Fair values for federal agency obligations and corporate notes are provided by Union Bank trust account reporting

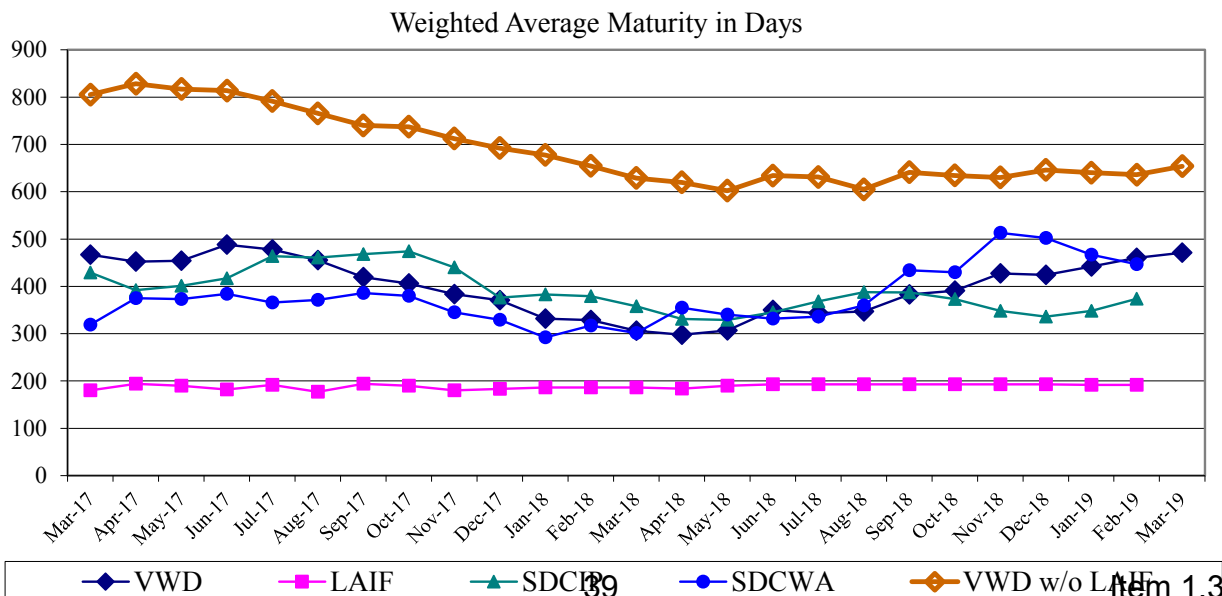
Safety

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.



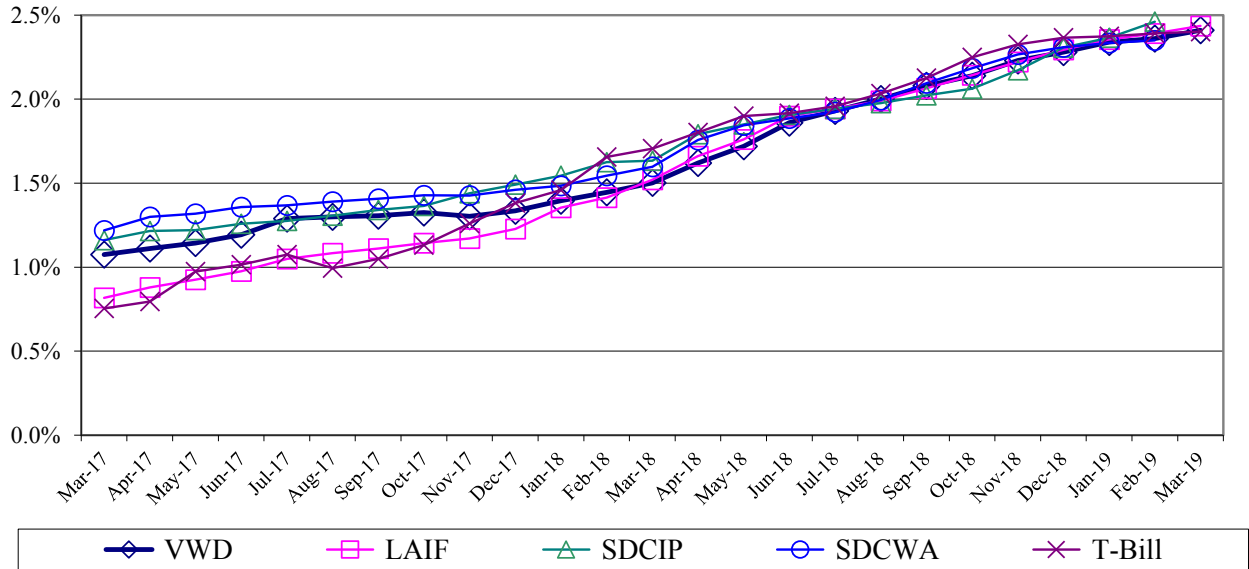
Liquidity

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 \$13.3 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	1.29
Average Coupon	2.16%
Average Purchase YTM	2.41%
Average Market YTM	2.42%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.47 yrs
Average Life	1.32 yrs

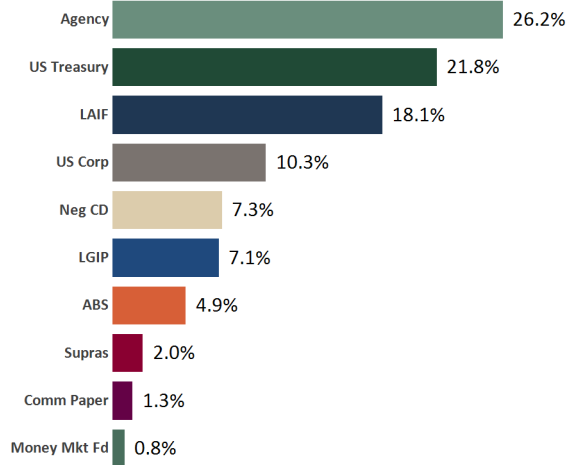
ACCOUNT SUMMARY

	Beg. Values as of 2/28/19	End Values as of 3/31/19
Market Value	72,457,628	73,746,972
Accrued Interest	294,224	329,440
Total Market Value	72,751,853	74,076,412
Income Earned	127,344	137,500
Cont/WD		
Par	72,940,766	73,993,703
Book Value	72,577,581	73,628,866
Cost Value	72,493,787	73,528,921

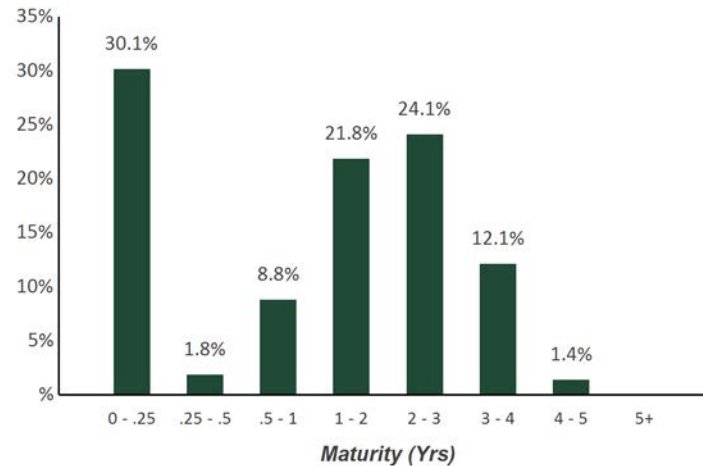
TOP ISSUERS

Government of United States	21.8%
Local Agency Investment Fund	18.1%
County of San Diego Pooled Inve	7.1%
Federal National Mortgage Assoc	7.0%
Federal Farm Credit Bank	7.0%
Federal Home Loan Bank	6.1%
Federal Home Loan Mortgage Corp	6.1%
John Deere ABS	1.6%
Total	74.8%

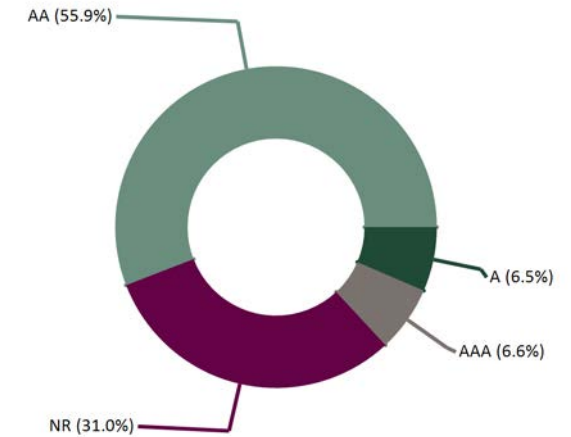
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of March 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%	299,742.19 299,778.50	100.03 2.80%	300,086.40 377.33	0.41% 307.90	Aaa / NR AAA	2.04 0.56
89190BAD0	Toyota Auto Receivables Owner 2017-B A3 1.76% Due 7/15/2021	462,975.83	09/26/2018 2.78%	457,568.42 458,548.22	99.46 2.62%	460,491.50 362.15	0.62% 1,943.28	Aaa / AAA NR	2.29 0.63
43814PAC4	Honda Auto Receivables Owner T 17-3 A3 1.79% Due 9/20/2021	387,000.00	12/11/2018 2.73%	381,981.09 382,521.66	99.35 2.61%	384,475.60 250.15	0.52% 1,953.94	NR / AAA AAA	2.48 0.80
43814WAB1	HAROT 2019-1 A2 2.75% Due 9/20/2021	455,000.00	02/19/2019 2.77%	454,970.70 454,971.73	100.09 2.69%	455,427.25 451.84	0.62% 455.52	NR / AAA AAA	2.48 1.18
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	500,000.00	11/14/2018 3.14%	493,105.47 493,986.73	99.36 2.72%	496,823.97 404.44	0.67% 2,837.24	Aaa / NR AAA	2.55 0.71
89239AAB9	Toyota Auto Receivables 2019-A A2A 2.83% Due 10/15/2021	375,000.00	02/05/2019 2.85%	374,965.95 374,967.59	100.18 2.65%	375,681.75 471.67	0.51% 714.16	Aaa / AAA NR	2.55 0.95
47789JAB2	John Deere Owner Trust 2019-A A2 2.85% Due 12/15/2021	360,000.00	03/05/2019 2.87%	359,983.58 359,983.89	100.17 2.73%	360,617.04 513.00	0.49% 633.15	Aaa / NR AAA	2.71 1.34
43814UAG4	Honda Auto Receivables 2018-2 A3 3.01% Due 5/18/2022	105,000.00	05/22/2018 3.03%	104,997.71 104,998.19	100.61 2.64%	105,645.44 114.13	0.14% 647.25	NR / AAA AAA	3.13 1.59
43815HAC1	Honda Auto Receivables Owner 2018-3 A3 2.95% Due 8/22/2022	205,000.00	08/21/2018 2.98%	204,971.87 204,976.05	100.69 2.56%	206,412.86 167.99	0.28% 1,436.81	Aaa / NR AAA	3.40 1.70
65478WAE5	Nissan Auto Receivables Owner 2016-C A4 1.38% Due 1/17/2023	500,000.00	01/24/2019 2.95%	489,531.25 490,196.77	98.50 2.66%	492,486.50 306.67	0.67% 2,289.73	Aaa / NR AAA	3.80 1.18
Total ABS		3,649,975.83	2.89%	3,621,818.23 3,624,929.33	2.67%	3,638,148.31 3,419.37	4.92% 13,218.98	Aaa / AAA AAA	2.71 0.99

AGENCY									
3133EGEF8	FFCB Callable Note Cont 6/13/2017 1.18% Due 6/13/2019	500,000.00	05/26/2017 1.43%	497,500.00 499,756.02	99.77 2.35%	498,826.50 1,770.00	0.68% (929.52)	Aaa / AA+ AAA	0.20 0.20
3133EGLC7	FFCB Callable Note Cont 10/12/2016 1.08% Due 7/12/2019	500,000.00	07/12/2016 1.10%	499,675.00 499,969.73	99.65 2.34%	498,230.50 1,185.00	0.67% (1,739.23)	Aaa / AA+ AAA	0.28 0.28
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	500,000.00	09/25/2015 1.32%	498,665.00 499,832.67	99.39 2.47%	496,965.00 3,107.64	0.68% (2,867.67)	Aaa / AA+ AAA	0.51 0.49

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of March 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									
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	99.29 2.45%	496,428.50 2,528.75	0.67% (3,571.50)	Aaa / AA+ NR	0.58 0.57
3134G9V95	FHLMC Callable Note Qtrly 2/22/2017 2% Due 11/22/2019	750,000.00	08/22/2016 2.00%	750,000.00 750,000.00	99.79 2.51%	748,446.75 1,614.58	1.01% (1,553.25)	Aaa / AA+ AAA	0.65 0.39
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	99.15 2.50%	495,736.00 1,706.25	0.67% (4,264.00)	Aaa / AA+ AAA	0.75 0.74
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	98.90 2.42%	494,482.00 18.06	0.67% (5,518.00)	Aaa / AA+ AAA	1.00 0.98
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	99.17 2.46%	743,750.25 5,323.13	1.01% (6,249.75)	Aaa / AA+ NR	1.08 1.05
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	98.88 2.48%	741,621.75 3,812.50	1.01% (8,378.25)	Aaa / AA+ AAA	1.16 1.14
3130A8M67	FHLB Callable Note Cont 7/13/2017 1.2% Due 7/13/2020	500,000.00	11/22/2016 1.60%	492,970.00 497,519.13	98.45 2.43%	492,271.00 1,300.00	0.67% (5,248.13)	Aaa / AA+ NR	1.29 1.26
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	98.54 2.47%	985,390.00 1,438.89	1.33% (14,610.00)	Aaa / AA+ AAA	1.40 1.37
3133EGC94	FFCB Callable Note Cont 2/2/2017 1.38% Due 11/2/2020	500,000.00	11/04/2016 1.40%	499,600.00 499,840.71	98.51 2.34%	492,559.50 2,855.83	0.67% (7,281.21)	Aaa / AA+ AAA	1.59 1.55
3133EGR49	FFCB Callable Note Cont 12/7/2017 1.77% Due 12/7/2020	250,000.00	12/07/2016 1.83%	249,437.50 249,762.83	99.07 2.34%	247,668.25 1,401.25	0.34% (2,094.58)	Aaa / AA+ AAA	1.69 1.64
3134GBT A0	FHLMC Callable Note Qtrly 9/22/2017 2% Due 12/22/2020	750,000.00	06/27/2017 2.00%	750,000.00 750,000.00	99.89 2.25%	749,169.00 372.92	1.01% (831.00)	Aaa / AA+ AAA	1.73 0.72
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	98.36 2.32%	491,795.50 1,225.00	0.67% (8,204.50)	Aaa / AA+ AAA	1.83 1.78
3133EFC54	FFCB Callable Note Cont 2/17/2017 1.62% Due 2/17/2021	150,000.00	11/18/2016 1.67%	149,667.00 149,852.38	98.68 2.34%	148,024.20 297.00	0.20% (1,828.18)	Aaa / AA+ AAA	1.89 1.83
3134G8LH0	FHLMC Callable Note Qtrly 8/26/2016 2% Due 2/26/2021	514,000.00	02/26/2016 2.00%	514,000.00 514,000.00	99.83 2.41%	513,113.86 992.31	0.69% (886.14)	Aaa / AA+ AAA	1.91 0.40
3130A7ES0	FHLB Callable Note Qtrly 6/22/2016 2% Due 3/22/2021	275,000.00	04/06/2017 2.11%	274,381.25 274,691.48	99.63 2.38%	273,992.95 135.59	0.37% (698.53)	Aaa / AA+ NR	1.98 0.96
3133EFZ91	FFCB Callable Note Cont 4/12/2017 1.62% Due 4/12/2021	750,000.00	04/12/2016 1.62%	749,925.00 749,969.52	98.55 2.35%	739,115.25 5,703.75	1.01% (10,854.27)	Aaa / AA+ AAA	2.04 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
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	99.26 2.35%	744,470.25 6,135.83	1.01% (5,529.75)	Aaa / AA+ AAA	2.09 1.63
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	98.24 2.28%	491,222.00 1,333.33	0.66% (8,778.00)	Aaa / AA+ AAA	2.33 2.26
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	98.25 2.35%	982,510.00 1,600.00	1.33% (17,490.00)	Aaa / AA+ AAA	2.41 2.33
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	98.24 2.35%	982,395.00 45.14	1.33% (17,605.00)	Aaa / AA+ NR	2.50 2.43
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	98.16 2.29%	981,613.00 6,587.50	1.33% (18,387.00)	Aaa / AA+ AAA	2.58 2.49
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	98.76 2.36%	987,649.00 6,510.42	1.34% (12,351.00)	Aaa / AA+ AAA	2.66 2.03
3133EJ3B3	FFCB Note 2.8% Due 12/17/2021	1,000,000.00	12/26/2018 2.70%	1,002,780.00 1,002,536.81	101.24 2.32%	1,012,403.00 8,088.89	1.38% 9,866.19	Aaa / AA+ AAA	2.72 2.58
3135G0U92	FNMA Note 2.625% Due 1/11/2022	500,000.00	03/05/2019 2.60%	500,350.00 500,341.27	100.91 2.29%	504,525.50 2,916.67	0.69% 4,184.23	Aaa / AA+ AAA	2.79 2.65
3133EKBV7	Federal Farm Credit Bank Note 2.55% Due 3/1/2022	750,000.00	02/27/2019 2.55%	750,075.00 750,072.88	100.66 2.31%	754,949.25 1,593.75	1.02% 4,876.37	Aaa / AA+ AAA	2.92 2.79
313383WD9	FHLB Note 3.125% Due 9/9/2022	500,000.00	01/30/2019 2.68%	507,580.00 507,234.67	102.74 2.29%	513,719.50 954.86	0.69% 6,484.83	Aaa / AA+ AAA	3.45 3.25
3130AFE78	FHLB Note 3% Due 12/9/2022	1,000,000.00	01/25/2019 2.71%	1,010,700.00 1,010,222.25	102.55 2.27%	1,025,502.00 12,083.33	1.40% 15,279.75	Aaa / AA+ AAA	3.70 3.44
Total Agency		19,439,000.00	1.81%	19,447,305.75 19,455,602.35	2.37%	19,328,545.26 84,638.17	26.21% (127,057.09)	Aaa / AA+ AAA	1.92 1.71
COMMERCIAL PAPER									
62479MTL7	MUFG Bank Ltd/NY Discount CP 2.6% Due 6/20/2019	1,000,000.00	02/19/2019 2.66%	991,333.33 994,222.22	99.42 2.66%	994,222.22 0.00	1.34% 0.00	P-1 / A-1 NR	0.22 0.22
Total Commercial Paper		1,000,000.00	2.66%	991,333.33 994,222.22	2.66%	994,222.22 0.00	1.34% 0.00	Aaa / AA NR	0.22 0.22



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
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	13,320,281.67	Various 2.44%	13,320,281.67 13,320,281.67	1.00 2.44%	13,320,281.67 92,380.99	18.11% 0.00	NR / NR NR	0.00 0.00
Total LAIF		13,320,281.67	2.44%	13,320,281.67	2.44%	13,320,281.67 92,380.99	18.11% 0.00	NR / NR NR	0.00 0.00
LOCAL GOV INVESTMENT POOL									
90SDCP\$00	County of San Diego Pooled Investment Pool	5,295,000.00	Various 2.40%	5,295,000.00 5,295,000.00	1.00 2.40%	5,295,000.00 0.00	7.15% 0.00	NR / NR AAA	0.00 0.00
Total Local Gov Investment Pool		5,295,000.00	2.40%	5,295,000.00	2.40%	5,295,000.00 0.00	7.15% 0.00	NR / NR AAA	0.00 0.00
MONEY MARKET FUND FI									
261908206	Dreyfus Treasury Money Market Fund	593,445.12	Various 2.07%	593,445.12 593,445.12	1.00 2.07%	593,445.12 0.00	0.80% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		593,445.12	2.07%	593,445.12	2.07%	593,445.12 0.00	0.80% 0.00	Aaa / AAA NR	0.00 0.00
NEGOTIABLE CD									
78012UEY7	Royal Bank of Canada Yankee CD 2.6% Due 4/8/2019	500,000.00	08/24/2018 2.55%	500,130.05 500,004.01	100.00 2.55%	500,004.01 9,569.44	0.69% 0.00	P-1 / A-1+ F-1+	0.02 0.02
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	99.96 2.32%	244,901.27 1,805.28	0.33% (98.73)	NR / NR NR	0.06 0.06
29266NK97	Enerbank USA Negotiable CD 1.5% Due 5/15/2019	233,000.00	06/18/2015 1.58%	232,301.00 232,978.45	99.90 2.33%	232,762.57 162.78	0.31% (215.88)	NR / NR NR	0.12 0.12
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 11,613.33	0.69% 0.00	P-1 / A-1+ F-1+	0.15 0.15
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	99.83 2.27%	244,577.87 204.05	0.33% (422.13)	NR / NR NR	0.46 0.46

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of March 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
NEGOTIABLE CD									
06417G5R5	Bank of Nova Scotia Yankee CD 2.61% Due 12/17/2019	1,000,000.00	03/25/2019 2.61%	999,994.51 999,994.63	100.00 2.61%	999,994.63 507.50	1.35% 0.00	P-1 / A-1 F-1+	0.72 0.71
06370RVP1	Bank of Montreal Chicago Yankee CD 2.69% Due 3/5/2020	1,000,000.00	03/06/2019 2.69%	1,000,000.00 1,000,000.00	100.00 2.69%	1,000,000.00 1,942.78	1.35% 0.00	P-1 / A-1 F-1+	0.93 0.92
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	99.27 2.49%	243,216.65 273.86	0.33% (1,783.35)	NR / NR NR	0.94 0.93
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%	244,510.00 244,836.55	98.62 2.51%	241,610.67 779.97	0.33% (3,225.88)	NR / NR NR	1.27 1.25
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	98.15 2.71%	240,472.16 1,580.75	0.33% (4,527.84)	NR / NR NR	1.58 1.53
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	98.96 2.46%	242,444.90 37.25	0.33% (2,555.10)	NR / NR NR	1.75 1.72
94986TXN2	Wells Fargo Callable NCD Qtrly 9/4/18 2.3% Due 3/4/2021	243,000.00	03/04/2016 2.29%	243,000.00 243,000.00	100.09 1.81%	243,210.92 421.09	0.33% 210.92	NR / NR NR	1.93 0.18
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	97.97 2.58%	240,037.77 22.15	0.32% (4,962.23)	NR / NR NR	2.25 2.21
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	97.46 2.76%	238,779.21 487.32	0.32% (6,220.79)	NR / NR NR	2.38 2.32
Total Negotiable CD		5,436,000.00	2.23%	5,434,935.56 5,435,813.64	2.54%	5,412,012.63 29,407.55	7.35% (23,801.01)	Aaa / AA+ AAA	0.89 0.79
SUPRANATIONAL									
4581X0CD8	Inter-American Dev Bank Note 2.125% Due 11/9/2020	750,000.00	05/22/2018 2.81%	737,865.00 742,071.80	99.51 2.43%	746,354.25 6,286.46	1.02% 4,282.45	Aaa / AAA AAA	1.61 1.56
459058GH0	Intl. Bank Recon & Development Note 2.75% Due 7/23/2021	750,000.00	07/24/2018 2.86%	747,607.50 748,152.54	100.97 2.32%	757,251.75 3,895.83	1.03% 9,099.21	Aaa / AAA NR	2.32 2.22
Total Supranational		1,500,000.00	2.84%	1,485,472.50 1,490,224.34	2.38%	1,503,606.00 10,182.29	2.04% 13,381.66	Aaa / AAA AAA	1.97 1.89



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US CORPORATE									
46625HHS2	JP Morgan Chase Note 4.4% Due 7/22/2020	250,000.00	01/25/2019 3.07%	254,790.00 254,240.04	102.24 2.64%	255,610.50 2,108.33	0.35% 1,370.46	A2 / A- AA-	1.31 1.26
40428HPV8	HSBC USA Inc Note 2.75% Due 8/7/2020	250,000.00	10/10/2018 3.26%	247,772.50 248,345.29	100.10 2.68%	250,240.00 1,031.25	0.34% 1,894.71	A2 / A AA-	1.36 1.31
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%	490,920.00 493,083.04	99.50 2.62%	497,518.00 4,727.78	0.68% 4,434.96	A3 / A A	1.60 1.53
459200JF9	IBM Corp Note 2.25% Due 2/19/2021	500,000.00	06/26/2018 3.07%	489,640.00 492,607.65	99.16 2.71%	495,784.00 1,312.50	0.67% 3,176.35	A1 / A A	1.89 1.83
69371RN93	Paccar Financial Corp Note 2.8% Due 3/1/2021	300,000.00	07/23/2018 3.12%	297,585.00 298,220.53	100.33 2.62%	300,975.60 700.00	0.41% 2,755.07	A1 / A+ NR	1.92 1.85
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%	493,125.00 494,670.27	99.76 2.62%	498,785.00 5,763.89	0.68% 4,114.73	A1 / A AA-	2.04 1.95
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	350,000.00	06/28/2018 3.08%	349,247.50 349,445.87	100.90 2.56%	353,161.20 4,083.33	0.48% 3,715.33	A2 / A+ NR	2.12 2.01
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	500,000.00	10/12/2018 3.30%	483,360.00 486,297.51	98.68 2.59%	493,378.50 3,575.00	0.67% 7,080.99	A1 / A AA-	2.14 2.06
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.25% Due 5/21/2021	320,000.00	Various 3.09%	321,372.10 320,975.80	101.25 2.62%	324,013.77 3,755.55	0.44% 3,037.97	A2 / A A	2.14 1.96
931142EJ8	Wal-Mart Stores Note 3.125% Due 6/23/2021	290,000.00	06/20/2018 3.13%	289,985.50 289,989.19	101.37 2.49%	293,979.96 2,467.01	0.40% 3,990.77	Aa2 / AA AA	2.23 2.13
02665WBG5	American Honda Finance Note 1.7% Due 9/9/2021	500,000.00	07/20/2018 3.19%	478,045.00 482,866.26	97.66 2.70%	488,317.50 519.44	0.66% 5,451.24	A2 / A NR	2.45 2.36
89233P5F9	Toyota Motor Credit Corp Note 3.4% Due 9/15/2021	500,000.00	05/31/2018 3.03%	505,785.00 504,332.72	101.98 2.56%	509,875.00 755.56	0.69% 5,542.28	Aa3 / AA- A+	2.46 2.34
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	500,000.00	Various 3.29%	489,627.50 491,682.89	99.96 2.67%	499,784.50 3,128.48	0.68% 8,101.61	A2 / A A	2.77 2.63
74005PBA1	Praxair Callable Note Cont 11/15/2021 2.45% Due 2/15/2022	300,000.00	06/27/2018 3.15%	292,848.00 294,335.53	99.98 2.45%	299,953.20 939.17	0.41% 5,617.67	A2 / A NR	2.88 2.75
037833CQ1	Apple Inc Callable Note Cont 4/11/22 2.3% Due 5/11/2022	500,000.00	10/30/2018 3.30%	483,395.00 485,343.22	99.35 2.52%	496,746.00 4,472.22	0.68% 11,402.78	Aa1 / AA+ NR	3.12 2.96



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									
68389XBB0	Oracle Corp Callable Note Cont 3/15/2022 2.5% Due 5/15/2022	500,000.00	Various 3.28%	486,304.00 488,689.72	99.65 2.62%	498,228.50 4,722.23	0.68% 9,538.78	A1 / AA- A	3.13 2.96
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	500,000.00	12/11/2018 3.31%	495,015.00 495,450.04	101.66 2.44%	508,292.00 5,666.67	0.69% 12,841.96	Aa2 / AA A+	3.13 2.94
09247XAJ0	Blackrock Inc Note 3.375% Due 6/1/2022	500,000.00	11/28/2018 3.36%	500,215.00 500,194.49	102.55 2.53%	512,733.00 5,625.00	0.70% 12,538.51	Aa3 / AA- NR	3.17 2.96
Total US Corporate		7,560,000.00	3.19%	7,449,032.10 7,470,770.06	2.59%	7,577,376.23 55,353.41	10.30% 106,606.17	A1 / A+ A+	2.40 2.28
US TREASURY									
912828WW6	US Treasury Note 1.625% Due 7/31/2019	600,000.00	08/29/2018 2.44%	595,593.75 598,408.49	99.71 2.48%	598,265.40 1,616.02	0.81% (143.09)	Aaa / AA+ AAA	0.33 0.33
9128283S7	US Treasury Note 2% Due 1/31/2020	750,000.00	08/24/2018 2.57%	744,082.03 746,542.18	99.67 2.40%	747,510.00 2,486.19	1.01% 967.82	Aaa / AA+ AAA	0.84 0.82
9128283Y4	US Treasury Note 2.25% Due 2/29/2020	750,000.00	06/25/2018 2.51%	746,835.94 748,276.03	99.86 2.41%	748,945.50 1,467.39	1.01% 669.47	Aaa / AA+ AAA	0.92 0.90
912828X21	US Treasury Note 1.5% Due 4/15/2020	750,000.00	07/23/2018 2.62%	735,937.50 741,531.30	99.08 2.40%	743,085.75 5,192.31	1.01% 1,554.45	Aaa / AA+ AAA	1.04 1.02
9128284J6	US Treasury Note 2.375% Due 4/30/2020	750,000.00	11/29/2018 2.80%	745,605.47 746,642.48	99.96 2.41%	749,736.00 7,479.28	1.02% 3,093.52	Aaa / AA+ AAA	1.08 1.05
912828XH8	US Treasury Note 1.625% Due 6/30/2020	750,000.00	05/31/2018 2.43%	737,753.91 742,662.00	99.05 2.40%	742,851.75 3,063.71	1.01% 189.75	Aaa / AA+ AAA	1.25 1.22
912828Y46	US Treasury Note 2.625% Due 7/31/2020	750,000.00	10/31/2018 2.87%	746,894.53 747,633.23	100.32 2.38%	752,402.25 3,263.12	1.02% 4,769.02	Aaa / AA+ AAA	1.34 1.30
912828VV9	US Treasury Note 2.125% Due 8/31/2020	750,000.00	08/28/2018 2.66%	742,236.33 744,513.53	99.67 2.36%	747,539.25 1,385.87	1.01% 3,025.72	Aaa / AA+ AAA	1.42 1.38
912828L65	US Treasury Note 1.375% Due 9/30/2020	750,000.00	06/27/2018 2.53%	731,044.92 737,409.23	98.55 2.37%	739,101.75 28.18	1.00% 1,692.52	Aaa / AA+ AAA	1.50 1.47
912828WC0	US Treasury Note 1.75% Due 10/31/2020	750,000.00	07/20/2018 2.64%	735,292.97 739,752.86	99.06 2.36%	742,968.75 5,511.05	1.01% 3,215.89	Aaa / AA+ AAA	1.59 1.54
912828A42	US Treasury Note 2% Due 11/30/2020	750,000.00	11/28/2018 2.85%	737,695.31 739,762.90	99.44 2.34%	745,810.50 5,027.47	1.01% 6,047.60	Aaa / AA+ AAA	1.67 1.62

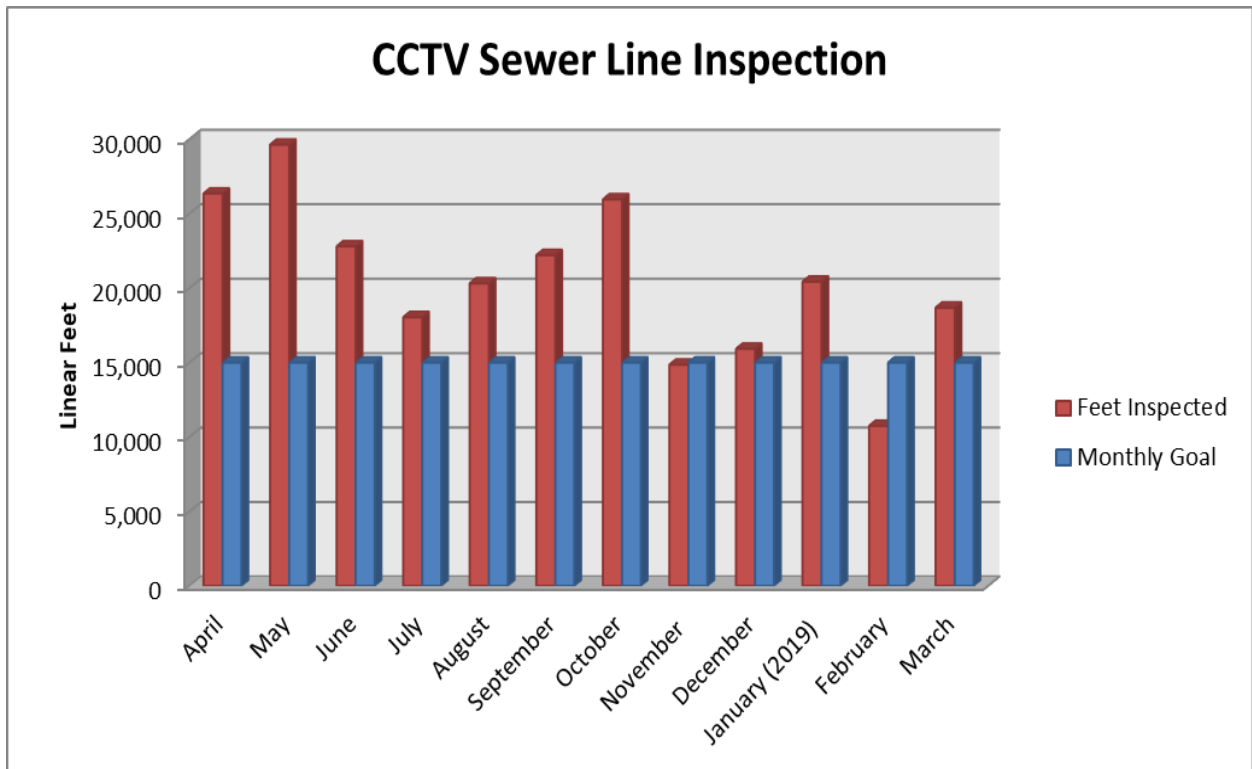


CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828N89	US Treasury Note 1.375% Due 1/31/2021	750,000.00	10/30/2018 2.86%	725,859.38 730,317.91	98.31 2.32%	737,343.75 1,709.25	1.00% 7,025.84	Aaa / AA+ AAA	1.84 1.80
912828U81	US Treasury Note 2% Due 12/31/2021	750,000.00	11/08/2018 3.05%	726,650.39 729,558.92	99.38 2.23%	745,371.00 3,770.72	1.01% 15,812.08	Aaa / AA+ AAA	2.76 2.65
912828W55	US Treasury Note 1.875% Due 2/28/2022	1,000,000.00	01/30/2019 2.56%	979,921.88 980,993.67	98.96 2.24%	989,648.00 1,630.43	1.34% 8,654.33	Aaa / AA+ AAA	2.92 2.81
912828W89	US Treasury Note 1.875% Due 3/31/2022	750,000.00	09/27/2018 2.92%	724,013.67 727,769.51	98.99 2.22%	742,441.50 38.42	1.00% 14,671.99	Aaa / AA+ AAA	3.00 2.90
912828XR6	US Treasury Note 1.75% Due 5/31/2022	750,000.00	09/24/2018 2.93%	719,208.98 723,516.06	98.52 2.24%	738,896.25 4,399.04	1.00% 15,380.19	Aaa / AA+ AAA	3.17 3.04
912828XW5	US Treasury Note 1.75% Due 6/30/2022	350,000.00	09/07/2018 2.80%	336,792.97 338,723.16	98.49 2.23%	344,722.70 1,539.71	0.47% 5,999.54	Aaa / AA+ AAA	3.25 3.13
9128282P4	US Treasury Note 1.875% Due 7/31/2022	1,000,000.00	12/28/2018 2.53%	977,617.19 979,174.40	98.84 2.24%	988,398.00 3,107.73	1.34% 9,223.60	Aaa / AA+ AAA	3.34 3.20
912828L24	US Treasury Note 1.875% Due 8/31/2022	750,000.00	09/20/2018 2.94%	720,439.45 724,380.86	98.81 2.24%	741,093.75 1,222.83	1.00% 16,712.89	Aaa / AA+ AAA	3.42 3.28
9128282W9	US Treasury Note 1.875% Due 9/30/2022	1,000,000.00	03/19/2019 2.43%	981,406.25 981,579.22	98.81 2.23%	988,125.00 51.23	1.33% 6,545.78	Aaa / AA+ AAA	3.50 3.37
9128284D9	US Treasury Note 2.5% Due 3/31/2023	1,000,000.00	02/21/2019 2.51%	999,414.06 999,428.92	101.01 2.24%	1,010,078.00 68.31	1.36% 10,649.08	Aaa / AA+ AAA	4.00 3.79
Total US Treasury		16,200,000.00	2.68%	15,890,296.88 15,948,576.86	2.32%	16,084,334.85 54,058.26	21.79% 135,757.99	Aaa / AA+ AAA	2.17 2.09
TOTAL PORTFOLIO		73,993,702.62	2.41%	73,528,921.14 73,628,865.59	2.42%	73,746,972.29 329,440.04	100.00% 118,106.70	Aa1 / AA+ AAA	1.47 1.29
TOTAL MARKET VALUE PLUS ACCRUED						74,076,412.33			

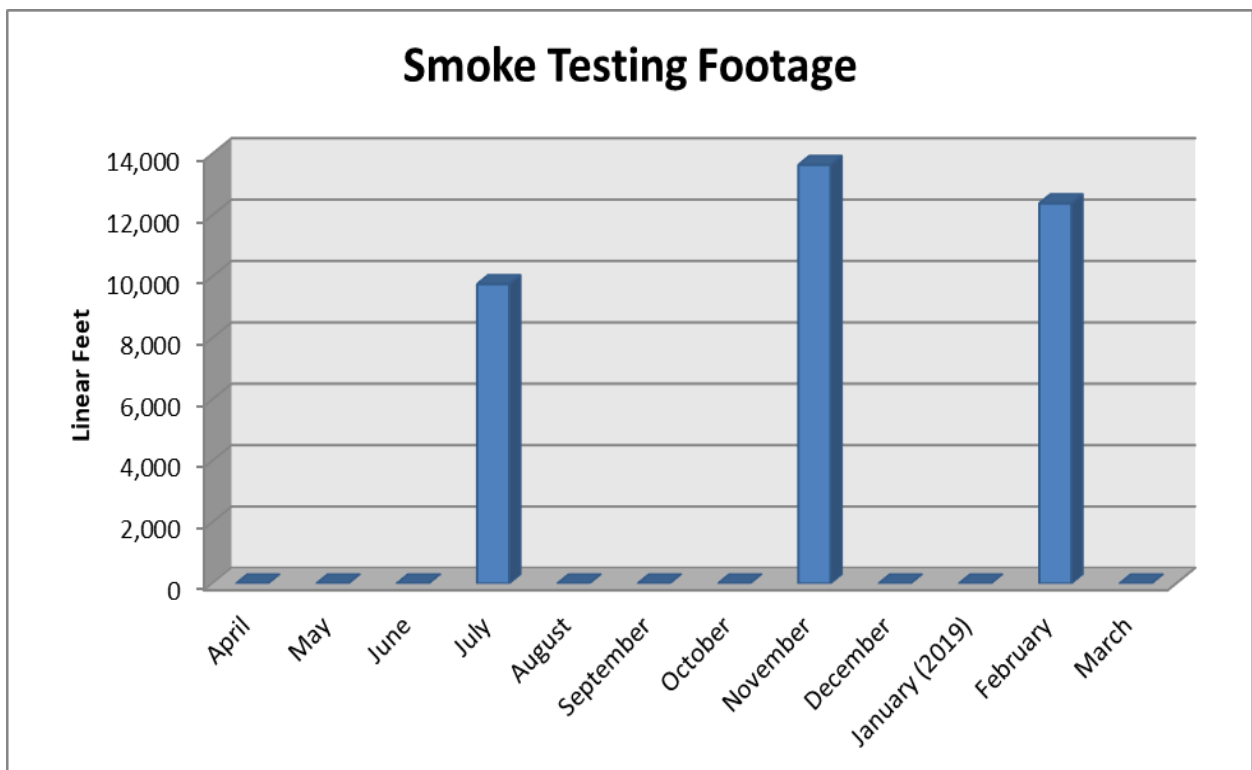
**VALLECITOS WATER DISTRICT
SUMMARY OF LEGAL FEES**

Matter Description	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
General Counsel Services	\$ 3,223	\$ 14,057	\$ 6,416	\$ 7,639	\$ 8,896	\$ 7,886	\$ 3,422
Fees and Taxes	182		1,040		78	988	364
Labor/Employment	609		493	3,770	6,409	852	-
Engineering - Construction/Contracting	2,059	1,274	1,947	1,404	260	858	2,938
VWD v. Brian Thomas Boyd	658	1,730	3,375	494	2,718	130	104
Annual Public Policy & Ethics Program	4,600						
Total	\$ 11,331	\$ 17,061	\$ 13,271	\$ 13,308	\$ 18,361	\$ 10,714	\$ 6,828

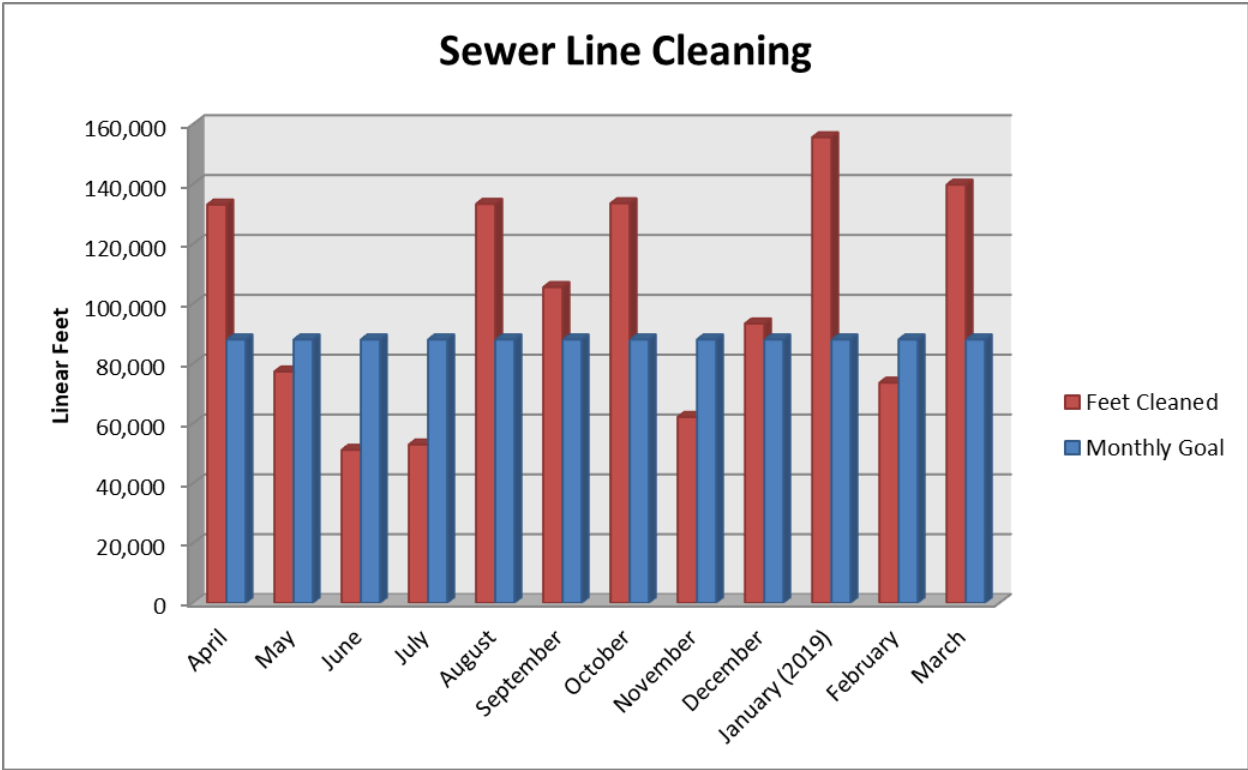
Quarterly O&M Metrics Report



CCTV Sewer Line Inspection Totals in Feet
 Total for Calendar Year 2019 = 49,867 ft.
 (Goal is to inspect at least 180,000 feet of gravity lines per calendar year)

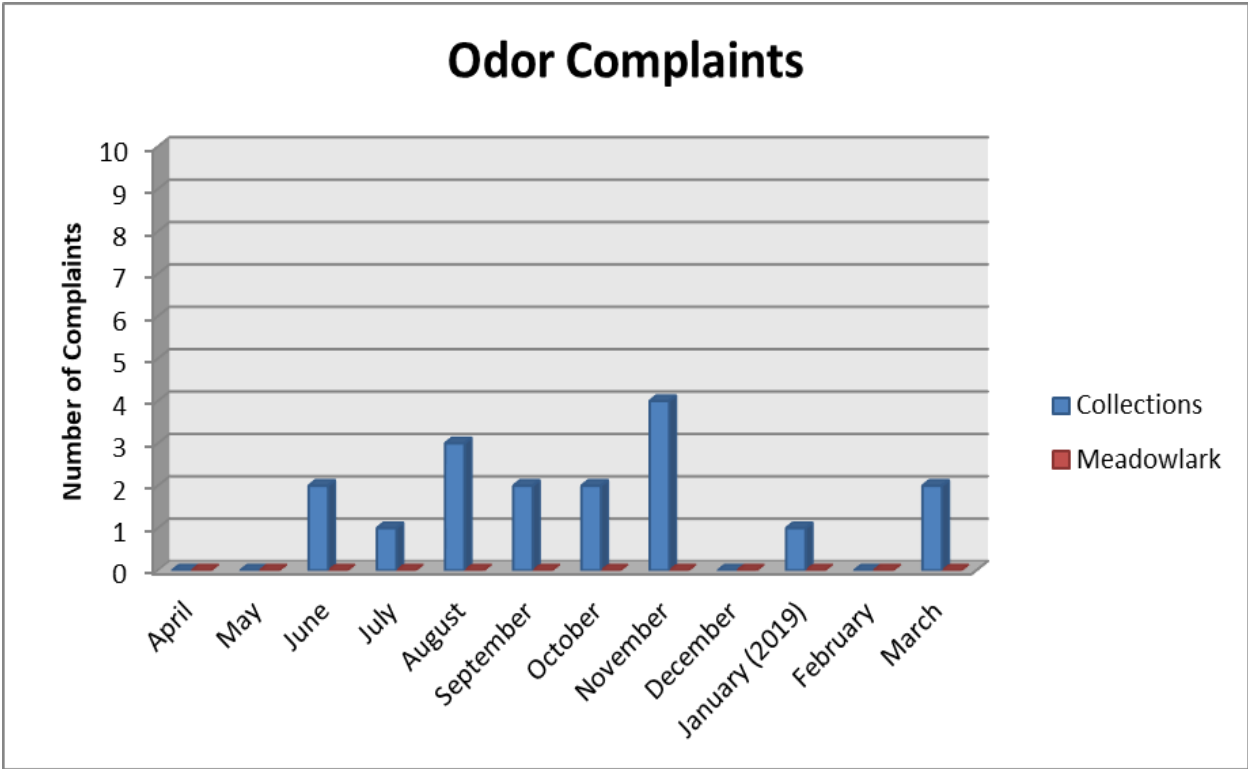


Smoke Testing of Sewer Lines in Feet
 (Goal is to smoke test three areas per calendar year based on suspected I&I)

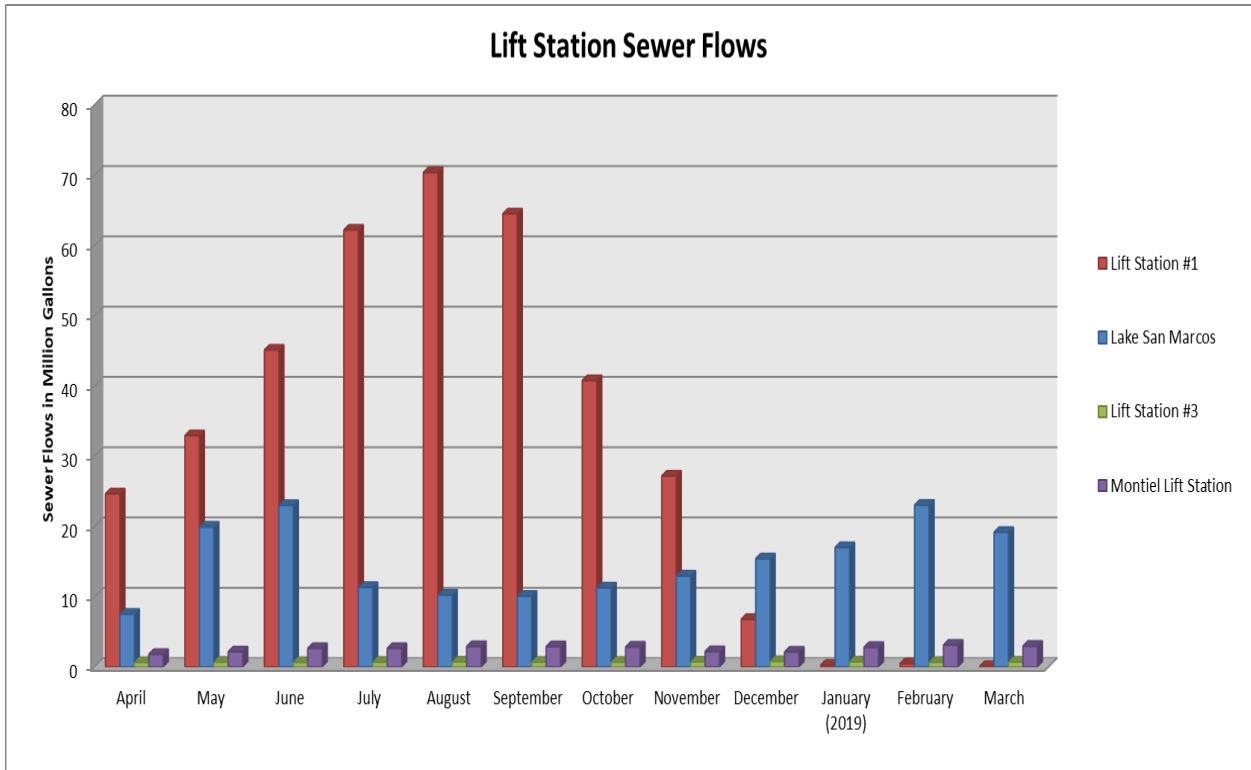


Sewer Line Cleaning Totals in Feet
Total for Calendar Year 2019 = 368,802 ft.

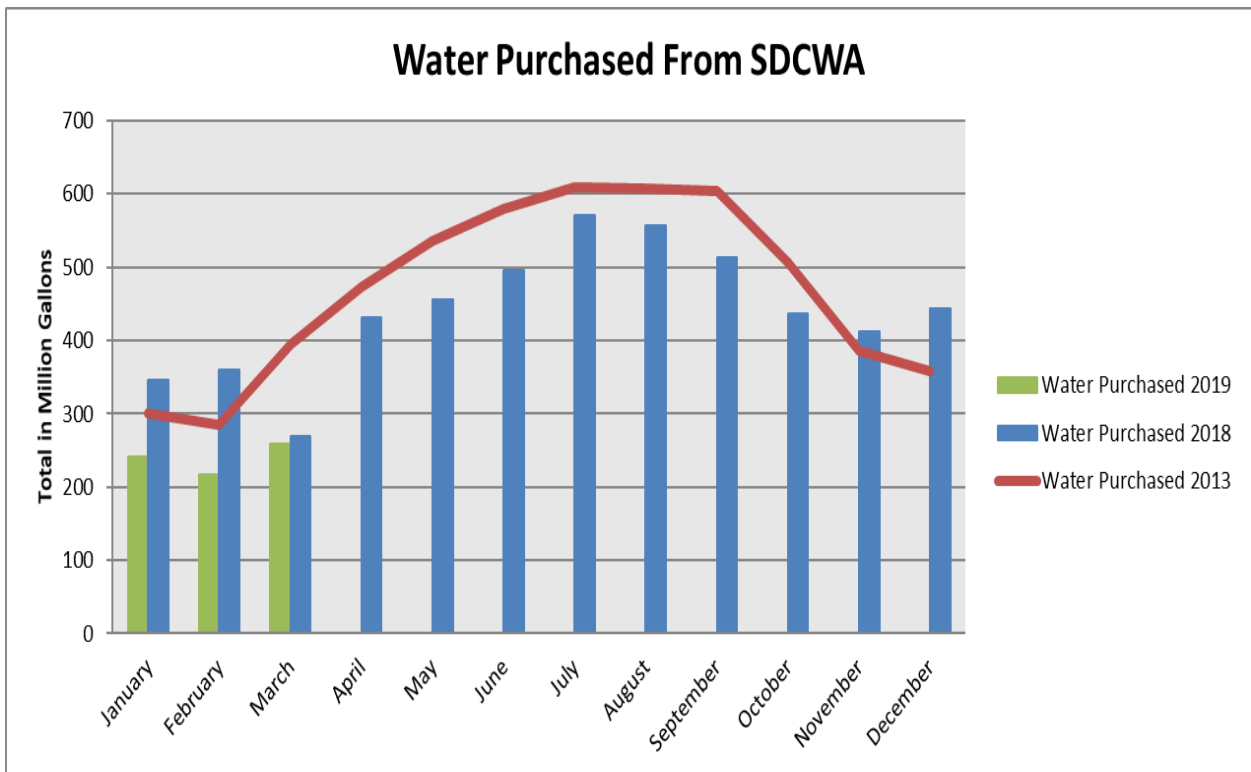
(Goal is to clean 1,000,000 ft. of gravity lines per year and clean the entire system in 15 months or less)



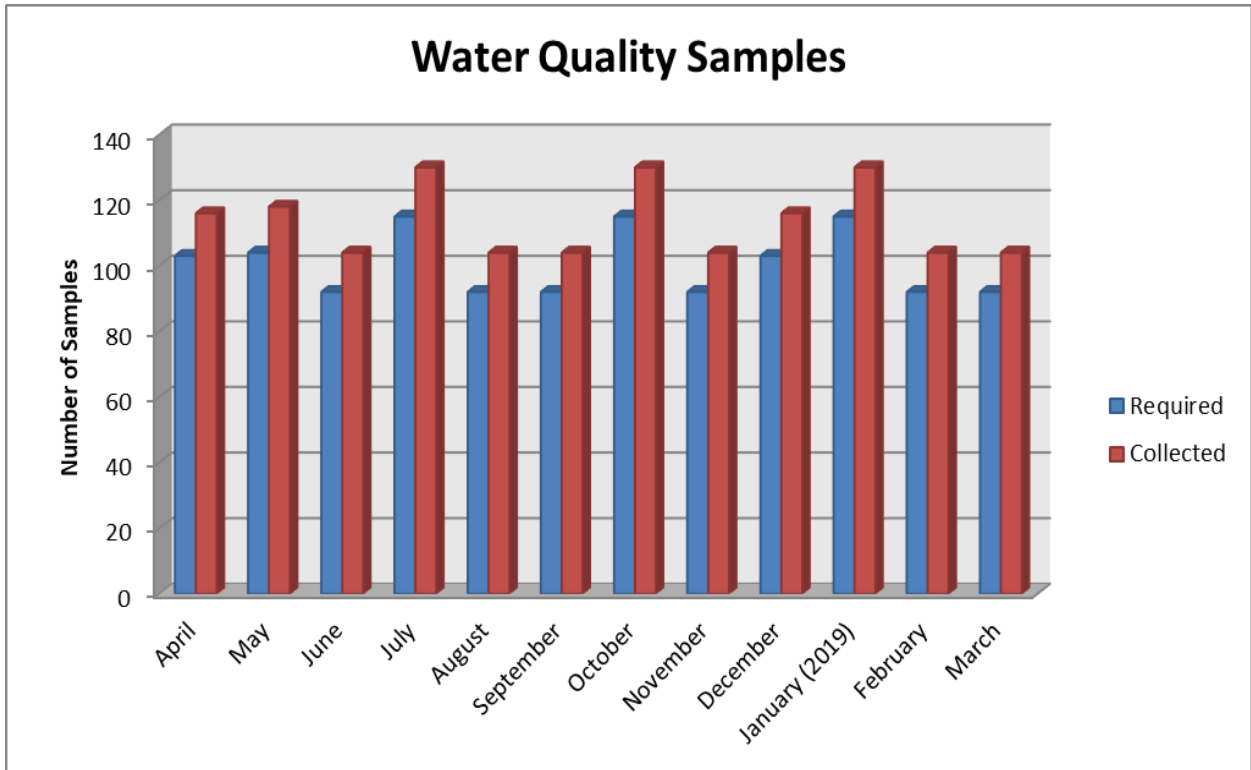
Customer Sewer Odor Complaints



Sewer Flows Pumped from District Lift Stations

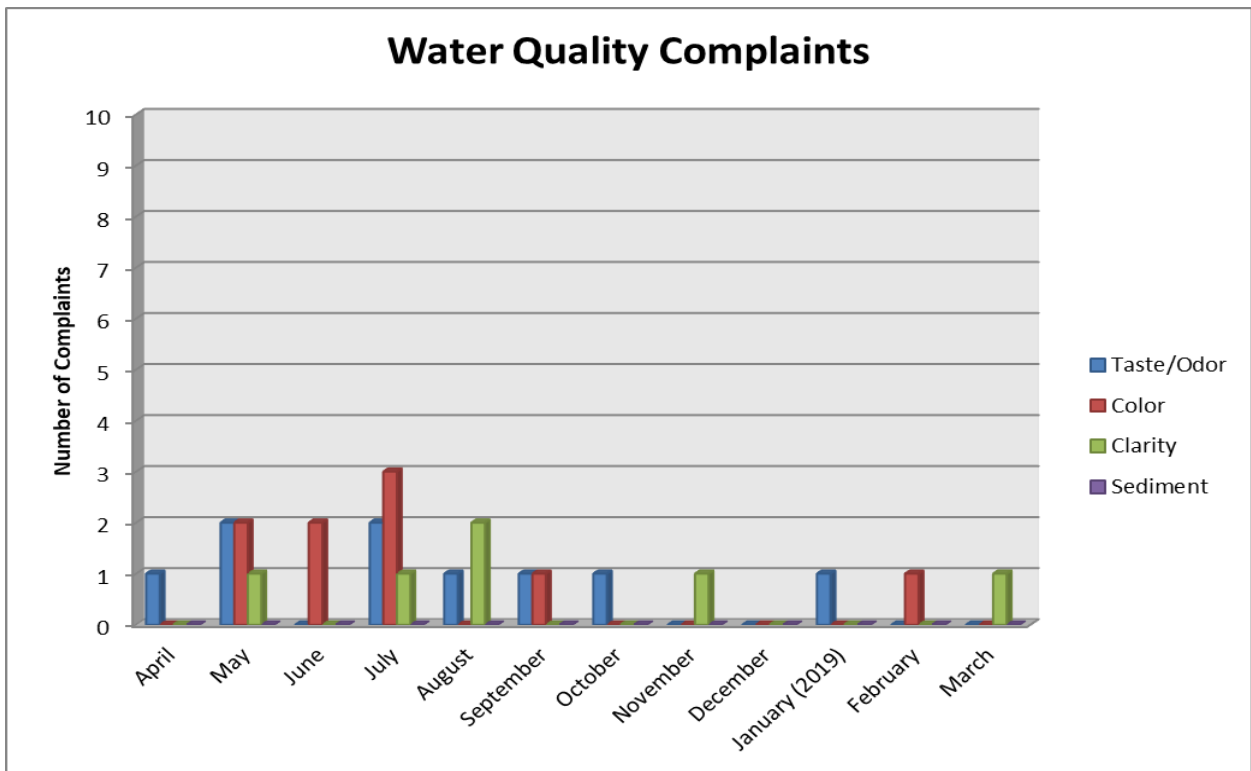


Water Purchased from the San Diego County Water Authority
 Calendar Year 2013 was used by the SWRCB as a baseline for water conservation efforts
 (Includes water from the desalination and OMWD plants)



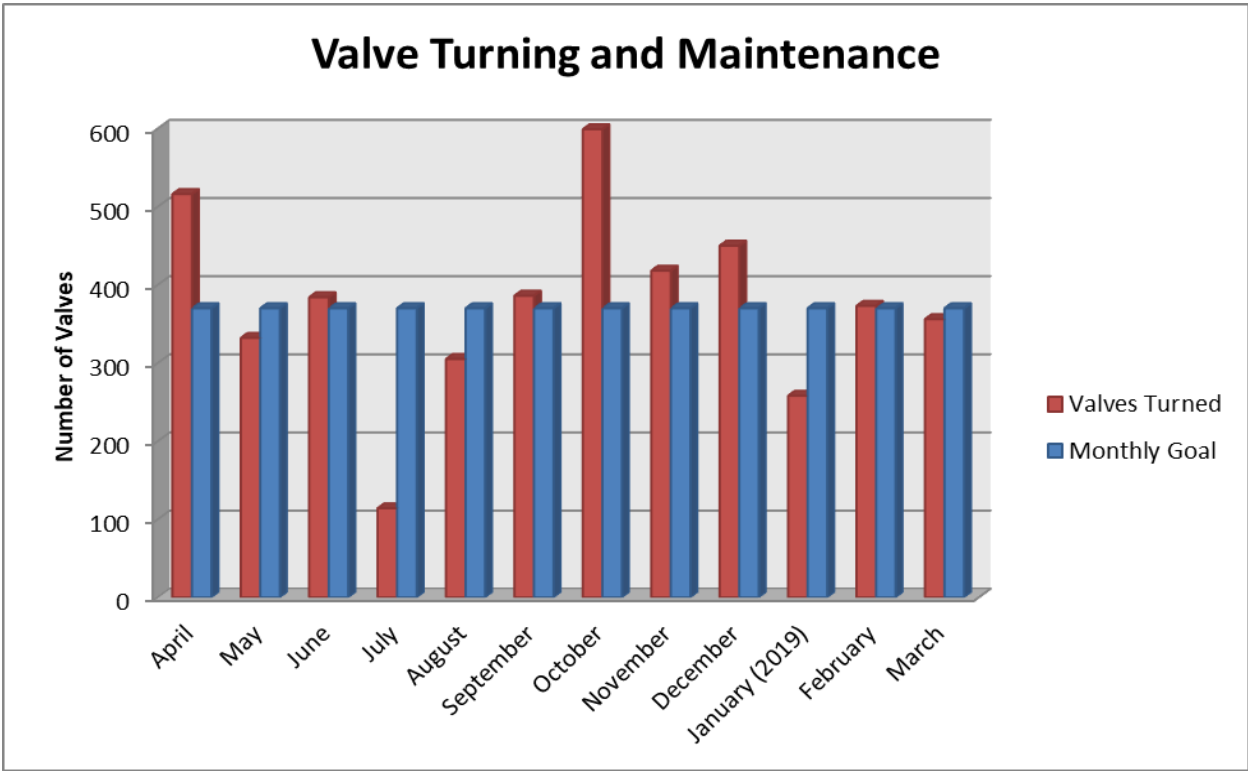
Bacteriological Water Quality Samples

(Number of samples required each month is based on SWRCB regulations & the number of weeks per month)

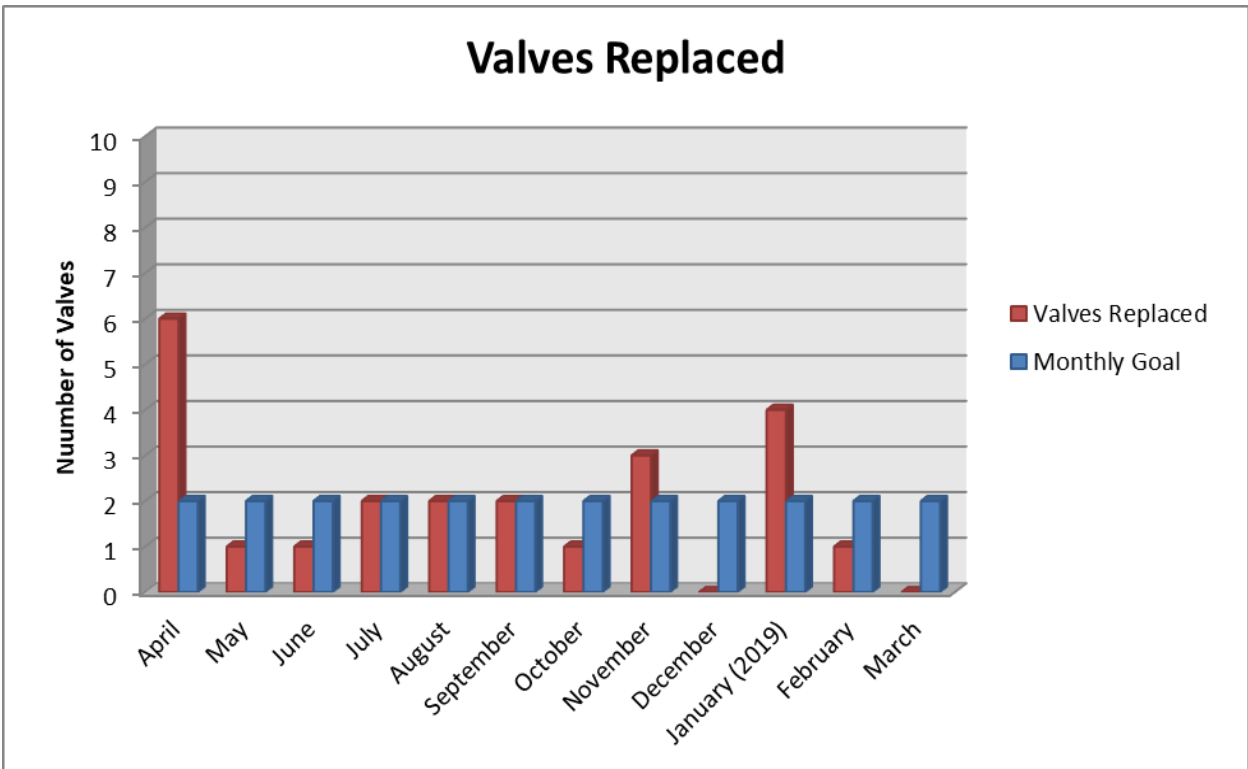


Customer Water Quality Complaints

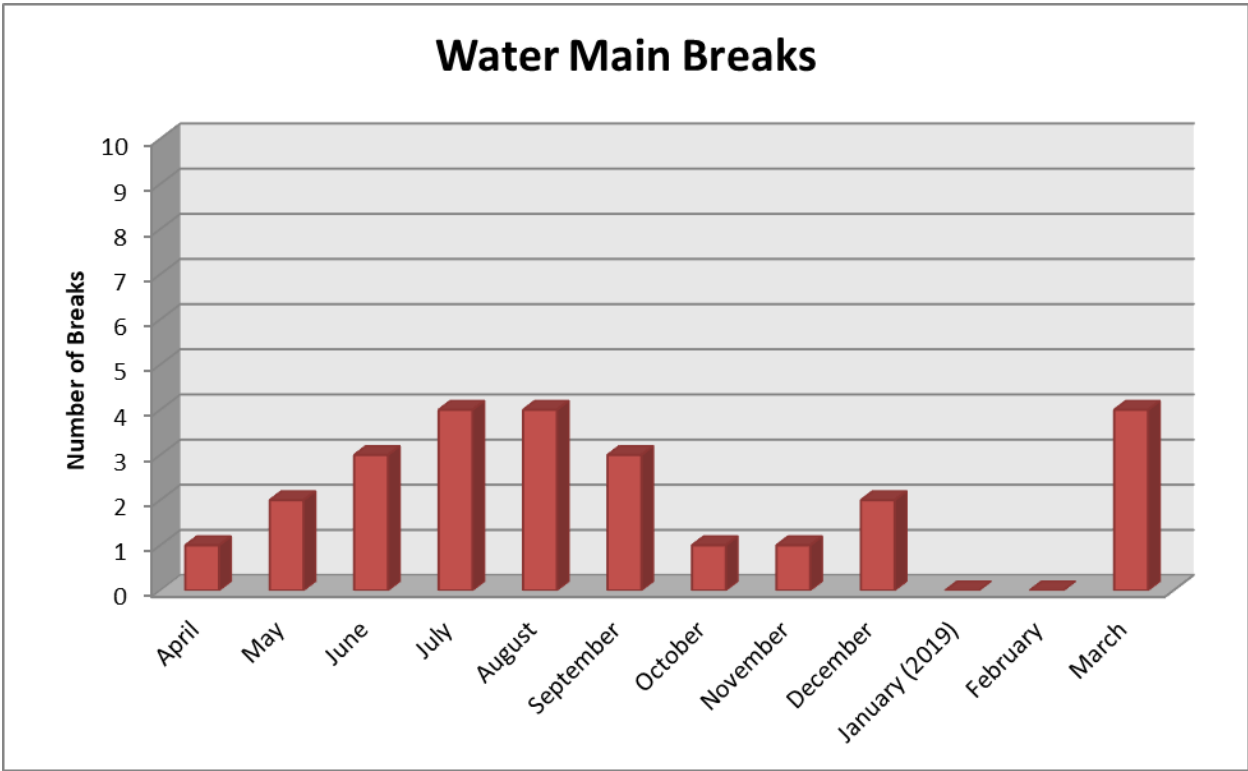
(Water quality issues are typically caused by main breaks, construction activities & customers' plumbing)



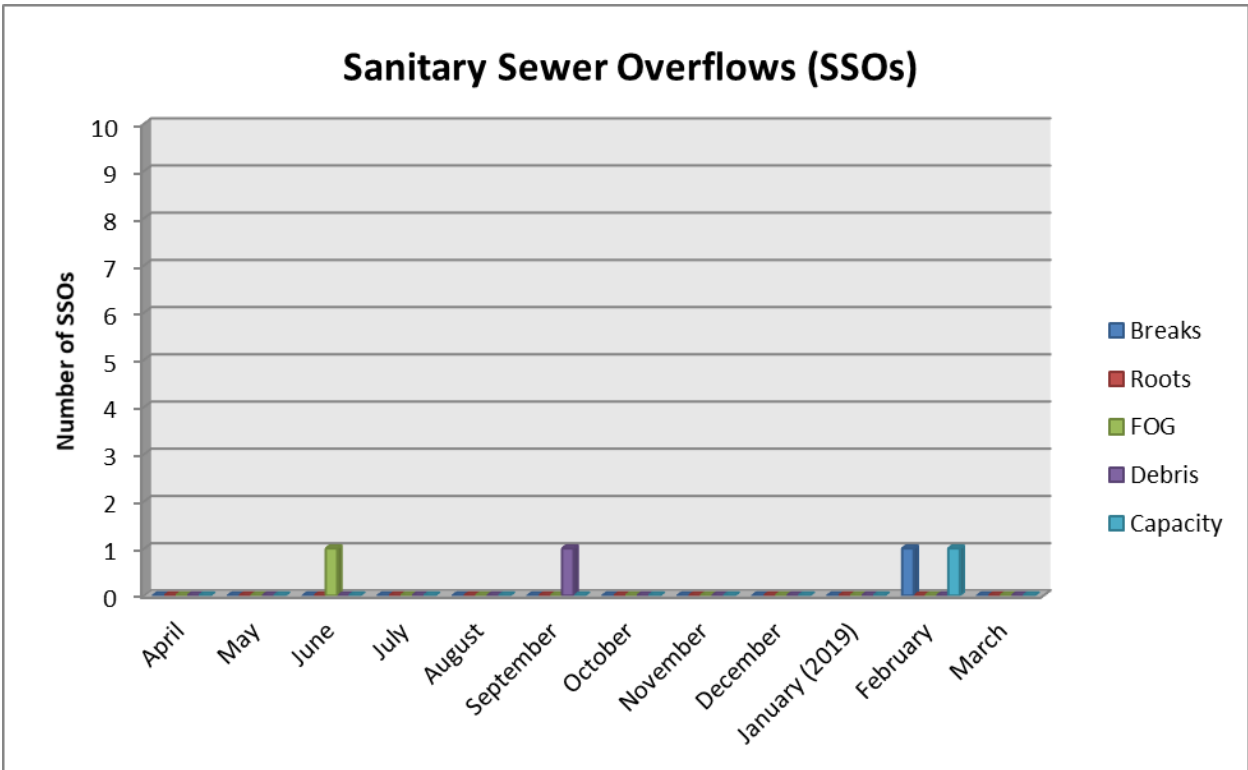
Water Valves Turned in the Distribution System
 The District has 8,874 valves / 11% of the valves have been turned in Calendar Year 2019
 (Goal is to turn 50% of valves every calendar year or about 370/Month)



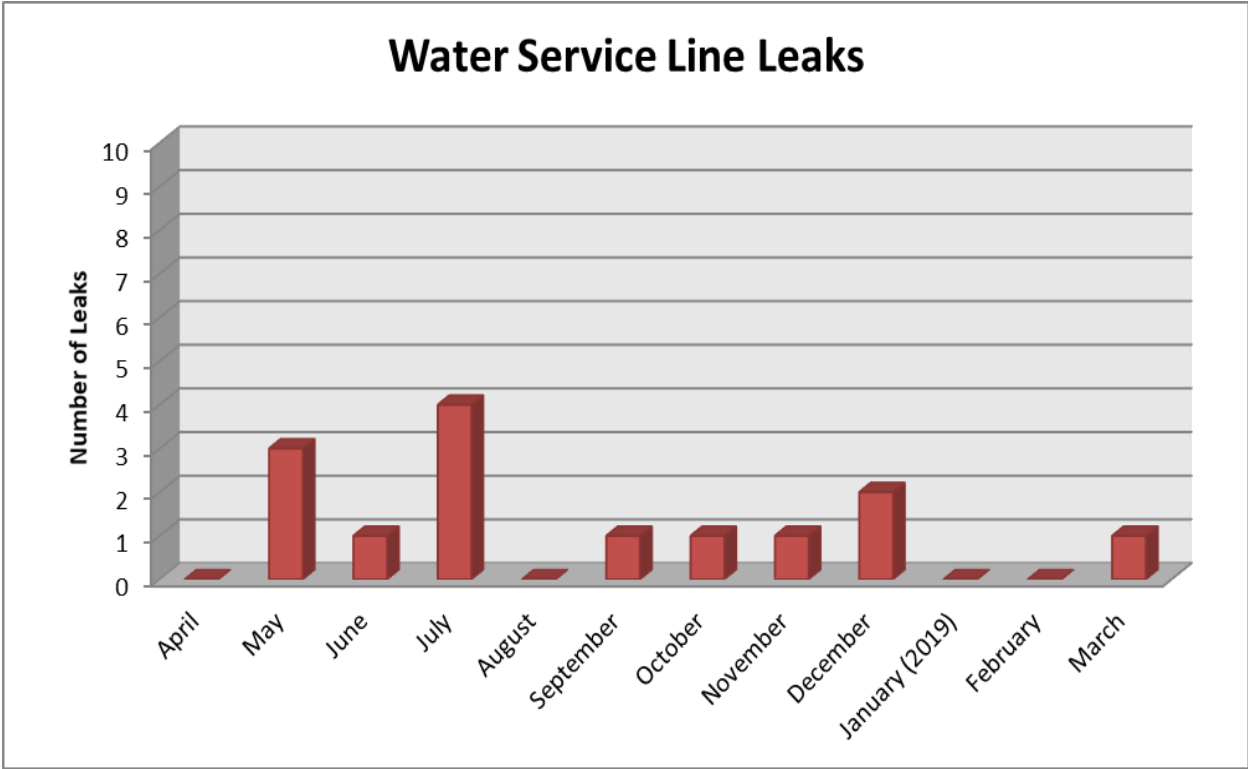
Water Valves Replaced in the Distribution System
 Total replaced so far for Fiscal Year 2018/19 = 15 / There are currently 43 broken valves that need replacing
 (Goal is to replace 20 valves every fiscal year or around 2 per month)



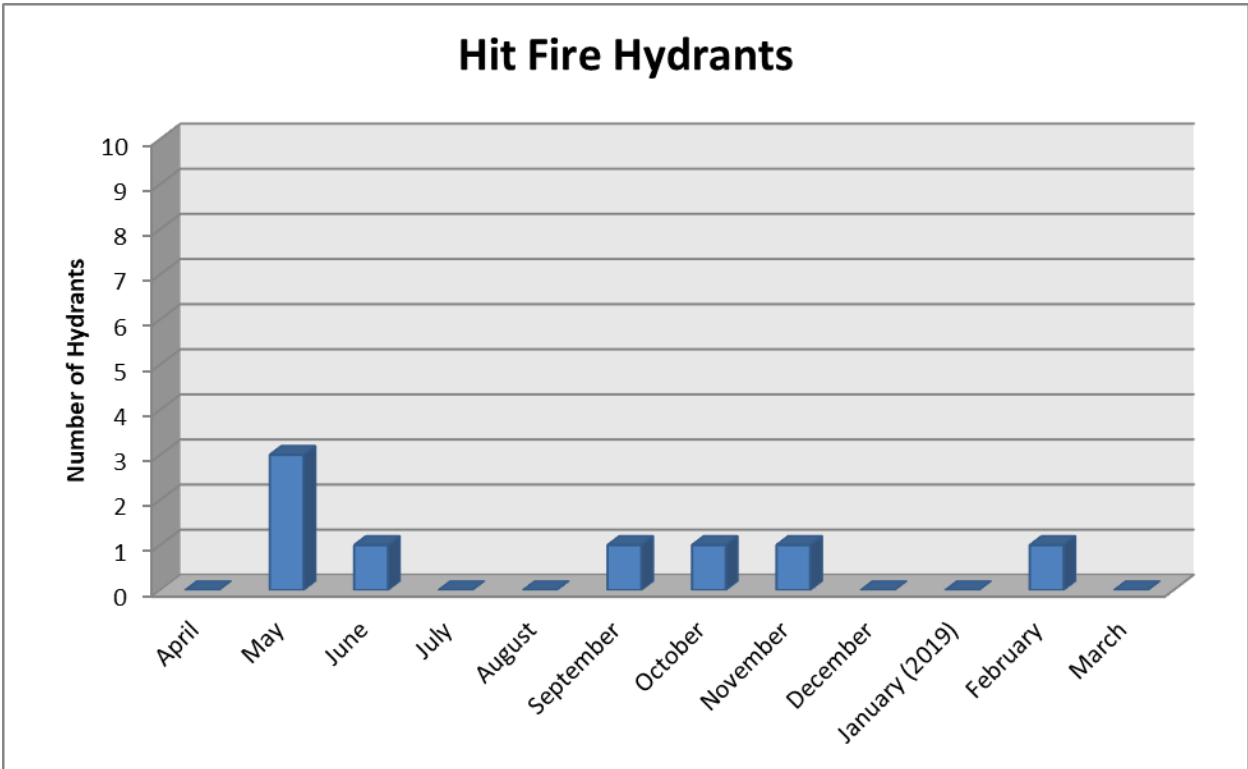
Water Mainline Breaks in the Distribution System
 (There have been 4 water main breaks in calendar year 2019 / There were 25 in 2018)



Sanitary Sewer Overflows (sewer spills and their cause) in the Wastewater Collections System
 (There have been 2 SSOs in calendar year 2019 / There were 3 in 2018)

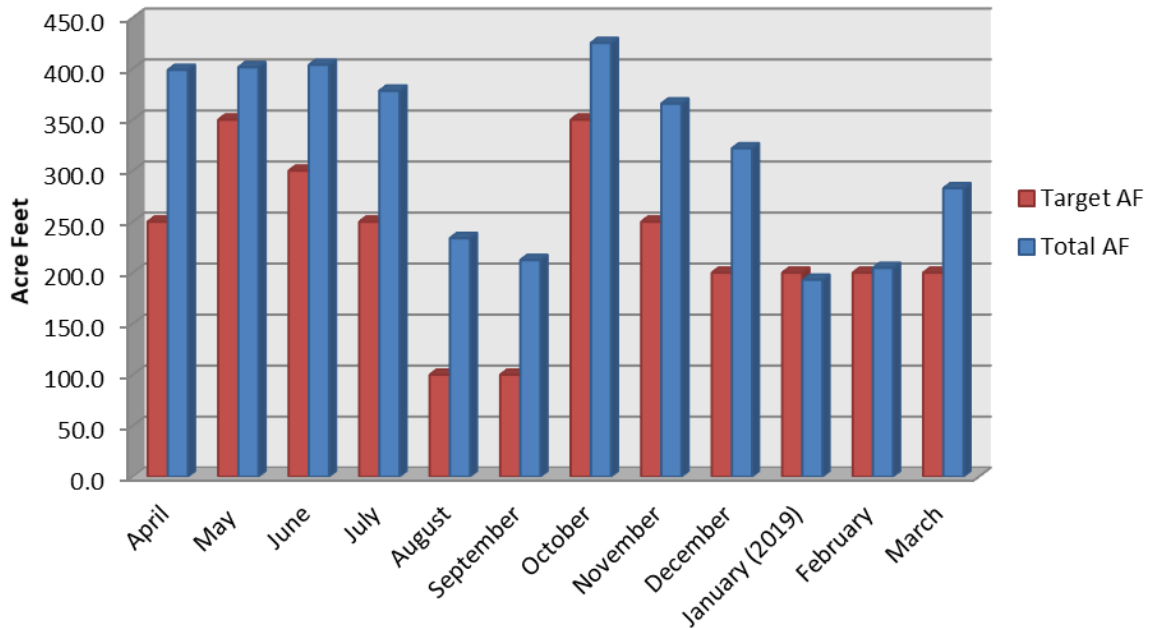


Water Service Line Leaks in the Distribution System
 (There has been 1 water service line leak in calendar year 2019 / There were 15 in 2018)



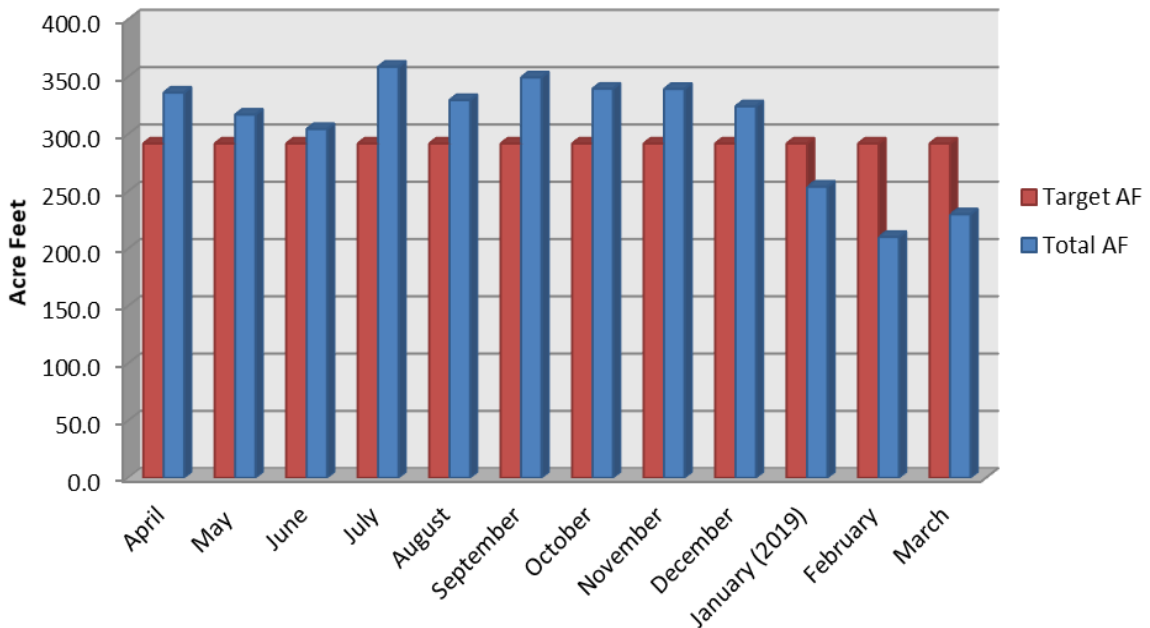
Fire Hydrants Hit in the Distribution System
 (There has been 1 fire hydrant hit in calendar year 2019 / There were 8 in 2018)

San Elijo Pump Station - OMWD Water Purchase



Acre Feet (AF) of Water Purchased from Olivenhain MWD – San Elijo Pump Station
 Our annual minimum take from OMWD is 2,750 AF / We have purchased 681 AF in CY 2019
 (The monthly Target Acre Feet varies throughout the year based on the agreement with OMWD)

Desalination Plant Water Purchase



Acre Feet (AF) of Water Purchased from the Carlsbad Desalination Plant
 Our annual minimum take from Desal is 3,500 AF / We have purchased 694 AF in CY 2019
 (Our monthly Target Acre Feet is based on our purchase agreement with SDCWA)

DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: ADOPTION OF RESOLUTION ORDERING THE ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS THE “MENCHACA ANNEXATION” (APN 228-130-31) INTO THE VALLECITOS WATER DISTRICT AND SEWER IMPROVEMENT DISTRICT

BACKGROUND:

The Menchaca property consists of approximately 1.59 acres located along St. Paul Drive north of Montiel Road and east of Nordahl Road. The property is currently within the VWD Sphere of Influence but not within either the water or sewer service boundaries of the District. The property is currently within Vista Irrigation District’s (VID) water service boundary and receives water service from VID. The owner intends to continue to receive water service from VID, but their septic system is failing and is unable to be repaired.

DISCUSSION:

Jesse D. Menchaca and Linda S. Menchaca, owners of the subject property, requested annexation into the District’s water and sewer service areas in January 2018. The conditions for annexation into the District’s water and sewer service area were approved at the March 7, 2018 Board of Directors meeting.

Mr. Menchaca paid all required annexation and State Board of Equalization fees and completed the conditions of annexation listed in the March 7, 2018 staff report. An application was made to LAFCO on September 17, 2018. LAFCO approved the application on March 4, 2019 with minor conditions.

FISCAL IMPACT:

Payment of \$13,433.91 in sewer annexation fees and \$7,376.01 in water annexation fees were collected on February 8, 2018 in accordance with Ordinance No. 200. The Menchaca’s also paid \$7,424.00 in wastewater capital facility fees on February 8, 2018.

RECOMMENDATION:

Adopt the resolution ordering the annexation of the Menchaca property.

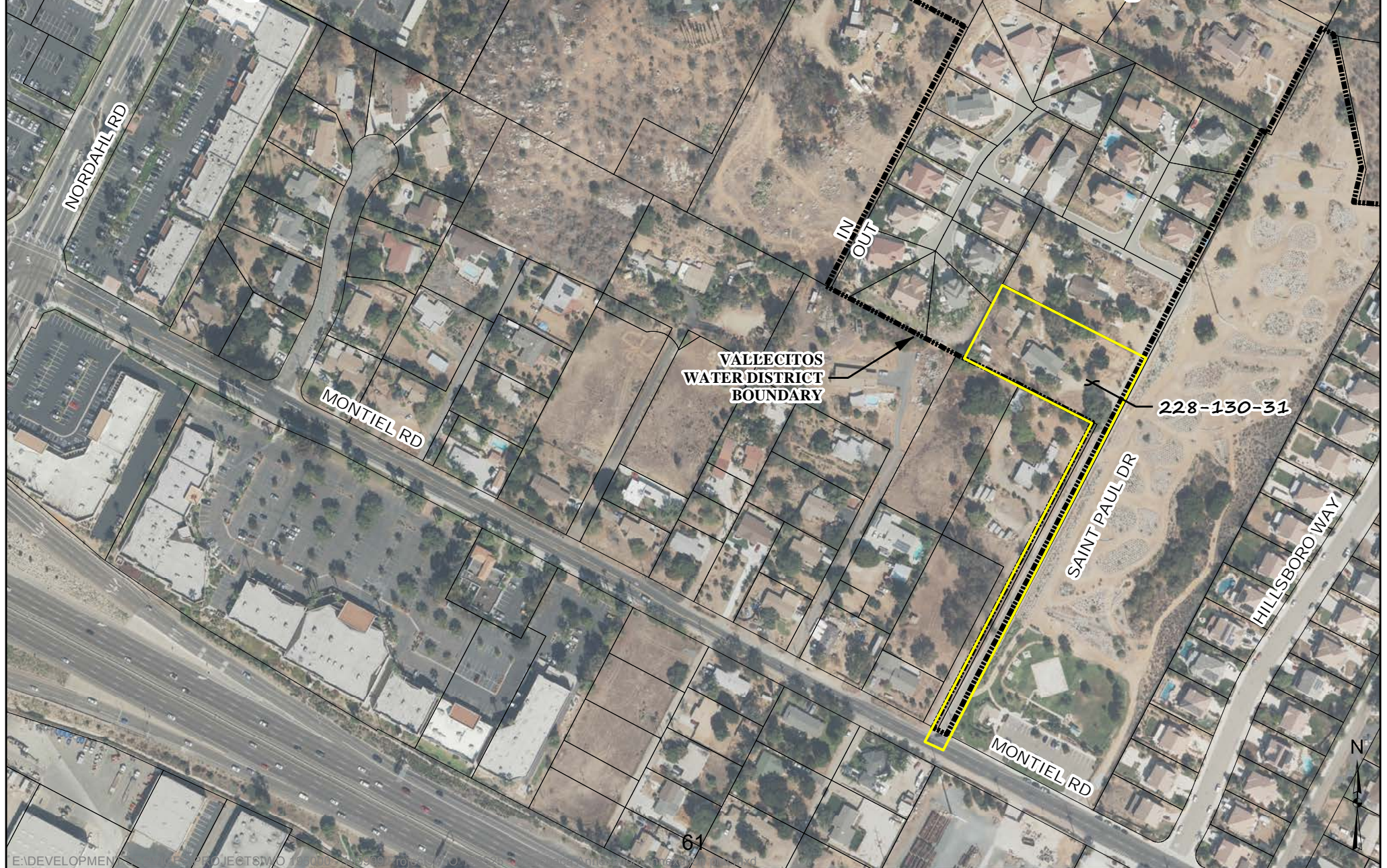
ATTACHMENTS:

2 Map Exhibits: 1-Plat & 1-Aerial
Resolution Ordering the Annexation of APN 228-130-31 into the Vallecitos Water District and Sewer Improvement District

**ADOPTION OF RESOLUTION ORDERING THE ANNEXATION OF CERTAIN
PROPERTY DESIGNATED AS "MENCHACA ANNEXATION" (APN 228-130-31)
INTO THE VALLECITOS WATER DISTRICT AND SEWER IMPROVEMENT DIST.
(JESSE D. MENCHACA AND LINDA S. MENCHACA)**



**ADOPTION OF RESOLUTION ORDERING THE ANNEXATION OF CERTAIN
PROPERTY DESIGNATED AS "MENCHACA ANNEXATION" (APN 228-130-31)
INTO THE VALLECITOS WATER DISTRICT AND SEWER IMPROVEMENT DIST.
(JESSE D. MENCHACA AND LINDA S. MENCHACA)**



RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT ORDERING THE ANNEXATION
INTO THE VALLECITOS WATER DISTRICT AND SEWER IMPROVEMENT DISTRICTS 5 & 6
OF CERTAIN PROPERTY DESIGNATED AS THE “MENCHACA ANNEXATION”,
APN 228-130-31**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT as follows:

SECTION 1: The following facts are hereby found and determined to be true:

Section 1.1: That the Vallecitos Water District owns, operates, and maintains a sewage disposal system under and by virtue of Improvement Districts 5 & 6 of the Vallecitos Water District.

Section 1.2: That the owners of the land described in this resolution, consisting of approximately 1.59 acres, and also referred to as APN 228-130-31, have given their written consent to the annexation of said lands to the Improvement Districts hereinafter designated and have, in writing, requested the annexation of said lands to said Improvement Districts.

Section 1.3: That the owners of the land described in this resolution have advanced to the Secretary of the Vallecitos Water District the costs of this annexation, including, but not limited to, advertising, engineering and attorney’s fees.

Section 1.4: The inclusion of said land within the designated Improvement Districts will be for the best interest of the designated Improvement District.

Section 1.5: The inclusion of said land within said Improvement Districts will be for the best interest of the land, and the owners thereof consent to the inclusion of said land in the designated Improvement Districts of the Vallecitos Water District.

Section 1.6: The Board of Directors determines that all the land hereinafter described shall be included in the designated Improvement Districts; that the proceedings had for the annexation and inclusion herein and above referred to were genuine and sufficient and in all respects complied with the Water Code of the State of California commencing at Section 32550.

Section 1.7: That the land herein described is not within the boundaries of the Vallecitos Water District and said lands are not a part of an Improvement District constituted for a purpose similar to the purpose of Improvement Districts 5 & 6 of the Vallecitos Water District. For annexations into the Sewer Improvement District, the Board requires as a condition of the annexation that the property also be annexed into the Vallecitos Water District.

Section 1.8: All of the owners of the land within the territory to be annexed have given their written consent to such annexation and the Board is thereby authorized to order the annexation by resolution without notice and hearing by the Board and without an election.

SECTION 2: The Board of Directors of the Vallecitos Water District does hereby order the annexation of all the lands hereinafter described to the Vallecitos Water District and Improvement Districts 5 & 6 of the Vallecitos Water District pursuant to this resolution and the proceedings above referred to, which description contained in Exhibit “A” attached hereto and made a part hereof, is sufficient to identify the land.

SECTION 3: The condition of said annexation to Vallecitos Water District and Improvement Districts 5 & 6 of the Vallecitos Water District are as follows:

Section 3.1: Payment by petitioners of the sum of \$4,639.00 per acre or fraction thereof for annexation of the territory into the Vallecitos Water District and \$8,449.00 per acre or fraction thereof for annexation of the territory into Improvement Districts 5 & 6 (together not individually) for the use or right of use of the existing property in the Improvement Districts.

Section 3.2: Payment by the petitioners of the sum of \$1,000.00 to cover costs of annexation, which includes attorney fees, publication, filing fees and miscellaneous costs of annexation.

Section 3.3: The lands annexed to an Improvement District shall be subject to existing bond issues and indebtedness of the Improvement District from and after the filing with the San Diego County Assessor of a certified copy of this resolution as set forth in Section 32553 of the Water code of the State of California.

SECTION 4: This resolution shall become effective immediately upon its final passage; this resolution being adopted pursuant to Section 32552 of the Water Code of the State of California. This resolution being adopted without notice and hearing and without an election being conducted in said territory, all in accordance with Section 32552 of the Water Code of the State of California. The Secretary of this District shall comply with the provisions of the Water Code, Section 32553, and shall file a certified copy of this resolution together with a map of the territory thus annexed with the San Diego County Assessor and the San Diego County Tax Collector and with the State Board of Equalization.

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 17th day of April, 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: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: REQUEST FOR ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS "ORCHARD HILLS ANNEXATION" (APN 218-220-10 & 17) INTO THE VALLECITOS WATER DISTRICT FOR WATER AND SEWER SERVICE (WARMINGTON RESIDENTIAL CALIFORNIA INC.)

BACKGROUND:

The 12.54-acre Orchard Hills property is a proposed 20-lot single-family residential development located on the northeast side of Richland Road, between Tuscany Avenue and Tres Rancheros Lane within the City of San Marcos. The property is currently within the VWD Sphere of Influence but not within either the water or sewer service boundaries of the District.

DISCUSSION:

The property is currently within Vista Irrigation District's water service boundary but within the Boot Area identified by LAFCO for re-organization. As development occurs, properties within the Boot Area are planned to be annexed into the Vallecitos Water District. Warmington Residential California is requesting annexation into VWD's water and sewer service area with detachment from Vista Irrigation District. Water and sewer service will be provided by VWD.

FISCAL IMPACT:

Payment of \$59,113.56 in water annexation fees and \$110,740.74 in sewer annexation fees will be collected in accordance with Ordinance No. 200. Payment of \$155,120.00 in water capital facility fees and \$199,260.00 in wastewater capital facility fees will be collected in accordance with Ordinances No. 175 and 176, & Resolution No. 1441. All other fees will cover actual costs and have no fiscal impact.

RECOMMENDATION:

Approve the annexation of certain property designated as "Orchard Hills Annexation" into the District for both water and sewer service with the following conditions:

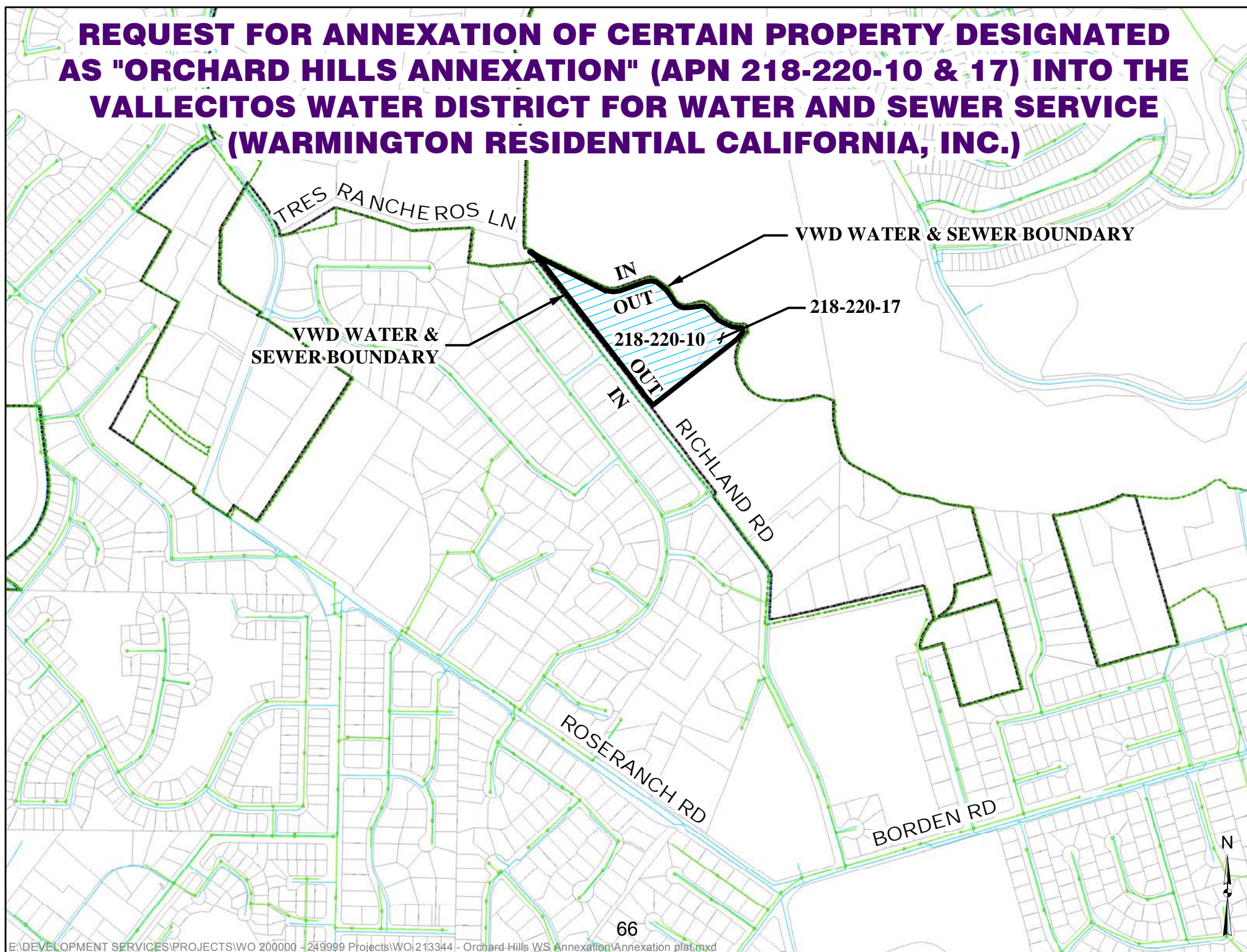
1. Payment of water annexation fee of \$4,714.00 per acre (12.54 acres) = \$59,113.56.
2. Payment of sewer annexation fee of \$8,831.00 per acre (12.54 acres) = \$110,740.74.
3. Payment of State Board of Equalization fee for water and sewer annexation of \$800.00.
4. Completion of detachment from Vista Irrigation District.
5. Payment of water capital facility fees of \$7,756.00 per single-family residential property = \$155,120.00.

6. Payment of wastewater capital facility fees of \$9,963.00 per single-family residential property = \$199,260.00.
7. Submittal of a copy of the title report showing ownership and a geographic description of the property including a plat map.
8. Completion of annexation within 180 days of initial Board approval.

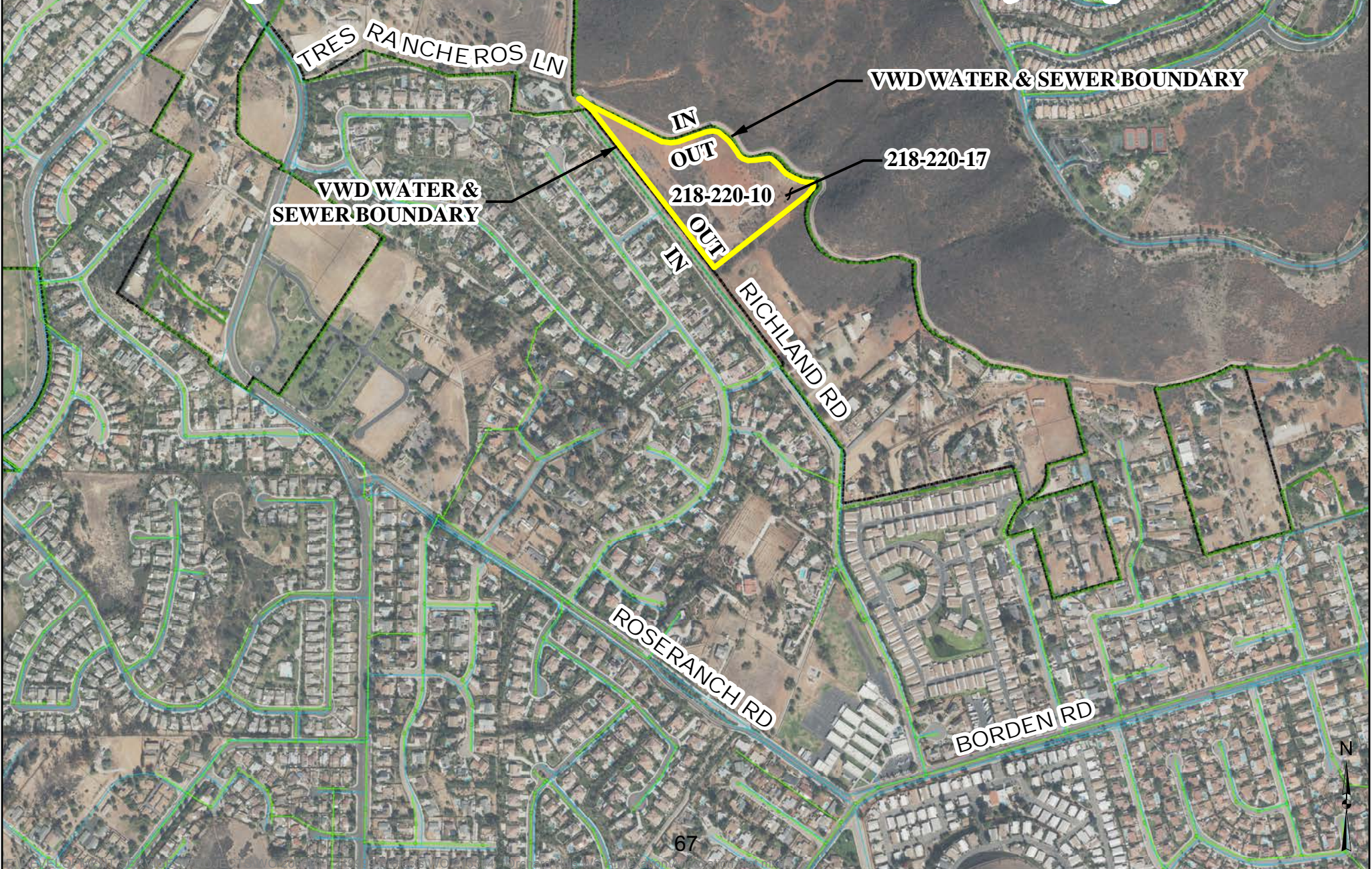
ATTACHMENTS:

2 Map Exhibits - 1 Plat & 1 Aerial

REQUEST FOR ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS "ORCHARD HILLS ANNEXATION" (APN 218-220-10 & 17) INTO THE VALLECITOS WATER DISTRICT FOR WATER AND SEWER SERVICE (WARMINGTON RESIDENTIAL CALIFORNIA, INC.)



REQUEST FOR ANNEXATION OF CERTAIN PROPERTY DESIGNATED AS "ORCHARD HILLS ANNEXATION" (APN 218-220-10 & 17) INTO THE VALLECITOS WATER DISTRICT FOR WATER AND SEWER SERVICE (WARMINGTON RESIDENTIAL CALIFORNIA, INC.)



DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: REQUEST FOR ANNEXATION OF CERTAIN PROPERTIES DESIGNATED AS “SUNRISE ORIX” (APN 228-312-09 & 228-312-10) INTO THE VALLECITOS WATER DISTRICT AND APN 228-312-10 INTO THE VWD SEWER IMPROVEMENT DISTRICT (SUNRISE GARDENS PROJECT OWNER, LLC.)

BACKGROUND:

The 14.36-acre Sunrise Orix property is a proposed 192 multi-family residential unit development located south of Barham Drive and west of Meyers Avenue. The subject property is currently not within the Vallecitos Water District water service boundary, and 10.80 acres of the proposed development (APN 228-312-10) are outside of VWD’s sewer service area.

DISCUSSION:

Sunrise Gardens Project Owner, LLC., owner of the property, has requested that VWD provide sewer service for the proposed development. The property will be served by Rincon Del Diablo Municipal Water District for water service. The property owner also wishes to consolidate APNs 228-312-09 & 288-312-10 into a single lot as part of the project.

Per Vallecitos Water District Ordinance No. 200, prior to a connection to VWD sewer facilities, both APNs 228-312-09 & 288-312-10 must reside in both its water and wastewater service areas. APN 228-312-09 is within Improvement District “A” of VWD’s sewer service area and therefore the 3.56-acre parcel only requires annexation into VWD’s water service boundary. APN 228-312-10 requires annexation into both VWD’s water service boundary and sewer service area.

FISCAL IMPACT:

Payment of \$67,693.04 in water annexation fees and \$95,374.80 in sewer annexation fees will be collected in accordance with Ordinance No. 200. Payment of \$1,430,686.00 in sewer capital facility fees will be collected in accordance with Ordinance No. 176, and Resolution No. 1441. All other fees will cover actual costs and have no fiscal impact.

RECOMMENDATION:

Approve the annexation of APNs 228-312-09 and 228-312-10 into VWD’s water service boundary and APN 228-312-10 into VWD’s sewer service area with the following conditions:

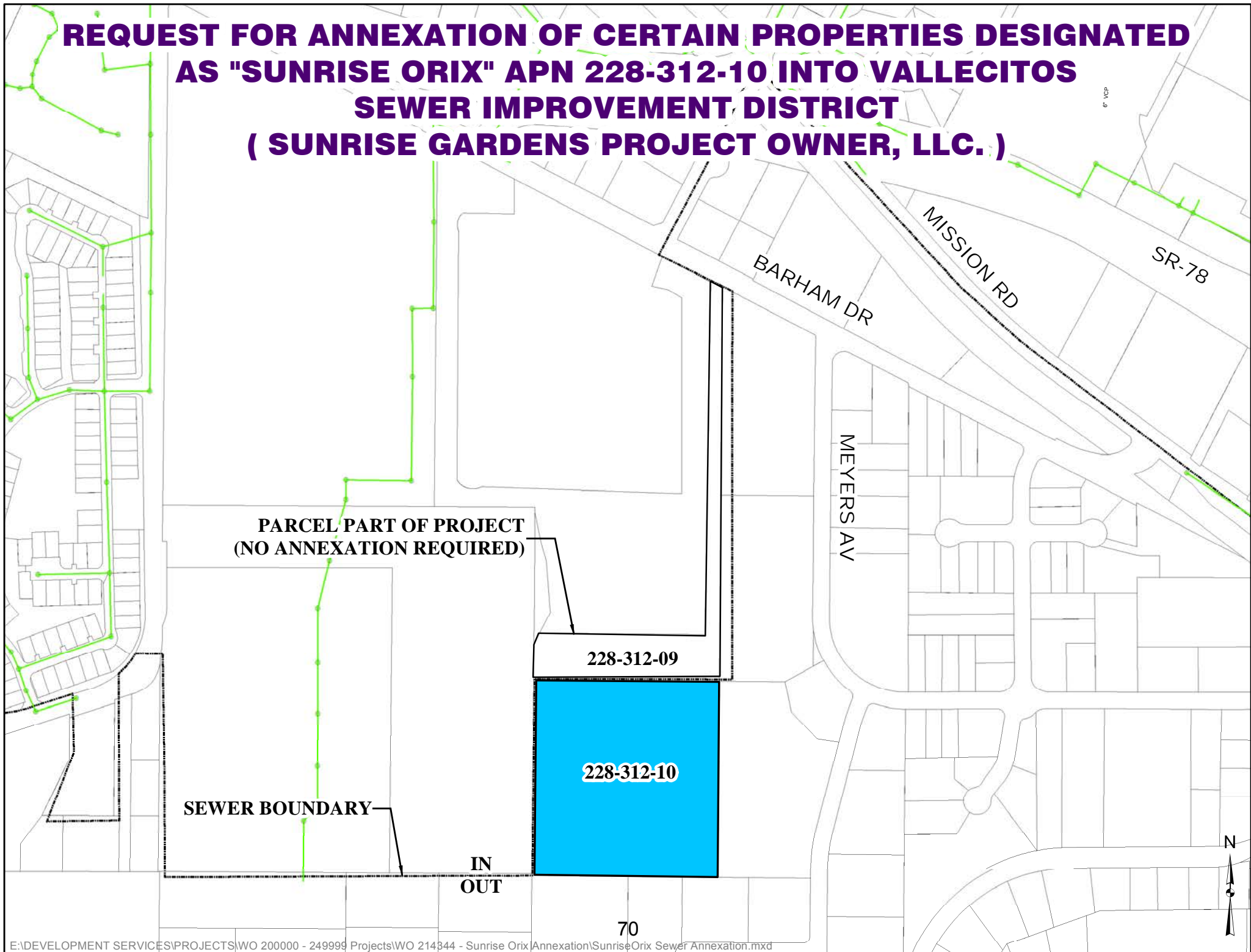
1. Payment of water annexation fee of \$4,714.00 per acre (14.36 acres) = \$67,693.04.
2. Payment of sewer annexation fee of \$8,831.00 per acre (10.80 acres) = \$95,374.80.
3. Payment of State Board of Equalization fee of \$800.00.
4. Payment of sewer capital facility fees of \$1,430,686.00.
5. Submittal of a copy of title report (initiated or updated within the last six months) showing ownership.

6. Submittal of a geographic description of the property including a plat map.
7. Completion of LAFCO annexation requirements and payment of LAFCO fees.
8. Completion of the annexation within 1 year of Board approval. If annexation is not completed within the 1 year of Board approval, a new request for annexation may be required.

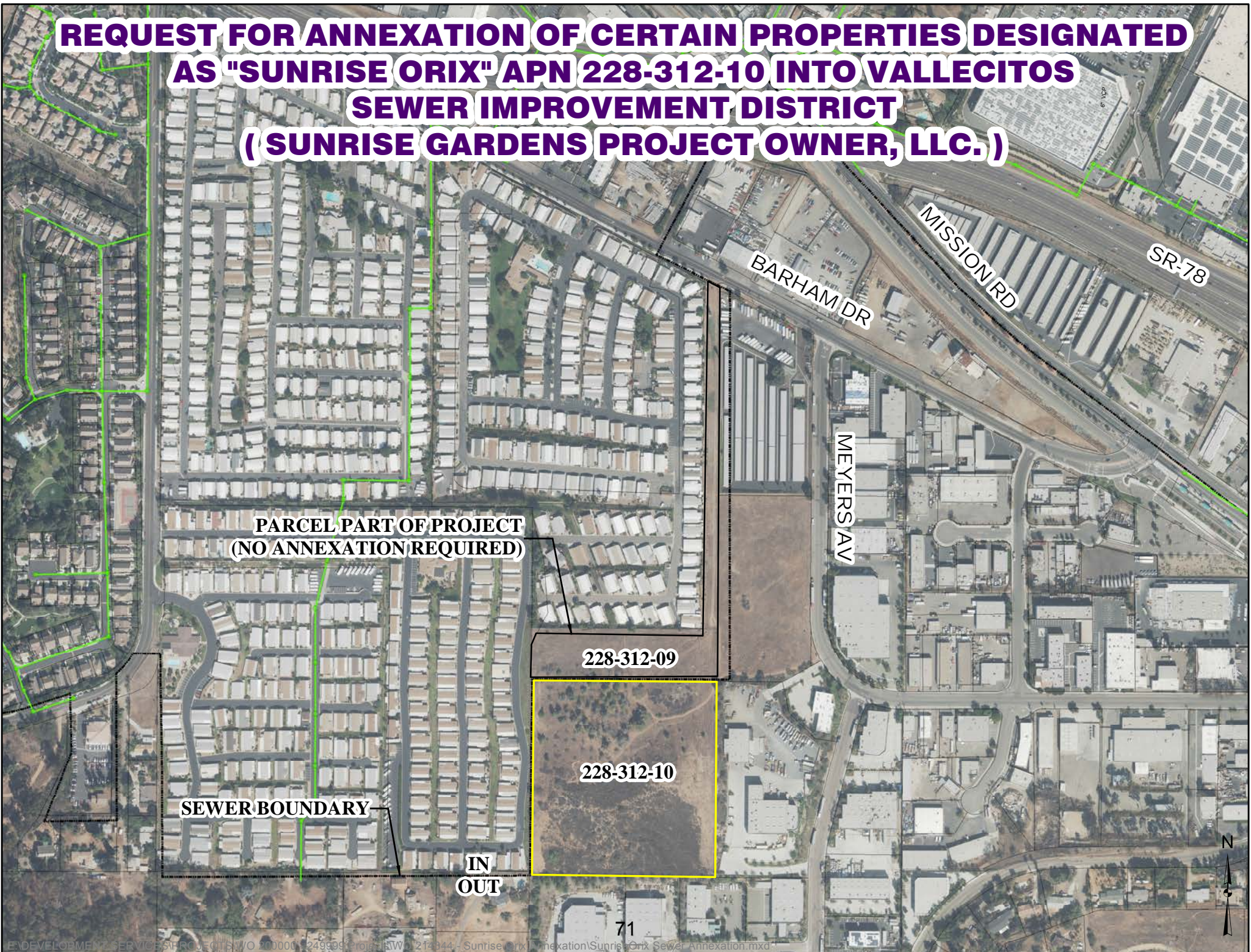
ATTACHMENTS:

2 Map Exhibits – 1 Plat & 1 Aerial

**REQUEST FOR ANNEXATION OF CERTAIN PROPERTIES DESIGNATED
AS "SUNRISE ORIX" APN 228-312-10 INTO VALLECITOS
SEWER IMPROVEMENT DISTRICT
(SUNRISE GARDENS PROJECT OWNER, LLC.)**



**REQUEST FOR ANNEXATION OF CERTAIN PROPERTIES DESIGNATED
AS "SUNRISE ORIX" APN 228-312-10 INTO VALLECITOS
SEWER IMPROVEMENT DISTRICT
(SUNRISE GARDENS PROJECT OWNER, LLC.)**



PARCEL PART OF PROJECT
(NO ANNEXATION REQUIRED)

228-312-09

228-312-10

SEWER BOUNDARY

IN
OUT

71



DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: POSITION RECLASSIFICATION OF MECHANIC ASSISTANT TO MECHANIC

BACKGROUND:

The District's Employee Handbook, Section V – Compensation and Classification, provides for reclassification of positions due to significant changes in the job duties and responsibilities, taking into consideration the needs of the District and the best use of available resources. Position reclassifications require Board approval.

DISCUSSION:

The Operations and Maintenance (O&M) Department requests the reclassification of a Mechanic Assistant to Mechanic based on changes in duties performed by the employee in the position. As the District's fleet of vehicles and equipment has increased in size, complexity of repairs and regulatory requirements over the past decade, there is a need for two positions to perform journey level mechanic duties. Outside services are not used for routine maintenance and minor repairs because it's more efficient and cost effective to keep vehicles onsite and get them back in operation as soon as possible. Vehicles that require specialized repairs, such as vactors and dump trucks, are sent to external facilities to maximize the use of District staff.

The Fleet Maintenance department has two positions, a Mechanic and a Mechanic Assistant. Per the job descriptions, the Mechanic Assistant is a semi-skilled classification that performs minor repairs, routine maintenance, and assists the Mechanic with major repairs. In comparison, the Mechanic is a skilled journey level classification that performs complex repairs and the full range of mechanical maintenance and repair duties. Over time the duties of the Mechanic Assistant have changed due to the needs of the District, resulting in both positions performing similar duties. Reclassifying the Mechanic Assistant position will not increase the number of full-time equivalents for the District. The incumbent in the Mechanic Assistant position is capable of performing the Mechanic duties and satisfies all requirements of the position.

FISCAL IMPACT:

The increased costs from the position reclassification is \$4,000 per year (\$3,000 in salaries and \$1,000 in benefits).

RECOMMENDATIONS:

Staff recommends approval of the position reclassification.

ATTACHMENT:

None.

DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: CONSTRUCTION CONTRACT AWARD OF SCHOOLHOUSE TANK REFURBISHMENT

BACKGROUND:

The existing interior lining of the 2.4 MG Schoolhouse Tank has deteriorated and requires refurbishment. This project will remove and replace the existing interior lining and upgrade the anti-corrosion system. Repairs to the ceiling rafters and equipment upgrades will also be necessary to meet current American Water Works Association (AWWA) and Division of Occupational Safety and Health (Cal/OSHA) standards.

On July 19, 2017, the Board awarded Harper & Associates Engineering a purchase order for the design and inspection of the tank. The Engineer's Estimate was \$462,000.

On March 21, 2019 at 2:00 p.m., District staff received and opened bids from four contractors with bid results as follows:

<u>Bidder</u>	<u>Amount</u>
West Coast Industrial Linings	\$535,000
AMP United	\$547,907
Advanced Industrial Services	\$693,100
J. Colon Coatings	\$740,500

Bids came in higher than the Engineer's Estimate. Staff cross checked bids and determined that pricing is consistent with current industry construction costs.

DISCUSSION:

Staff and Counsel completed the evaluation of qualifications and determined West Coast Industrial Linings was the lowest responsive, responsible bidder.

Harper & Associates Engineering performed the design and will also provide inspection for the project. Staff will provide construction management and coordinate the refurbishment work with the District's water system operations.

FISCAL IMPACT:

The total estimated cost and budget summary are as follows:

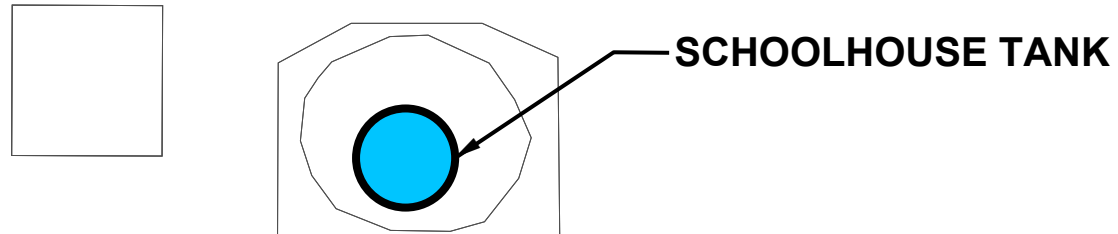
Budget	\$590,000
Construction	\$535,000
10% Change Order (Ord. No. 146)	\$ 53,500
Design/Inspection Consultant	\$ 62,570
Staff (Design & Construction)	\$ 41,044
<u>Staff Overhead</u>	<u>\$ 89,886</u>
Total	\$782,000
Budget Shortfall	\$192,000

RECOMMENDATION:

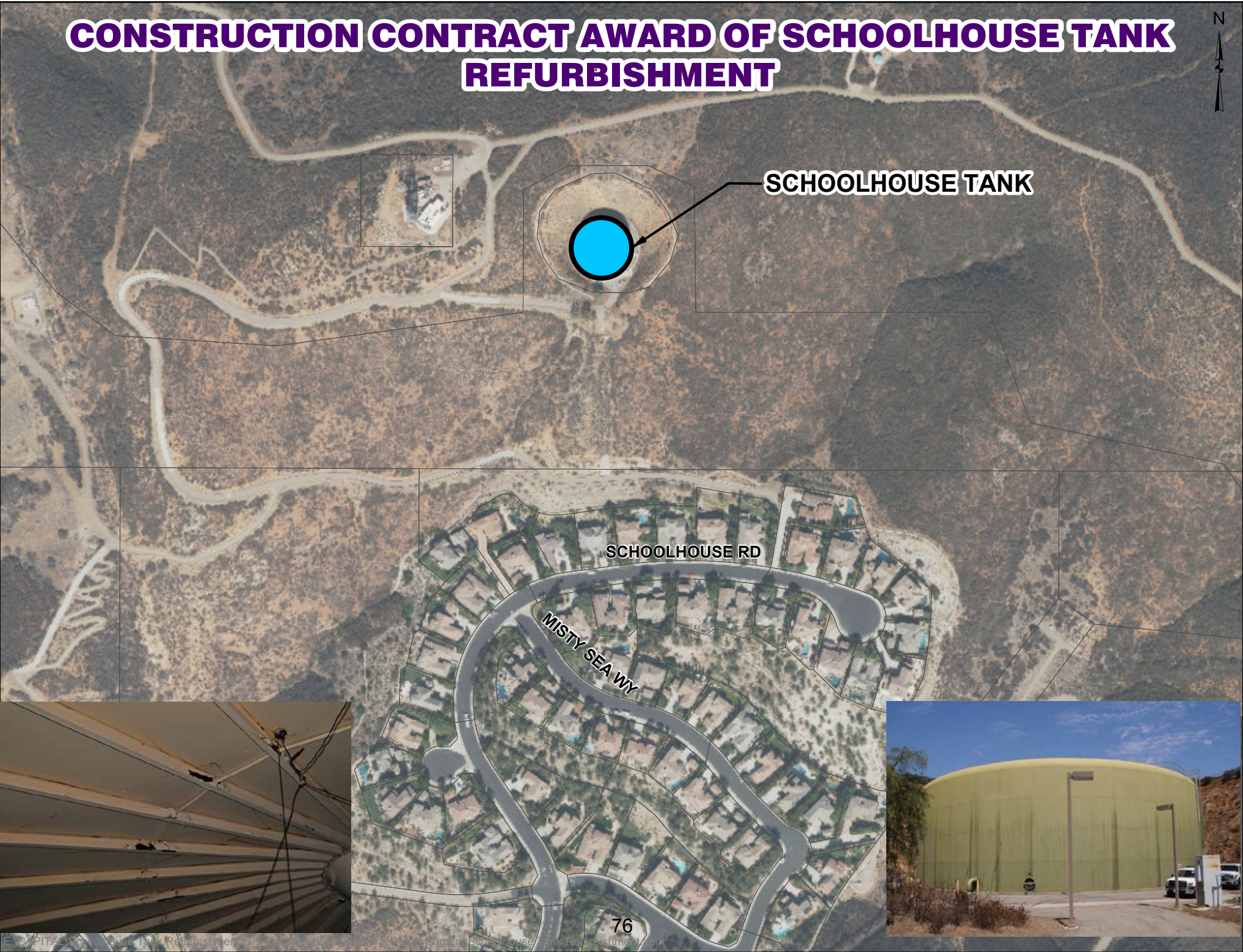
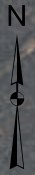
Recommendations for the Schoolhouse Tank Refurbishment project are as follows:

1. Increase the budget by \$192,000.
2. Authorize the General Manager to execute a construction contract with West Coast Industrial Linings in the amount of \$535,000, subject to provisions of the contract.

CONSTRUCTION CONTRACT AWARD OF SCHOOLHOUSE TANK REFURBISHMENT



CONSTRUCTION CONTRACT AWARD OF SCHOOLHOUSE TANK REFURBISHMENT



EMERALD CAPITAL Schoolhouse Tank Refurbishment - 2024 - 2025 - Schoolhouse Tank Refurbishment - Schoolhouse Tank Refurbishment - Schoolhouse Tank Refurbishment

DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: REQUEST FOR APPROVAL OF A PURCHASE ORDER TO INFRASTRUCTURE ENGINEERING COMPANY FOR PIPE ASSESSMENT SERVICES AT HIGH POINT SUBDIVISION

BACKGROUND:

The 500-acre High Point Subdivision began construction of water and sewer facilities to serve 38 residential lots in 2007. When construction was nearly complete in 2008, the developer walked away from the project and the project went into receivership. The water and sewer facilities were nearly completed but were not accepted by Vallecitos Water District.

DISCUSSION:

TrueLife Communities purchased the project out of receivership and is the current owner of the project. CalWest proposes to develop the project in partnership with TrueLife Communities. However, since the facilities have been dormant over 10 years, VWD must be satisfied that they are in good condition prior to the District's acceptance of those facilities. In order to determine the condition of the existing ductile iron water main, a pipe assessment is required. Infrastructure Engineering Corporation (IEC) and their subcontractor, PICA, have provided a scope of work and cost estimate to test and assess the integrity of the most vulnerable portions of the nearly 6,000 feet of water main.

FISCAL IMPACT:

There will be no fiscal impact to the District. All costs for the pipe assessment as well as staff time for inspection and engineering review will be paid by the Developer. CalWest and TrueLife Communities have paid half of the \$135,027.00 required deposit for the condition assessment. The remainder of the deposit will be required prior to staff issuing the Notice to Proceed to IEC. The purchase order amount for IEC's portion of the work is \$102,685.00.

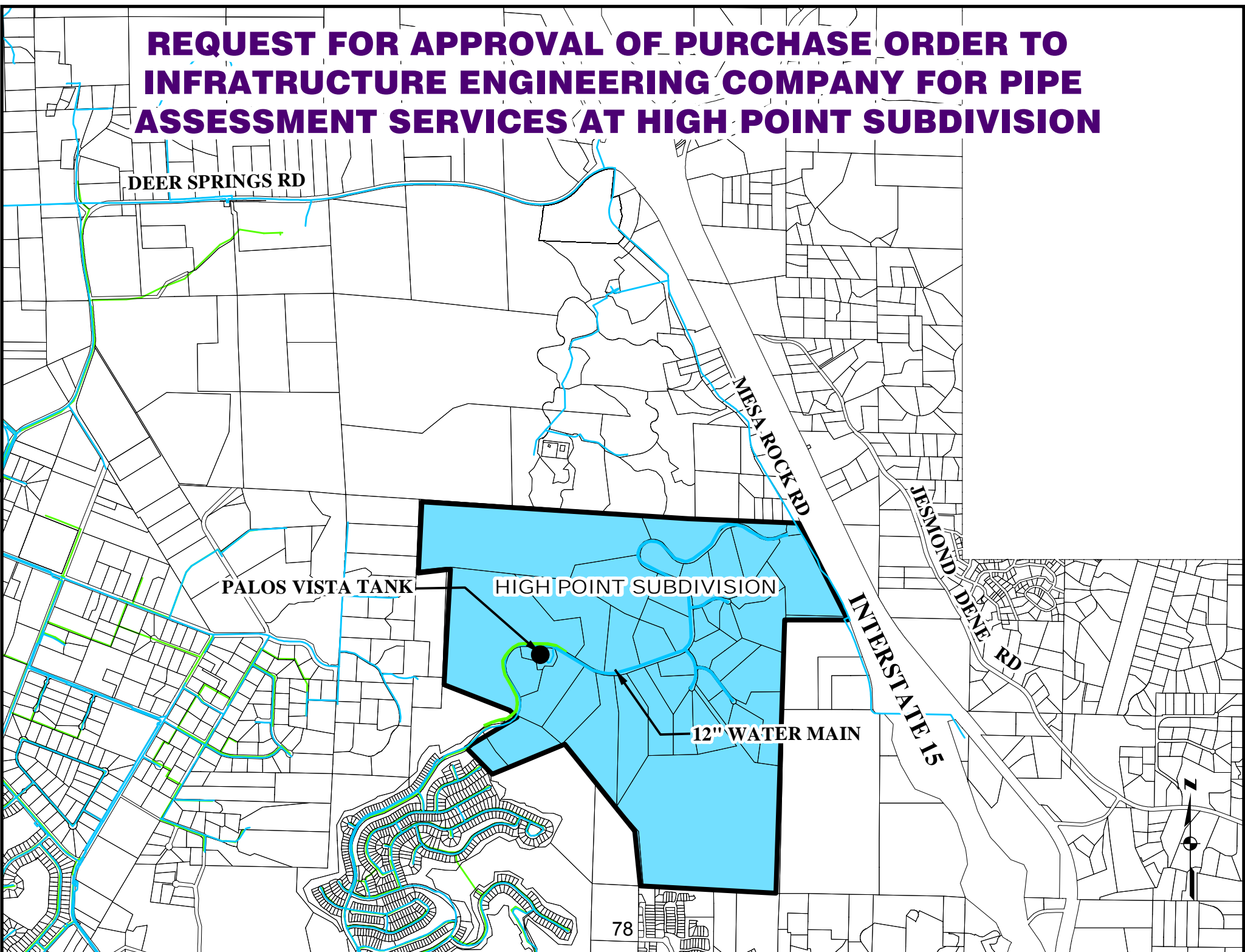
RECOMMENDATION:

Authorize the General Manager to approve the purchase order to Infrastructure Engineering Corporation in the amount of \$102,685.00.

ATTACHMENTS:

2 Map Exhibits - 1 Plat & 1 Aerial

REQUEST FOR APPROVAL OF PURCHASE ORDER TO INFRASTRUCTURE ENGINEERING COMPANY FOR PIPE ASSESSMENT SERVICES AT HIGH POINT SUBDIVISION



REQUEST FOR APPROVAL OF PURCHASE ORDER TO INFRASTRUCTURE ENGINEERING COMPANY FOR PIPE ASSESSMENT SERVICES AT HIGH POINT SUBDIVISION

DEER SPRINGS RD

MESA ROCK RD

JESMOND DENE RD

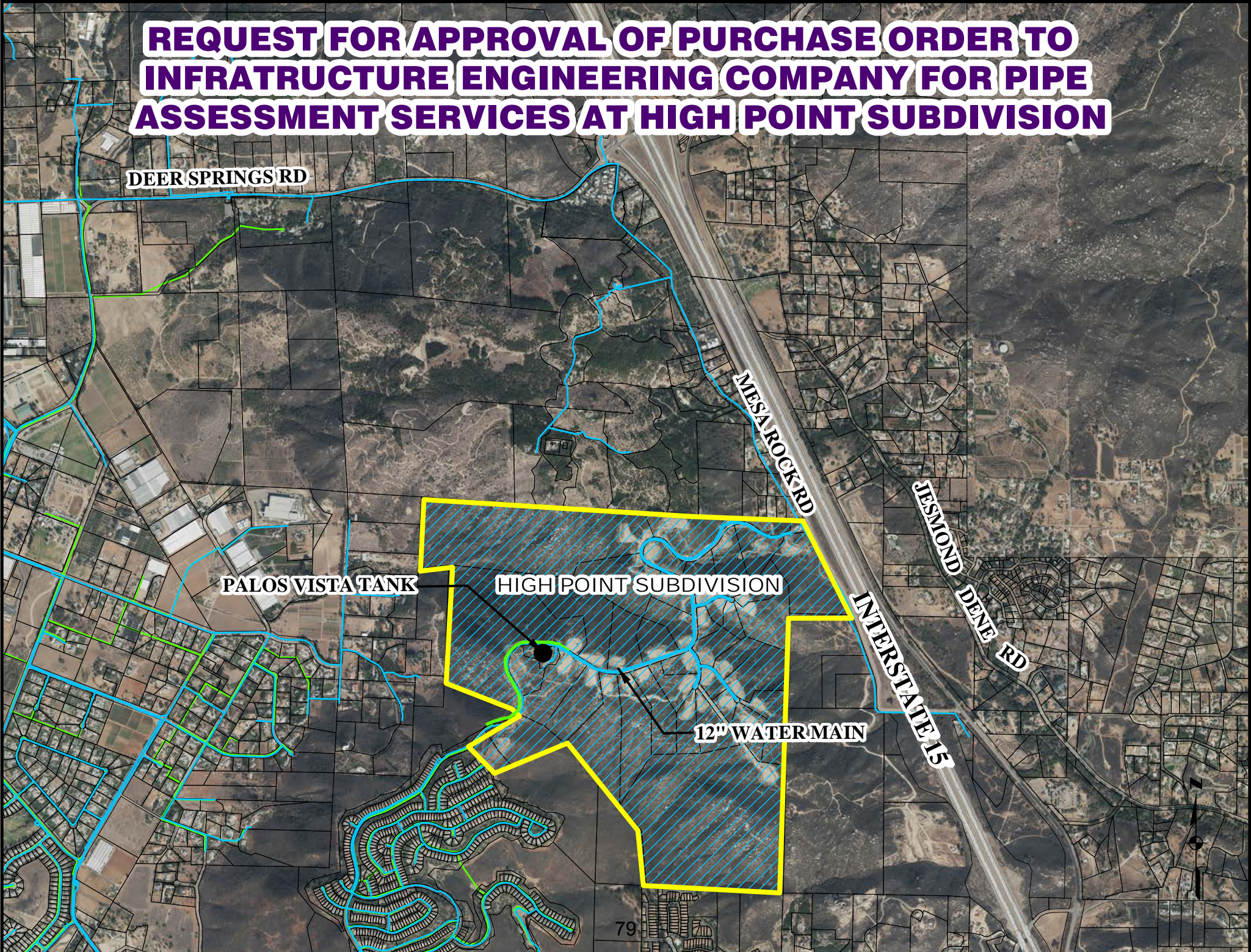
PALOS VISTA TANK

HIGH POINT SUBDIVISION

INTERSTATE 15

12" WATERMAIN

79



DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: AD HOC COMMITTEE RECOMMENDATION RELATED TO THE DISTRICT'S HILLSIDE PROPERTY

BACKGROUND:

At their regularly scheduled meeting on December 19, 2018, the Vallecitos Board of Directors approved the establishment of an Ad Hoc Committee for the purpose of overseeing the development of the District-owned property adjacent to the Administrative Facilities. President Martin and Director Hernandez were appointed to the Committee.

Understanding District staff does not have the expertise to oversee the development of the property for the maximum benefit of the District, the Ad Hoc Committee determined that it would be in the District's best interests to retain the services of an individual/firm that has extensive land development experience related to properties owned by a public agency along with experience with development projects in the City of San Marcos.

Staff, working with the Committee, identified two consultants who possess the necessary skills and experience to assist the District in its pursuit. The consultants are Rick W. Gittings and Paul Malone, representing EvCon Associates, LLC. The Committee, on separate occasions, interviewed the two representatives, primarily to determine the individuals' proposed approaches to the development of the surplus property. In addition to the technical aspect of the interviews, the Committee requested that the individuals submit a proposal that would include the proposed fee structure to accomplish the work.

DISCUSSION:

As was noted in the December 19, 2018 staff report (copy attached), the Committee serves in an advisory capacity to the Board of Directors. Based on the interviews and a review of the proposals, the Ad Hoc Committee recommends that the District retain the services of Rick W. Gittings to assist the District in the development of the adjacent property. The consultant proposes a monthly fee for his efforts to conduct the scope of work. In addition, additional studies and field work would be required to ensure the orderly development of the property, initially focusing on biological studies. Currently, there are no funds budgeted for the consultant's work or for additional studies. Staff recommends that the Board establish a budget of \$50,000 to cover the costs associated with these efforts.

FISCAL IMPACT:

The consultant's monthly rate would be \$1,400. The \$50,000 in funds for consultant services and biological studies would be split equally between the water and wastewater funds. There are adequate funds in each reserve account to pay for the initial costs anticipated for the property development. Proceeds from the eventual sale or lease of the property will likely more than cover all development costs.

RECOMMENDATION:

Approve the Ad Hoc Committee's recommendation to retain the services of Rick W. Gittings and authorize the General Manager to enter into a Professional Services Agreement with Mr. Gittings to facilitate the orderly development of the hillside property.

Authorize the appropriation of \$25,000 from each of the water and wastewater reserve funds to cover the initial development costs.

ATTACHMENT:

December 19, 2018, staff report titled "Hillside Property Ad Hoc Committee Consideration."

DATE: DECEMBER 19, 2018
TO: BOARD OF DIRECTORS
SUBJECT: HILLSIDE PROPERTY AD HOC COMMITTEE CONSIDERATION

BACKGROUND:

The District owns 32.7 acres of land adjacent to the Administrative Facilities that have been determined surplus to the District's needs for its operations. The property (Hillside Property) is generally comprised of sloped hillsides covered with native and non-native vegetation. As required by law, the District approached the City of San Marcos, the City of San Marcos' Parks Department and the San Marcos Unified School District to determine if any of those agencies were interested in acquiring the property in furthering their missions. Only the School District expressed interest in pursuing the property. They have made numerous site visits and performed preliminary geotechnical work to determine whether the property is a suitable location for a new school. The statutory period of time allowed the School District to exclusively enter into discussions with the District to purchase the property has passed and the District can legally market the property to any interested party.

The District hired PDC Engineering to prepare a Planning Research Report to investigate development scenarios for the property enabling the District to assess the development potential of the property. The District also retained the services of Hendrickson Appraisal Company to assess the value of the land given the development scenarios prepared by PDC. The District's Board of Directors has expressed interest in pursuing development opportunities for the property.

DISCUSSION:

Development of real property is a long, involved process requiring specific expertise. The District does not have expertise in this area and it is likely that consultants will need to be retained to assist the District. Additionally, there will be many factors that will need to be considered in a timely fashion during the property development process. In order to facilitate this process and keep the project moving forward, staff recommends that an Ad Hoc Committee be formed by the Board to oversee the development of this project. An Ad Hoc Committee is a temporary advisory committee comprised of less than a quorum of the legislative body that serves a limited or single purpose. In this case, the single purpose would be to oversee the development of the Hillside Property.

An Ad Hoc Committee would be advisory to the Board, i.e. cannot make independent decisions, and would consider issues such as: whether the District should sell or lease the property; what type of development should occur on the property; how intense should the development be; what development partners should the District engage; etc. The Ad Hoc Committee would make recommendations to the Board. Final actions in these areas would be performed by the full Board, after having heard from the Ad Hoc Committee. Staff believes the formation of an Ad Hoc Committee would greatly facilitate the development/disposition of the Hillside Property.

FISCAL IMPACT:

There are no fiscal impacts associated with the formation of an Ad Hoc Committee. There are minor costs associated with conducting Ad Hoc Committee meetings, such as Director per diem costs and reimbursable expenses. Those expenses can be accommodated within the existing budget.

RECOMMENDATION:

Form a Hillside Property Ad Hoc Committee. Appoint two members of the Board to serve on the Hillside Property Ad Hoc Committee.

DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: ELECTION TO FILL FOUR EXECUTIVE COMMITTEE MEMBER POSITIONS OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES/JOINT POWERS INSURANCE AUTHORITY (ACWA/JPIA)

DISCUSSION:

There are four Executive Committee member positions to be filled by the election, two are currently vacant. The election will be held during the ACWA/JPIA's Board of Directors' meeting on May 6, 2019, at the Marriott Hotel in Monterey. The qualified candidates are as follows:

Fred Bockmiller – Mesa Water District
Paul E. Dorey – Vista Irrigation District
E.G. "Jerry" Gladback – Santa Clarita Valley Water Agency (incumbent)
Brent Hastey – Yuba County Water Agency
S.R. Al Lopez – Western Municipal Water District
William E. Plummer – Rancho California Water District
J. Bruce Rupp – Humboldt Bay Municipal Water District (incumbent)

At the February 20 Board meeting, the Board adopted a resolution concurring in the nomination of Paul E. Dorey to the Executive Committee of ACWA/JPIA.

A total of four individuals can be voted on to fill the positions. There are two incumbents seeking to renew their positions.

The District's appointed representatives to the ACWA/JPIA are Directors Hal Martin, delegate, and Betty Evans, alternate.

RECOMMENDATION:

Request Board direction.



MesaWater
DISTRICT®

*Dedicated to
Satisfying our Community's
Water Needs*

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*President
Division V*

Marice H. DePasquale
*Vice President
Division III*

Jim Atkinson
*Director
Division IV*

Fred R. Bockmiller, P.E.
*Director
Division I*

James R. Fisler
*Director
Division II*

Paul E. Shoenberger, P.E.
General Manager

Denise Garcia
District Secretary

Marwan Khalifa, CPA, MBA
District Treasurer

**Atkinson, Andelson,
Loya, Ruud & Romo**
Legal Counsel

1965 Placentia Avenue
Costa Mesa, CA 92627
tel 949.631.1200
fax 949.574.1036
info@MesaWater.org
MesaWater.org

March 14, 2019

Mr. Glenn Pruim
General Manager
Vallecitos Water District
201 Vallecitos de Oro
San Marcos, CA 92069-1453

Dear Mr. Pruim,

On behalf of Mesa Water District, it is an honor to request that your agency support and vote for Fred R. Bockmiller, P.E., for election to the ACWA/JPIA Executive Committee.

Director Bockmiller has served on our Board for over two decades, making fair and informed decisions that have greatly benefited Mesa Water® and its constituents. Since 2006, he has been our representative on the ACWA/JPIA Board and, since 2008, he has served on ACWA/JPIA's Risk Management Committee. He also serves on the AWCA Energy Committee.

Due to his elected public service experience, community volunteer service, and his 30-year career at the University of California, Irvine, Director Bockmiller possesses the qualifications, knowledge, and understanding of the many issues facing ACWA/JPIA. Attached for your review is a Statement of Qualifications for Director Bockmiller's election to the ACWA/JPIA Executive Committee.

Five agencies adopted a concurring in nomination resolution in support of Director Bockmiller's candidacy for the ACWA/JPIA Executive Committee:

- East Orange County Water District;
- Municipal Water District of Orange County;
- Orange County Water District;
- Santa Margarita Water District; and,
- Yorba Linda Water District.

Our Board has the highest confidence in Director Bockmiller and his proven leadership abilities, which can help guide ACWA/JPIA to continued organizational success and excellence in serving to its member agencies. If you have any questions or requests for additional information, kindly contact our General Manager, Paul E. Shoenberger, P.E., by calling 949.631.1206 or emailing PaulS@MesaWater.org. Thank you for your consideration in voting for Director Bockmiller.

Sincerely,

Shawn Dewane
Mesa Water Board President

c: Mesa Water Board of Directors
Paul E. Shoenberger, P.E., Mesa Water General Manager

Elect Fred R. Bockmiller, P.E. to ACWA/JPIA Executive Committee

Fred R. Bockmiller, P.E. Director, Mesa Water District



OBJECTIVE: To further the goals of ACWA/JPIA in best serving its members, by applying my analytical and leadership skills, and my risk management experience, as a member of the ACWA/JPIA Executive Committee.

STATEMENT OF QUALIFICATIONS:

- Mesa Water District Director, 1996-present
- Five-term Board President, Mesa Water District
- ACWA/JPIA Board, 2006-present
- ACWA/JPIA Risk Management Committee, 2008-present
- ACWA Energy Committee, 2002-present
- Chair of all various Mesa Water District Committees (Executive, Audit Ad Hoc, Finance, Human Resources, IT Ad Hoc, Engineering and Operations, Public Information)
- Engineering Manager, UC Irvine Facilities Management Department

BIOGRAPHY: A Newport-Mesa native, Fred Bockmiller represents Division 1 -- encompassing the West Side of Costa Mesa and portions of Newport Beach -- on the Mesa Water District Board of Directors. Having been Board President for five prior terms -- in 1999, 2000, 2004, 2011, and 2012 -- Director Bockmiller currently serves as Chairman of Mesa Water's Engineering and Operations Committee.

Director Bockmiller represents Mesa Water on the Board of the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA). He also serves on the ACWA/JPIA Risk Management Committee and the ACWA Energy Committee.

Director Bockmiller has previously chaired every Mesa Water committee (Executive, Audit Ad Hoc, Finance, Human Resources, IT Ad Hoc, Engineering and Operations, and Public Information). Additionally, he has represented Mesa Water at the City/Districts Liaison Committee, Orange County Council of Governments, Orange County Water District, and the Costa Mesa Westside Revitalization Oversight Committee.

Throughout his elected service, Director Bockmiller has championed water quality and cost-efficient service reliability through a perpetual agency philosophy of long-term planning for the future of Mesa Water and continuous infrastructure maintenance, renewal, and improvement. He has been a relentless champion of high-quality, fact-based decision making.

Director Bockmiller is the Engineering Manager in the Facilities Management Department at UC Irvine (UCI), a leader in energy conservation and construction efforts for more than 20 years, including completion of more than \$3 billion in major capital construction projects, and extensive energy and water conservation retrofits, which tripled the developed building space, reduced energy consumption in laboratories by 50 percent, and decreased per capita water use by more than 30%. He also represents the department at the emergency operations center for the campus with a daytime population approaching 60,000 people on 1,500 acres.

Developing the next generation is an area of interest for Director Bockmiller. He is a regular guest lecturer in UCI's Department of Mechanical and Aerospace Engineering, a mentor in the Junior Mentor Program at Newport Harbor High School, and was a Board member for 17 years of the Youth Employment Service -- a local charity that provides youth with the tools to find jobs -- where he served as CFO and President.



February 13, 2019

Re: Election to ACWA/JPIA's Executive Committee

Dear JPIA Director:

Jerry Gladbach is up for reelection to JPIA's Executive Committee. As you know Jerry is President of the ACWA/JPIA Board of Directors and has served on this Committee from 2002 to 2003, as ACWA's Vice President and since 2006 as an elected member of the Executive Committee. Jerry is a member of the Santa Clarita Valley Water Agency's Board of Directors, formerly the Castaic Lake Water Agency and is our JPIA Director.

Jerry has a lifetime of experience in the water arena. He has been affiliated with ACWA since 1973, has served as ACWA Vice President and President, and has served as a JPIA Director since 2002. His many years of public service have contributed to his great knowledge of water and insurance issues facing member agencies throughout all of California.

Jerry is one who is always looking forward and is an independent thinker. As a result of his tenure as President and additional time on the Executive Committee, he has the knowledge and experience to continue doing an excellent job for the benefit of all JPIA members.

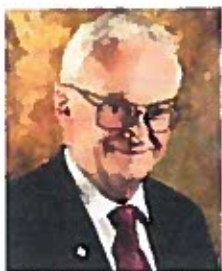
As President of the Board of Directors of the Santa Clarita Valley Water Agency, I ask that you review the attached list of Jerry's extensive qualifications and urge you to vote for him on May 6, 2019.

Sincerely,

William Cooper
President

P.S.: Please remember to vote for Jerry on May 6th!!!!

Attachment



E.G. "Jerry" Gladbach

27491 Hillcrest Place / Valencia, CA 91354
Phone: (661) 297-2200 / Email: ejglad@aol.com

EXPERIENCE / COMMITMENT / DEDICATION

It has been an honor to serve you as the President of ACWA/JPIA's Board of Directors. I welcome the opportunity to continue in a leadership role to further develop better ways to serve the member agencies. I ask for your vote to continue being on the Executive Committee which is the prerequisite to being selected as the President of your Board of Directors. I would be honored to continue serving you again in this position in order to go forward with the captive insurance company and continue with the positive enhancements that have been implemented during the last few years.

A few of our most significant accomplishments have been:

- *Board approval for the formation of a captive insurance company. The captive is part of a long-term strategy that is expected to provide significant savings for JPIA members on their insurance.*
- *With Executive Committee oversight, successfully transitioned nearly half of the JPIA Management Team, due to retirements of long term employees.*
- *Expanded the number of training opportunities for our members' employees and, new in 2018, we began providing additional training opportunities for Board members.*
- *In recent years, rates have decreased 15% in the Liability Program, 20% in Property, and 10% in Workers' Comp. Employee Benefits Program rates for the current year remained unchanged in all but the Kaiser Plans, which increased 2.5%.*
- *In the last five years, the JPIA refunded nearly \$19 million in premiums to the members.*

*My experience as Vice President and President of ACWA, my years of service as a member of the Executive Committee and the ACWA/JPIA President has given me the opportunity to go up and down the state and meet with member agencies. My desire to understand and represent **all** agencies is my goal, and my renewed interest to serve with knowledge and dedication remains the foundation of my commitment to you.*

PROFESSIONAL / COMMUNITY EXPERIENCE

ACWA – Joint Powers Insurance Authority

President	2010 – present
Executive Committee	2002 – 2003, 2006 – present
Chair, Building and Property Ad Hoc Committee	2008 – 2010
Chair, Liability Sub-Committee	2007 – 2010
Board of Directors	2002 – present

Association of California Water Agencies (ACWA)

ACWA's Rep. to NWRA's Board of Directors	2009 – Present
President	2004 – 2005
Vice President	2002 – 2003
Chair, Region 8	1998 – 2001
Board of Directors	1998 – present
Chair, Energy Committee	1982 – 1989, 2006 – 2007

Santa Clarita Valley Water Agency (formerly Castaic Lake WA)

Board of Directors	1985 – present
President	1987 – 1990
Committee Chair	1991 – 2015

LAFCO – Los Angeles

Chair	2006 – present
Commissioner	2002 – present

Water Education Foundation, Board of Directors

1987 – 2009

L.A. Department of Water and Power /retired after 35 years of Leadership

Past Member, United States EPA Groundwater Task Force

Professional Engineer, Reg. in CA – Life Member, American Society of Civil Engineers

Master of Science Degree in Civil Engineering / Water Resources

PERSONAL

Married with 3 children, and 6 grandchildren, I have lived in the Santa Clarita Valley over 45 years and have been devoted to community service for that entire period.



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

BOARD OF DIRECTORS

SHERI WOO, PRESIDENT

NEAL LATT, VICE-PRESIDENT

J. BRUCE RUPP, SECRETARY-TREASURER

BARBARA HECATHORN, DIRECTOR

MICHELLE FULLER, DIRECTOR

March 26, 2019

GENERAL MANAGER

JOHN FRIEDENBACH

Dear Fellow Board Member:

We will be meeting in May at the ACWA/JPIA Conference. You will be asked to participate in the selection of the Executive Committee members to serve you in the next term. I am a candidate for re-election and respectfully request your vote.

I am completing my first four-year term on the Executive Committee. In addition to my general role in shaping the Liability, Property and Worker's Compensation programs, I chair the Employee Benefits Committee. When I ran before, I said I would work constructively with other Committee members to preserve the financial integrity of the pooled insurance programs and continue high quality service to the members. I believe I have fulfilled that promise. During my tenure we have held or reduced premiums in both our liability and property programs while expanding coverage. There was a zero increase in the self-insured employee benefits this year state wide. We have reduced costs in both health and pharmacy by about ten million dollars with minimal disruption to our members. We are currently finalizing work on a captive corporation to further increase revenues and reduce costs.

I have served on the Humboldt Bay Municipal Water District Board for 23 years. The District, located on the North Coast, provides wholesale water to seven municipalities serving 88,000 rate payers. I have been elected as Vice-President and President of the Board for two terms and am now serving a third term as Secretary/Treasurer. In addition to this service, I have been a Personnel Director, City Manager and County Administrator. In the last thirteen years, prior to retirement, I was a real estate broker and owned Rupp and Associates Realty Company. In each of these experiences I was involved in the selection and review of insurance and health benefit programs. The organizations ranged from a county staff of three thousand to a small business of seven employees.

During my time on the District Board I have been actively engaged in ACWA and ACWA/JPIA. I regularly attend and participate in State-wide meetings. I am serving as a Region 1 Board member and I am currently Vice Chair of the ACWA Finance Committee.

If I am elected to the ACWA/JPIA Executive Committee, I recommit to continue working with Executive Committee to provide the best possible service to our member agencies.

I respectfully request your vote for me to serve another term on the Executive Committee.

Thank you,

A handwritten signature in blue ink that reads "Bruce Rupp".

Bruce Rupp
Secretary/Treasurer



JOHN BRUCE RUPP (BRUCE)

RETIRED SMALL BUSINESS OWNER
ELECTED SPECIAL DISTRICT BOARD MEMBER
EUREKA, CALIFORNIA

- Director Humboldt Bay Municipal Water District for 23 years. Two term President of the Board.
- Retired Real Estate Broker and Business Owner.
- Married 48 years: Wife Marilyn, former Real Estate Agent and Paralegal
- Family: One son, two daughters and eleven grandchildren
- Career History

Five years as United States Army officer, combat veteran Vietnam; Bronze Star, Jump Wings, Vietnamese Cross of Gallantry

Seven years of progressively more responsible positions in Alameda County Government, San Francisco Bay Area

Ten years as City Manager, City of Alameda, CA

Four years as County Administrative Officer, Humboldt County, CA

Thirteen years as Real Estate Broker and owner of Rupp & Associates Realty

- Education: San Rafael High School, San Rafael, CA
San Jose State University, BA, Public Administration
Graduate Officers Candidate School, Defense Language Institute

- Professional and Community Service Involvement:

Rotary Member for 40 years; twice Club President; Paul Harris Fellow

Past Chair Redwood Region Economic Development Commission

Member City of Eureka Finance Advisory Committee

Member Humboldt County Headwaters Fund Board

Chair ACWA-JPIA Employee Benefits Committee

Member and Vice-Chair of ACWA Finance Committee

Member of ACWA Membership Committee

Member of ACWA-JPIA Executive Board

Member Eureka Elks Lodge

Past President, Humboldt Association of Realtors

Past Board Member League of California Cities

Former State Governor appointment to North Coast Regional Water Control Board

Executive Committee Election Procedures & Rules

For the May 6, 2019, Election to Be Held During the
JPIA's Board of Directors' Meeting at the
Marriott Hotel in Monterey, CA

The procedures and rules for the May 6, 2019, election are as follows:

1. The ballots with the names of all qualified candidates will be distributed at the entrance to the meeting room before the meeting is called to order.
2. Only the Board of Directors member or Alternate Board of Directors member may obtain the ballot.
3. Only those JPIA members with either a Director or Alternate Director present may vote. **PROXY VOTING IS NOT PERMITTED.**
4. Additional color-coded ballots will be supplied for any necessary subsequent balloting.
5. Ballots are counted by the election inspectors and the results announced at the board meeting.
6. All nominated candidates will run for election at the same time. Those candidates with the greatest majority of votes shall be elected to the longest term of office.
7. Since the Bylaws require a **majority vote** to elect Executive Committee members (Article II, Section 9), subsequent ballots may be required if the required number of candidates do not receive a majority of votes from the members present and voting.
8. If candidates for office do not receive a majority of cast votes, a subsequent ballot will be held with one more candidate's name than the number of vacancies to be filled; i.e. the top **three** candidates who receive the most votes to run for **two vacancies** or the top **two** candidates who receive the most votes to run for **one vacancy**.
9. If a tie vote occurs in a preliminary ballot (majority of votes not obtained by required number of candidates), the tied candidates will be included in the subsequent ballot if they have received the required number of ballots as determined in seven (7) above.
10. If a tie vote occurs in a final ballot (two candidates for one office or position) the presiding officer will designate one of the tied candidates to call a coin toss, by the presiding officer, to determine the election results.

DATE: APRIL 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: ELECTION TO FILL TWO POSITIONS ON THE NEWLY FORMED CALIFORNIA WATER INSURANCE FUND BOARD

DISCUSSION:

There are two positions to be filled on the newly formed captive insurance company board. The election will be held during the ACWA/JPIA's Board of Directors' meeting on May 6, 2019, at the spring conference in Monterey. For the initial term, these two positions will be filled for three years each. Thereafter, they will be two-year terms.

The qualified candidates are as follows:

Paul E. Dorey – Vista Irrigation District
Paul R. Green Jr. – Rio Linda/Elverta Community Water
Andrew Morris – Santa Rosa Regional Resources Authority
Scott H. Quady – Calleguas Municipal Water District

At the March 6 Board meeting, the Board, with Director Sannella absent, adopted a resolution concurring in the nomination of Paul E. Dorey to the California Water Insurance Fund Board.

In addition, the District recently received a request from Calleguas Municipal Water District Board President Thomas Slosson requesting the District vote for Scott Quady.

The District's appointed representatives to the ACWA/JPIA are Directors Hal Martin, delegate, and Betty Evans, alternate.

RECOMMENDATION:

Request Board direction.

THOMAS L. SLOSSON, PRESIDENT
DIVISION 1

ANDY WATERS, SECRETARY
DIVISION 3

STEVE BLOIS, DIRECTOR
DIVISION 5



ANDRES SANTAMARIA, VICE PRESIDENT
DIVISION 4

SCOTT H. QUADY, TREASURER
DIVISION 2

SUSAN B. MULLIGAN
GENERAL MANAGER

web site: www.calleguas.com

2100 OLSEN ROAD • THOUSAND OAKS, CALIFORNIA 91360-6800 805/526-9323 • FAX: 805/522-5730

April 2, 2019

ACWA JPIA Member Agencies

RE: SCOTT QUADY for election to the California Water Insurance Fund (CWIF) Board of Directors

Dear JPIA Representative,

On behalf of Calleguas Municipal Water District Board of Directors, I respectfully request that your agency vote for Scott Quady for election to the newly founded California Water Insurance Fund (CWIF).

ACWA JPIA recently formed CWIF as a "captive insurance company" that operates as a wholly-owned private insurance company. It is expected to save members money with discounted excess and reinsurance costs, higher investment earnings, and a wider variety of risk financing options. Two positions are to be filled on the CWIF Board of Directors. An election will be held during the ACWA JPIA Board of Directors' meeting at the 2019 Spring Conference in Monterey.

Director Quady has served on the Calleguas Board since 2008 and represented the district on the ACWA JPIA Board of Directors for the past six years. His extensive knowledge of both the water industry and public agency finance would greatly benefit CWIF. Four agencies have adopted concurring resolutions in support of Director Quady's candidacy for the CWIF Board of Directors: Camrosa Water District, Montecito Water District, Santa Clarita Valley Water District, and United Water Conservation District. Biographical information about Director Quady is attached to this letter for your review.

Our Board has the highest confidence in Director Quady and his proven leadership abilities. If you have any questions or requests for additional information, kindly contact Calleguas' General Manager, Susan Mulligan, by calling (805) 526-9323 or emailing smulligan@calleguas.com. Thank you for your consideration in voting for Director Quady.

Sincerely,

A handwritten signature in blue ink that reads "Thomas L. Slosson".

Thomas L. Slosson
President

attachment



Scott Quady

Scott would bring to the California Water Insurance Fund Board extensive knowledge of the water industry & public agency finance.

As Calleguas' Board Treasurer and Chair of the Finance Committee he has improved accountability and transparency by instituting formal policies for financial matters as well as committee workshops to thoroughly review key financial documents.

Scott is committed to service and fiscal responsibility.

Ten years' experience as a water district board member

Scott was elected to the Calleguas Municipal Water District (Calleguas) Board of Directors in November 2008, serving as Board President from 2012 through 2016. He has served as Treasurer and Chair of the Finance Committee since 2016 and as Chair of the Water Quality and Operations Committee since 2012.

As Chair of the Calleguas Finance Committee, Scott has taken a leadership role in updating the Investment Policy (later certified by the California Municipal Treasurers Association), establishing a Debt Management Policy, and establishing guidelines for funding of post-employment benefits.

Since 2012 Scott has been Calleguas' voting member on the Association of California Water Agencies Joint Powers Insurance Authority (JPIA) and serves on the ACWA Water Quality and Water Management Committees. Since 2016 he has represented Calleguas on the Board of Directors of the Ventura County Regional Energy Alliance.

Extensive professional experience in the water industry

Scott has over 35 years of water-related experience.

- 2001 to 2017 (ret.) - Environmental Resource Analyst, Ventura Regional Sanitation District
- 1989 to 2001 - Laboratory Manager, United Water Services, JMM Operational Services
- 1978 to 1988 - Laboratory Supervisor, Las Virgenes Municipal Water District

He also has several degrees and certifications applicable to the water industry.

- Bachelor of Science degree in biochemistry from Cal Poly San Luis Obispo
- Master of Science Degree in environmental science from Loyola Marymount
- Engineer-In-Training (EIT) certificate from the California Department of Consumer Affairs
- Water Treatment Operator (Grade 2) from the SWRCB Division of Drinking Water
- Management level certifications (Grade 4) from the California Water Environment Association (CWEA) for both Laboratory Analyst and Environmental Compliance Inspector

Scott has lived in the Thousand Oaks area since 1969; now with his wife of 29 years, Marilee, and a four-legged child, Whitney (Rottweiler).

2100 Olsen Road, Thousand Oaks, CA 91360 squady@calleguas.com (805) 300-3661 mobile

California Water Insurance Fund Election Procedures & Rules

For the May 6, 2019, Election to Be Held During the
JPIA's Board of Directors' Meeting at the
Marriott Hotel in Monterey, CA

The procedures and rules for the May 6, 2019, election are as follows:

1. The ballots with the names of all qualified candidates will be distributed at the entrance to the meeting room before the meeting is called to order.
2. Only the Board of Directors member or Alternate Board of Directors member may obtain the ballot.
3. Only those JPIA members with either a Director or Alternate Director present may vote. **PROXY VOTING IS NOT PERMITTED.**
4. Additional color-coded ballots will be supplied for any necessary subsequent balloting.
5. Ballots are counted by the election inspectors and the results announced at the board meeting.
6. All nominated candidates will run for election at the same time. Those candidates with the greatest majority of votes shall be elected to the longest term of office.
7. Since a **majority vote** is required to elect California Water Insurance Fund Board members, subsequent ballots may be required if the required number of candidates do not receive a majority of votes from the members present and voting.
8. If candidates for office do not receive a majority of cast votes, a subsequent ballot will be held with one more candidate's name than the number of vacancies to be filled; i.e. the top **three** candidates who receive the most votes to run for **two vacancies** or the top **two** candidates who receive the most votes to run for **one vacancy**.
9. If a tie vote occurs in a preliminary ballot (majority of votes not obtained by required number of candidates), the tied candidates will be included in the subsequent ballot if they have received the required number of ballots as determined in seven (7) above.
10. If a tie vote occurs in a final ballot (two candidates for one office or position) the presiding officer will designate one of the tied candidates to call a coin toss, by the presiding officer, to determine the election results.



Sixty percent of California's developed water supply originates high in the Sierra Nevada mountains. Our water supply is largely dependent on the health of our Sierra forests, which are suffering from ecosystem degradation, drought, wildfires and widespread tree mortality.

Join us as we head into the foothills and the mountains to examine water issues that happen upstream but have dramatic impacts downstream and throughout the state.

This 2-day, 1-night tour travels through the Sierra Nevada foothills, into the mountains and around the Lake Tahoe Basin to explore the impact of fires on California water supply and quality in the American and Yuba watersheds, as well as forest management and tree mortality, meadow restoration and climate change. Tour stops include the Yuba and American rivers, Tahoe and El Dorado national forests, meadow and river restoration sites and Lake Tahoe.