

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

INTRODUCTIONS

Human Resources Analyst Bridget Anderson will introduce new employees, **Jaime Tovar**, Construction Worker I, and **Jesse Alegre**, Construction Worker I.

PRESENTATION

North County Water Agencies' 4th Grade Calendar Contest Winners: Honorable Mention: **Skylar Groke**; Third Place: **Lia VanderJagt**; Second Place: **Zofia Dowd**; First Place: **Sierra Whiteside**.

CONSENT CALENDAR

1.1 APPROVAL OF MINUTES (pp. 10-29)

- A. CLOSED SESSION BOARD MEETING – JUNE 13, 2019
- B. SPECIAL BOARD MEETING – JUNE 13, 2019
- C. FINANCE/INVESTMENT COMMITTEE MEETING – JUNE 17, 2019
- D. REGULAR BOARD MEETING – JUNE 19, 2019
- E. PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE MEETING – JUNE 25, 2019

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH JULY 17, 2019 – \$6,578,466.82 (pp. 30-35)

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS (pp. 36-58)

- A. WATER METER COUNT – JUNE 30, 2019
- B. WATER PRODUCTION/SALES REPORT – 2018/2019
- C. QUARTERLY FINANCIAL REPORT – JUNE 30, 2019
- D. PER CAPITA WATER CONSUMPTION – JUNE 30, 2019
- E. WATER REVENUE AND EXPENSE REPORT – JUNE 30, 2019
- F. SEWER REVENUE AND EXPENSE REPORT – JUNE 30, 2019
- G. RESERVE FUNDS ACTIVITY – JUNE 30, 2019
- H. INVESTMENT REPORT – JUNE 30, 2019
- I. LEGAL FEES SUMMARY – JUNE 30, 2019

1.4 APPROPRIATIONS LIMIT FOR FISCAL YEAR 2019/20 (pp. 59-61)

Article XIII B of the California constitution (Proposition 4) requires the District establish an appropriations limit.

Recommendation: Adopt Resolution

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

PUBLIC HEARING

- 2.1 PUBLIC HEARING TO ADOPT A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT APPROVING THE SEWER SERVICE FEES TO BE COLLECTED ON THE TAX ROLL FOR IMPROVEMENT DISTRICT "A" FOR THE FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020 (pp. 62-65)

The State Health Code requires the District to specify on an annual basis the method it will use to collect sewer service fees.

Recommendation: 1) Hold Public Hearing; 2) Adopt Resolution

ACTION ITEMS

- 3.1 AUTHORIZATION TO EXECUTE A LEASE AGREEMENT AND NEGOTIATE CONTRACT TERMS WITH AIS FOR LEASE AND MAINTENANCE OF XEROX MULTI-FUNCTION PRINTERS (pp. 66-100)

The District's Xerox printers are under a contract that expires in July 2019.

Recommendation: Authorize General Manager to execute lease and maintenance agreement

- 3.2 CHANGE ORDER REQUEST FOR SCHOOLHOUSE TANK REFURBISHMENT (pp. 101-104)

Repairs are necessary to strengthen the deteriorated rafters and prevent further corrosion.

Recommendation: Approve construction change order

- 3.3 CHANGE ORDER REQUEST FOR SEWER BYPASS REPAIR (pp. 105-108)

Excessive flows from the Land Outfall during a heavy rain event on February 3, 2019 caused a new break to occur near Carillo Way.

Recommendation: Approve construction change order

- 3.4 SOUTHERN CALIFORNIA WATER COALITION QUARTERLY LUNCHEON – MEETING ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL (pp. 109-110)

The Southern California Water Coalition is not on the list of organizations for which meetings are considered compensable.

Recommendation: Approve per diem/expense reimbursement

*****END OF ACTION ITEMS*****

REPORTS

- 4.1 GENERAL MANAGER
4.2 DISTRICT LEGAL COUNSEL

4.3 SAN DIEGO COUNTY WATER AUTHORITY

4.4 ENCINA WASTEWATER AUTHORITY

- *Capital Improvement Committee*

- *Policy and Finance Committee*

4.5 STANDING COMMITTEES

4.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS
ATTENDED

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

OTHER BUSINESS

5.1 QUARTERLY BOARD EXPENSES (pp. 111-112)

Recommendation: For Information Only

5.2 MEETINGS (pp. 113)

Urban Water Institute's Annual Water Conference

August 14-16, 2019 – Hilton San Diego Resort & Spa, San Diego, CA

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

6.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

7.1 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, July 12, 2019.

Diane Posvar

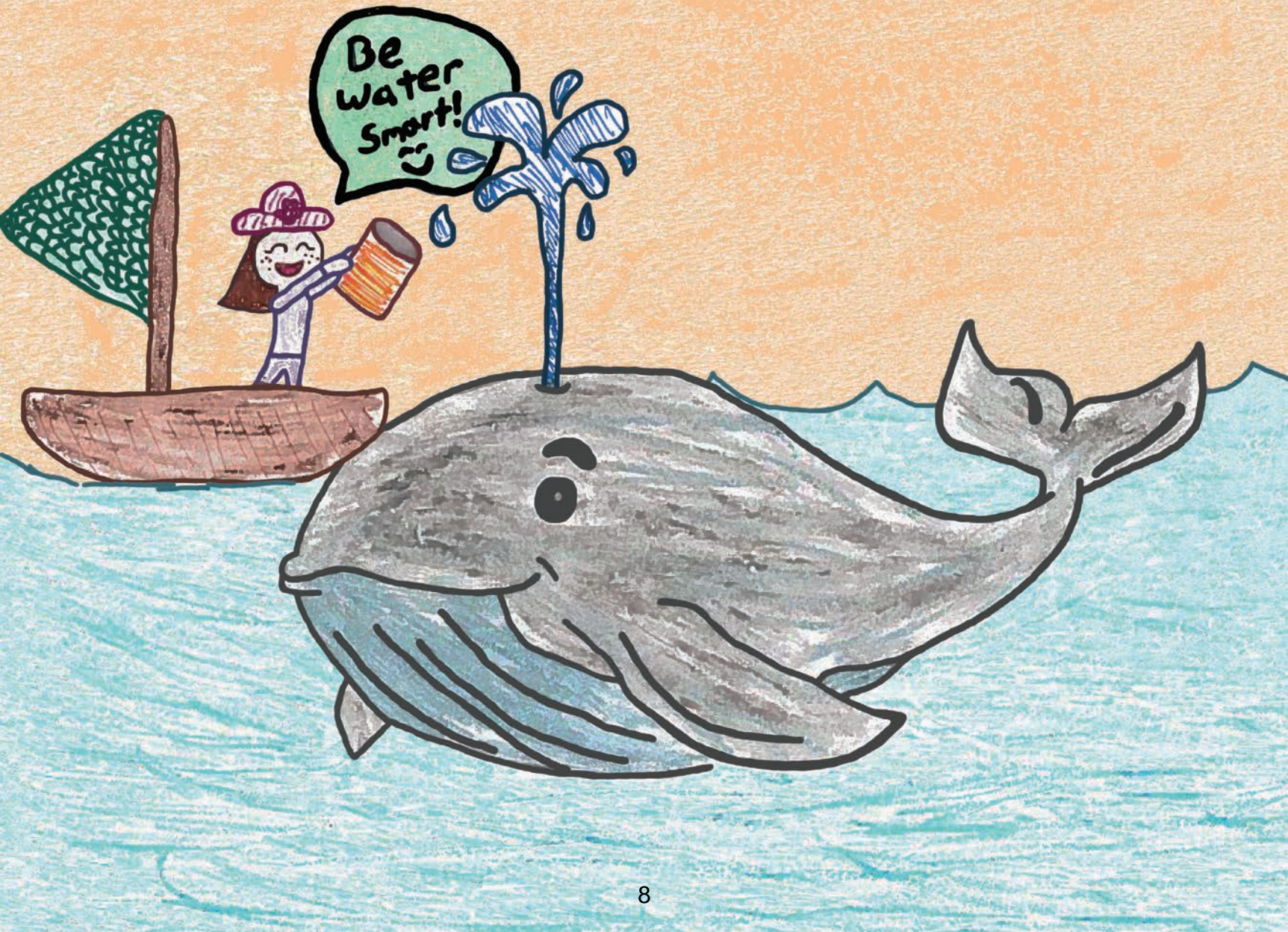


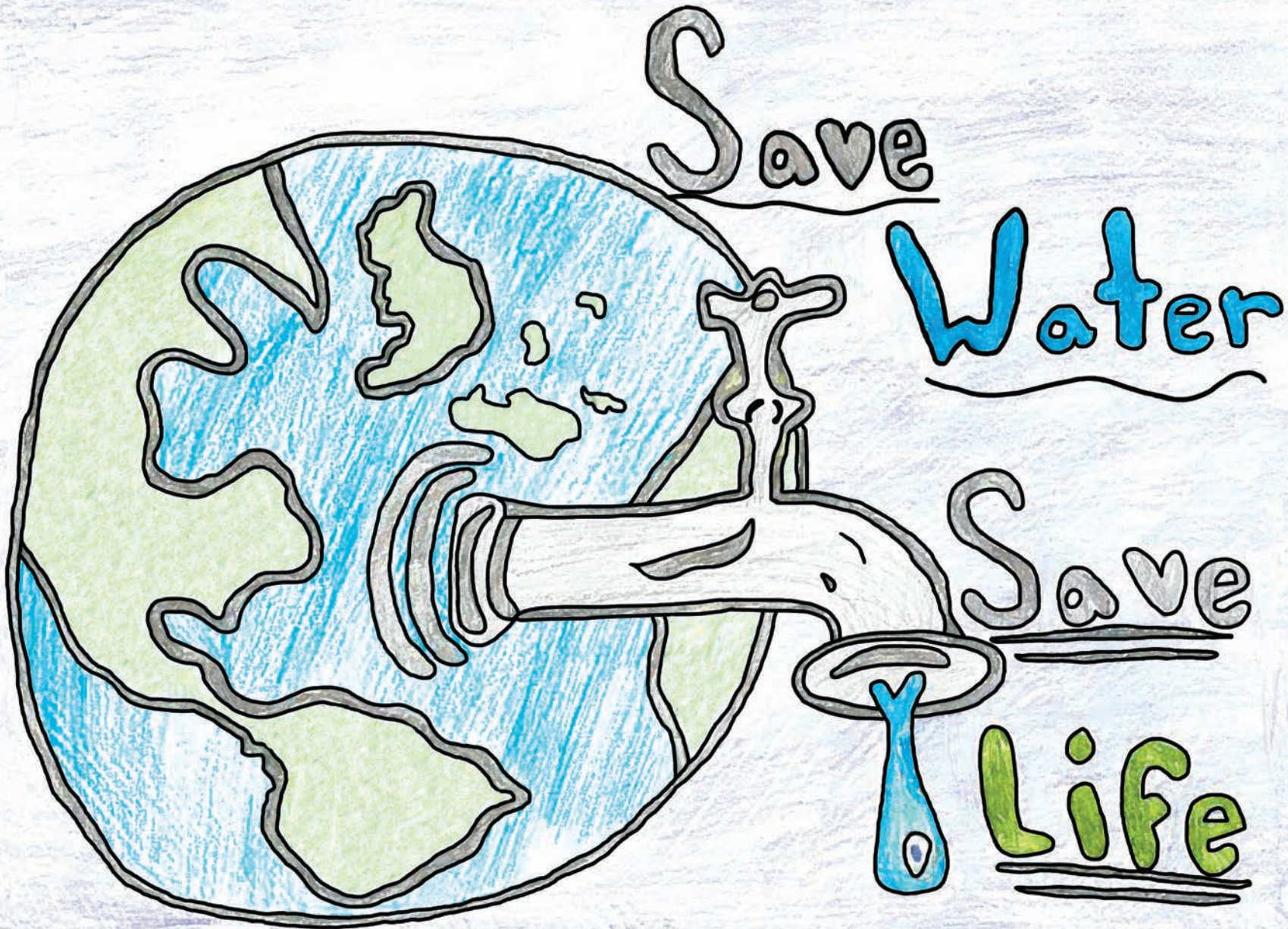
BE WATER
SMART!

**DON'T
LET
OUR
WORLD**



**SLIP
DOWN
THE
DRAIN**





MINUTES OF A CLOSED SESSION MEETING
OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
THURSDAY, JUNE 13, 2019, AT 3:30 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

President Martin called the Closed Session meeting to order at the hour of 3:30 p.m.

Director Elitharp led the pledge of allegiance.

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

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

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

19-06-01 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, with Director Evans absent, to adopt the agenda for the Closed Session Meeting of June 13, 2019.

PUBLIC COMMENT

None.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivisions (c & d) of Section 54956.9: One (1) potential case (Claim dated June 3, 2019)

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:
One (1) potential case

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

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

19-06-02 MOTION WAS MADE by Director Sannella, seconded by Director Elitharp, and carried unanimously, with Director Evans absent, to move into Closed Session pursuant to Government Code Sections 54956.9 and 54957.6.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at 4:54p.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 4:55 p.m.

A Special Meeting of the Vallecitos Water District Board of Directors has been scheduled for Thursday, June 13, 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 SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
THURSDAY, JUNE 13, 2019, AT 5:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Public Information/Conservation Supervisor Robbins led the pledge of allegiance.

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

Staff Present: General Manager Pruum
Legal Counsel Gilpin
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Accounting Supervisor Glenn
Public Information/Conservation Supervisor Robbins
Financial Analyst Arthur
Executive Secretary Posvar

ADOPT AGENDA FOR THE SPECIAL MEETING OF JUNE 13, 2019

19-06-03 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to adopt the agenda for the Special Board Meeting of June 13, 2019.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board stating he hopes the sale of the District's 38-acre parcel will be used for the best benefit of the ratepayers. He commented on a recent meeting he attended at which discussion took place on how the Port of San Diego is handling its land use, that it is leasing land and charging 11% of the revenue for the lease. The City of San Marcos gets about 7% of revenue above the rental for the Creekside Market. High density development on this property could be a major revenue source and return to the ratepayers. He trusts the District is not going to be giving the property away at a low price and that it will consider the ratepayers' best interest in this. He thanked the Board.

CONSENT CALENDAR

19-06-04 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Finance/Investment Committee Meeting – May 13, 2019
- B. Closed Session Board Meeting – May 15, 2019
- C. Regular Board Meeting – May 15, 2019

1.2 Warrant List through June 13, 2019 - \$1,466,083.53

ACTION ITEMS

VALLECITOS WATER DISTRICT RECOMMENDED FISCAL YEAR 2019/2020 BUDGET

General Manager Pruim provided a brief background on the budget process and stated the revised draft fiscal year (FY) 2019/2020 budget was sent to the Board on June 7 for their review. He noted that the recommended budget contains five-year forecasting for planning purposes; however, the Board will be asked to consider only the one-year FY 2019/2020 budget. Any rate or capital facility fee increases will be addressed separately at subsequent Board meetings. The recommended budget includes payments required by CalPERS for District employees as well as accelerated payments of its share of CalPERS for Encina Wastewater Authority employees. The recommended budget also includes funds for accelerated payments that will be made to CalPERS for District employees in accordance with the discussion that took place at the Board Workshop meeting on May 29, 2019 and one new position proposed to focus on the District's aging infrastructure.

General Manager Pruim stated the District's finances are in very good shape. The District is meeting all of its CalPERS and debt obligations, required operations are fully funded, facilities are being repaired/replaced/built as needed, reserves are healthy and the District's credit rating remains strong at AA+.

Financial Manager Owen facilitated a presentation on the Recommended FY 2019/2020 Budget including Board requested information along with Financial Analyst Arthur who addressed water purchases, water sales, and sewer revenues as follows:

- Budget Process & Calendar
- 2019/20 Budget - \$98,131,000
- 2019/20 Water Operating Expense Budget - \$44,306,000
- Operating Budget – Water
- 2019/20 Wastewater Operating Expense Budget - \$14,245,000
- Operating Budget – Sewer
- Salary & Benefits Budget-to-Budget Comparison
- Operating Budget – Salaries & Benefits

- Water Purchases
- Water Sales – Volume
- Water Sales – Revenue
- Unbilled Water – History
- Sewer Revenues
- Capital Budget-to-Budget Comparison
- Capital Improvement Projects by Function Total
- Capital Budget
- Capital Budget Timeline
- CalPERS Unfunded Accrued Liability (UAL) Scenario Recap
- CalPERS Historical Returns
- CalPERS UAL Funding Policy
- Reserve Balances
- Water Reserves
- Wastewater Reserves
- Days in Cash
- Recommendations

General question and answer took place during the presentation to which staff responded.

Staff recommended the Board approve the Vallecitos Water District CalPERS Unfunded Accrued Liability Funding Policy and the Recommended FY 2019/2020 Budget which reflects the CalPERS UAL Funding Policy.

Mike Hunsaker, member of the public, addressed the Board stating the District's action concerning the pension liability is very unusual and a pleasant surprise even if it is expensive. He asked if the District is receiving desal water now, stating that according to the San Diego County Water Authority (SDCWA), the District did not receive any desal water last year but was required to pay for it. He commented that when comparing the 2011/2012 budget with the proposed budget, he feels costs have increased dramatically. He looks forward to seeing what the District will do in capital improvements because according to his understanding of state law, you can only charge for capital improvement fees that cover the next three years of their particular usage. Plans are typically five years. It seems like there is a bit of a disconnect on how to set capacity fees.

General Manager Pruium confirmed the District did not receive desal water in 2018. The connection was reestablished in March 2019. The District is currently involved in discussions with the SDCWA regarding this matter.

District Engineer Gumpel addressed Mr. Hunsaker's question regarding state law pertaining to capital facility fees, stating that if an agency does not have an adopted

planning document such as a Master Plan that follows strict guidelines and an associated Programmatic Environmental Impact Report, the agency can only charge capital facility fees for a limited time. If an agency does have adopted planning documents, they do not have the same time limitation in regard to the capital facility fees.

Finance Manager Owen clarified that the total budgets for FY 2010-2011 and FY 2011-2012 were \$95.9 Million and \$99.4 Million respectively. The total Recommended FY 2019/2020 Budget is \$98.1 Million.

Director Elitharp expressed his concern in assuming a rate increase effective January 1, 2020. General Manager Pruim stated that staff will work with a rate consultant and anticipates holding a Proposition 218 public hearing in October or early November, after which a final rate determination will be made in December.

19-06-05 MOTION WAS MADE by President Martin, seconded by Director Evans, and carried unanimously, to approve the Vallecitos Water District CalPERS Unfunded Accrued Liability Funding Policy and the Recommended FY 2019/2020 Budget.

AGRICULTURAL WATER ELIGIBILITY

Public Information/Conservation Supervisor Robbins provided a presentation on the background to date on this item, which was discussed at the May 16, 2018 Board meeting as well as Public Awareness/Personnel/Policy (PAPP) Committee meetings on August 12, 2018, December 10, 2018, and April 11, 2019. The presentation included the following:

- Robert Case Request
- County Water Authority's (CWA) Agricultural Water Program
- CWA's Transitional Special Agricultural Water Rate (TSAWR)
- CWA TSAWR Conditions
- CWA & VWD TSAWR Conditions
- Vallecitos' Ag Water – Certified Non-Participating Agricultural Water Rate (CNPAWR)
- Ag Water "Grandfathered"
- Ordinance No. 207 and Best Best & Krieger
- Current Ag Water Requests
- Fiscal Impact
- Committee Recommendation
- Discussion and Direction

Public Information/Conservation Supervisor Robbins stated as discussed at the May 16, 2018 Board meeting, requests for the District's CNPAWR rate have been received;

however, the current Ordinance No. 207 does not address customers enrolling in the CNPAWR. He further stated that if the District were to allow access to the CNPAWR, the revenue impact would be a decrease of approximately \$4.27 for each unit of Tier 3 water that is charged at the Tier 2 rate per the program. This could have a significant impact depending on the customer's usage.

General discussion took place.

Public Information/Conservation Supervisor Robbins stated the PAPP Committee's recommendation is to wait until the upcoming Cost of Service Study (COSS) is completed before making any decisions about the agricultural rate, development of a pilot program, or possibly irrigation rates, and to consider agricultural interests of both new and existing customers. Staff recommends that language in future ordinances clarify eligibility requirements for CNPAWR water and place limits on how much agricultural water is available.

Further general discussion took place about whether a discounted agricultural rate would cost other customers more and if this should be included in the COSS. General Manager Pruim agreed with the PAPP Committee's recommendation to research this during the COSS, to which the Board agreed.

CONSUMER CONFIDENCE REPORT

Operations & Maintenance Manager Pedrazzi briefly discussed the 2018 Consumer Confidence Report (CCR). The District updates the CCR yearly with the current population served by the District and any new facilities. The CCR is regulated by the state and federal government. Much of the language in the report cannot be changed by the District. He stated the District met and, in most cases, exceeded the state and federal regulations for water quality with no violations.

19-06-06 MOTION WAS MADE by Director Evans, seconded by Director Hernandez, and carried unanimously, to approve the 2018 Consumer Confidence Report.

Mike Hunsaker, member of the public, addressed the Board questioning the data for the Poseidon desal plant and stating the Total Dissolved Solids (TDS) level was quite high for desal water. He asked where the desal water is being blended and what the components of the TDS consist of. He stated the boron levels from Lake Skinner were very high.

Operations & Maintenance Manager Pedrazzi responded to Mr. Hunsaker's questions stating that although the District did not receive any desal water via the District's direct connection, the District did receive desal water throughout the year. Desal water is pumped up to the Twin Oaks Reservoir area to the SDCWA's Twin Oaks Valley

Treatment Plant where it goes into their clear wells and is blended with the water produced at their treatment plant. TDS for desal water is quite low compared to Colorado River water. The TDS in desal water are minerals that are added back to the water which are necessary to prevent damage to the pipe lines. Boron levels are typically higher in desal water.

ACWA REGION 10 NOMINATING COMMITTEE IS SEEKING REGION 10 BOARD CANDIDATES

General Manager Pruim stated nominations for the Region 10 Board election are due on June 28, 2019. Director Evans stated she will seek the nomination.

General Manager Pruim stated a resolution nominating Director Evans is required and will be presented to the Board for approval at the next Board meeting.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- The District will be holding an Open House on Saturday, June 22, from 8:30 a.m. to 12:30 p.m. The Open House will be similar to the Water Academy without the field tour. As of this date, 80 individuals have signed up to attend.
- The State of California is approving its budget which does not include a water tax.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated that the third addition of the book, *California Water*, is now available. The Board will be receiving a copy of the book.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans reported the SDCWA has been holding a number of workshops recently concerning their budget. The SDCWA has applied for a patent on a virtual reality pipeline condition assessment tool they created. Three- and one-half years ago the SDCWA's goal was to generate \$.5 Million per year from the energy created at their three hydro electric facilities. It is estimated \$3.4 Million will be generated this year.

Director Evans commented on the possible de-annexation of Fallbrook Public Utility District from the SDCWA and the need for agencies to work together. She provided a brief update on the study concerning alternative conveyance options, stating that the majority of the Board is in favor of it.

Director Evans stated the budget will be considered for adoption on June 27. A public hearing on rates will also be held on that day.

ENCINA WASTEWATER AUTHORITY

Director Hernandez stated the Capital Improvement Committee will meet on June 19.

President Martin reported on his attendance to the Policy and Finance Committee at which two transfers were proposed to cover cost overruns due to energy costs and a problem at the Agua Hedionda Pump Station. He commented on maintenance work involving parallel piping that is being performed at several wells.

STANDING COMMITTEES

Director Sannella stated the Finance/Investment Committee will meet on June 17 at 4:00 p.m.

Director Hernandez reported on the May 30 Engineering/Equipment Committee at which a preview of the groundwater study was provided to the Committee. The presentation will be provided to the Board at the end of July or early August. The Committee also received an update on the District-wide solar project.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

None.

OTHER BUSINESS

Director Evans provided a brief description on the ACWA Region 10 program scheduled on July 30 in Mission Viejo, California. The event will take place from 9:00 a.m. to 2:00 p.m. at the Arroyo Trabuco Golf Club.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

President Martin requested an update on the District-wide solar project at a future Board meeting.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Special Meeting of the Board of Directors at the hour of 6:50 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, June 19, 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 MEETING OF THE
FINANCE/INVESTMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
MONDAY, JUNE 17, 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 Sannella
Director Martin
General Manager Pruum
Finance Manager Owen
Accounting Supervisor Glenn
Financial Analyst Arthur
Administrative Secretary Johnson

Others Present: Shannon Ayala, DavisFarr LLP

ITEM(S) FOR DISCUSSION

AUDIT KICKOFF

Finance Manager Owen introduced Shannon Ayala of DavisFarr LLP. He stated the District has a three-year contract with DavisFarr LLP for auditing services with an option for two one-year extensions. This is the second year of the contract.

Ms. Ayala facilitated a presentation on the audit for the fiscal year ending June 30, 2019 as follows:

- SAS 114 Planning Letter
- Audit Timing & Procedures
- Final Procedures
- Upcoming Accounting Changes

Auditing staff are currently performing field work on site this week. Final field work will be conducted September 23 – 27.

Mike Hunsaker, member of the public, asked how reimbursements the District makes to developers for upsizing pipes for capacity are accounted for as potential liabilities on the balance sheet, is interest charged, is the reimbursement based on the capacity fees paid or the current fee at the time of request for reimbursement, the option of selling or leasing excess capacity, and are capacity fees for large apartment developments being properly collected? He stated deferred capacity fees should be aged to make sure they get paid.

Staff will research Mr. Hunsaker's concerns and respond to his questions.

COST OF SERVICE STUDY UPDATE

General Manager Pruim stated the last Cost of Service Study (COSS) covered a two-year period and resulted in two rate increases, of which the last increase went into effect on January 1, 2019. The purpose of the COSS is to determine revenue needed to cover operational expenses. Staff is currently in the process of bringing a rate consultant on board to conduct the COSS.

Finance Manager Owen stated Request For Proposals (RFPs) were sent to approximately 17 consultants. Staff received only two proposals. Feedback obtained from consultants who did not submit proposals revealed that the scope and timing of the COSS were the main reasons for not pursuing the contract. Staff will review the two proposals that were received and modify the scope to eliminate items staff can do internally that would shorten the time and cost of the study. A new COSS is not necessary every two years and would be at the Board's discretion; however, the goal is to develop a rate model to be used going forward.

General discussion took place regarding the cost of the COSS. Finance Manager Owen stated that both of the proposals received were over \$100,000. Staff's target is approximately \$80,000. The COSS is the legal basis for the Proposition 218 process and is more legally defensible if performed by a third party.

General Manager Pruim clarified that the current rate structure will remain in place until it is replaced by another if the COSS and 218 process are not completed by the January 2020 goal. The COSS would need Board approval, possibly at the July 17 Board meeting.

OTHER BUSINESS

Director Martin requested a simple graph illustrating budget-to-actual year-end data for the past ten years.

Finance Manager Owen suggested the Committee review the overhead rate in July. The overhead rate does not have an urgent deadline but should be addressed in the new fiscal year.

PUBLIC COMMENT

None.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 4:31 p.m.

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 19, 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.

Finance Manager Owen led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Sannella
Director Martin

Absent: Director Hernandez

Staff Present: General Manager Pruum
Legal Counsel Gilpin
District Engineer Gumpel
Finance Manager Owen
Public Information/Conservation Supervisor Robbins
Executive Secretary Posvar

Others Present: Chris Palmer, California Special Districts Association (CSDA)

ADOPT AGENDA FOR THE REGULAR MEETING OF JUNE 19, 2019

19-06-07 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Regular Board Meeting of June 19, 2019.

PUBLIC COMMENT

None.

PRESENTATION

Chris Palmer, CSDA Field Coordinator for the Southern Network, presented the District with Director Hernandez's certificate for recognition in Special District Governance.

CONSENT CALENDAR

19-06-08 MOTION WAS MADE by Director Sannella, seconded by Director Elitharp, and carried unanimously, with Director Hernandez absent, to approve the Consent Calendar as presented.

- 1.1 Approval of Minutes
 - A. Board Workshop Meeting – May 29, 2019
 - B. Engineering/Equipment Committee Meeting – May 30, 2019
- 1.2 Warrant List through June 19, 2019 - \$6,831,572.61
- 1.3 Financial Reports
 - A. Water Meter Count – May 31, 2019
 - B. Water Production/Sales Report – 2018/2019
 - C. Per Capita Water Consumption – May 31, 2019
 - D. Water Revenue and Expense Report – May 31, 2019
 - E. Sewer Revenue and Expense Report – May 31, 2019
 - F. Reserve Funds Activity – May 31, 2019
 - G. Investment Report – May 31, 2019
 - H. Legal Fees Summary – May 31, 2019
- 1.4 Summer 2019 Between the Pipes – Vallecitos Water District Quarterly Newsletter
- 1.5 Resolution Placing in Nomination Betty Evans as a Member of the Association of California Water Agencies (ACWA) Region 10 Board of Directors

ACTION ITEMS

RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT “A” FOR FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020 COLLECTED ON THE TAX ROLL

Finance Manager Owen stated Improvement District “A” is a special service area where Vallecitos provides sewer collection services and another water agency provides domestic water service and fire protection. Vallecitos elects to have the sewer service fees for Improvement District “A” collected on the tax roll in the same manner and at the same time together with the general property taxes. The State Health Code requires Vallecitos to specify on an annual basis the method it will use to collect sewer service fees for Improvement District “A” and hold a public hearing acknowledging this method of collection.

Staff recommends the Board adopt the resolution to set the public hearing for the Regular Board meeting on July 17, 2019.

19-06-09 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, with Director Hernandez absent, to adopt the resolution.

Resolution No. 1554 - The roll call vote was as follows:

AYES: Elitharp, Evans, Sannella, Martin

NOES:

ABSTAIN:

ABSENT: Hernandez

ADOPT THE MEMORANDUM OF UNDERSTANDING WITH THE EMPLOYEES' ASSOCIATION FOR FISCAL YEARS 2019/20, 20/21, 21/22, 22/23; ESTABLISH TERMS AND CONDITIONS OF EMPLOYMENT FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES; AND APPROVE THE PAY SCHEDULE

General Manager Pruim stated the main items during the labor negotiations for the new Memorandum of Understanding (MOU) with the VWD Employees' Association included the Cost of Living Adjustments (COLA), base medical cost contributions, an increase in deferred compensation matching by the District, adjustments to vacation caps, accruals and sellbacks, the exclusion of management and confidential employees from the VWD Employees' Association, and limitations on sick leave accrual. Completion of the labor agreement process requires adoption of the resolution to:

- Adopt the MOU with the VWD Employees' Association covering the general employees' unit of representation;
- Establish terms and conditions of employment for management and confidential employees, the same as in the Employee Handbook and MOU; and
- Approve the revised District pay schedule which reflects the COLA provisions of the MOU and includes retitling two positions and the addition of one new full-time position of Asset Management Supervisor which are included in the fiscal year 2019/2020 budget, and reclassification of the Purchasing and Warehouse Supervisor to Senior Purchasing Specialist.

General Manager Pruim stated the negotiations began in February. The employees voted to accept the District's second offer on June 4. He thanked the Board and the VWD Employees' Association for their hard work and reasoned approach throughout the negotiation process. The Board thanked all involved in the process as well.

Staff recommended the Board approve the resolution to adopt the MOU, establish terms and conditions of employment for management and confidential employees, reclassify the Purchasing and Warehouse Supervisor position to a Senior Purchasing Specialist, and approve the District pay schedule.

19-06-10 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to adopt the resolution.

Resolution No. 1555 - The roll call vote was as follows:

AYES: Elitharp, Evans, Sannella, Martin
NOES:
ABSTAIN:
ABSENT: Hernandez

REPORTS

GENERAL MANAGER

General Manager Pruim stated the District will be hosting an Open House on Saturday, June 22 beginning at 8:30 a.m. Approximately 72 attendees are expected.

At General Manager Pruim's request, District Engineer Gumpel provided a brief update on the District-wide solar study.

District Engineer Gumpel stated the Request For Proposals (RFP) for the Twin Oaks and Lake San Marcos sites for power purchase agreements are being finalized. He anticipates RFPs will be sent out in mid-July, the Mitigated Negative Declaration will be circulated at the August 7 Board meeting and certified at the first Board meeting in September. The process will take approximately two months. Recommendations on whether to move forward based on proposals received will be presented to the Board at the end of September or early October.

General Manager Pruim reported the following:

- After the slip lining project on Stargaze Court was completed the street needed repaving. Staff worked with the neighborhood and the City of San Marcos on this. The final paving was completed today.
- Repair of a damaged section of the sewer bypass line from Rancho Santa Fe to Melrose was completed last week. The line allows flows to be diverted from Lake San Marcos to the Outfall. Another section of that pipeline needs a point repair as well. Eventually the entire line may need to be slip lined.
- The Rock Springs Road sewer project is nearing completion.
- Staff will be conducting smoke testing on June 26 in a neighborhood near Paloma Elementary School.
- President Martin was appointed to the City of San Marcos' General Plan Advisory Committee. District Engineer Gumpel will serve as alternate. The first meeting will be held on Tuesday, July 23 at 6:00 p.m. at City Hall.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin referenced a report the Little Hoover Commission issued which contained 20 recommendations to improve special district oversight. The California Special Districts Association and the Institute for Local Governments have been working on a response to some of the recommendations. Recommendation 11 relates to raising awareness of local governing boards. The Institute for Local Governments is seeking input to create a tip sheet for local governments on best practices concerning topics such as outreach and securing candidates for local elections.

Legal Counsel Gilpin stated that there is an additional work issue pertaining to 1090 which prohibits public officials and employees from making public contracts that benefit themselves. In 2017 it was extended to some independent contractor situations where the independent contractor has influence on the governing board relative to entering into a second contract such as hiring a consultant to provide advice and then entering into a second contract with the consultant to perform the work.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the next SDCWA Board meeting is scheduled for June 27.

ENCINA WASTEWATER AUTHORITY

President Martin stated he attended the Capital Improvement Committee meeting this morning on behalf of Director Hernandez who was unable to attend. The Committee discussed the Sediment Tank No. 1 wall replacement project and leaks that were found in the wall of the Digester.

STANDING COMMITTEES

Director Sannella stated the Finance/Investment Committee met on June 17. Shannon Ayala of DavisFarr LLP, the District's auditing firm, provided a presentation on the upcoming audit for the fiscal year ending June 30, 2019. The Committee also received an update on the Cost of Service Study RFP process.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Sannella and Martin reported on their attendance to the Council of Water Utilities meeting on June 18.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 5:36 p.m.

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

MINUTES OF A MEETING OF THE
PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE
OF THE VALLECITOS WATER DISTRICT
TUESDAY, JUNE 25, 2019 AT 2:00 P.M.
AT THE DISTRICT OFFICE, 201 VALLECITOS DE ORO,
SAN MARCOS, CALIFORNIA

Director Martin called the meeting to order at the hour of 2:05 p.m.

Present: Director Martin
Director Hernandez
General Manager Pruum
Administrative Secretary Johnson

ITEMS FOR DISCUSSION

TRAVEL EXPENSE PAYMENTS

General Manager Pruum led a discussion on the Board's use of personal credit cards for business related travel expenses. Credit cards associated with airline miles or points awards are only issued to individuals. In consulting with BBK, there is no legal basis for prohibiting the practice and allowing individual cardholders to benefit from miles and points earned.

The Committee was agreeable with allowing the Board to use personal credit cards for business related travel expenses and made the following suggestions:

- Individual credit card account numbers would be kept on file at the District.
- Staff would continue to make travel arrangements for the Board to ensure the lowest cost for travel is obtained.
- If an individual's personal credit card is declined, that individual will no longer be able to use their card for District travel.
- The cardholder will be responsible to resolve disputes concerning unauthorized charges.

General Manager Pruum stated that a formal policy statement on this may not be necessary. He may just send an email to the Board about individual credit card use, and if the Board prefers, a policy could be written.

SINGLE USE PLASTIC WATER BOTTLE PROHIBITION

Director Hernandez stated his desire for the District to make a public statement to the community of the District's commitment to prohibit the use of all single-use plastic at its facilities and events.

General discussion took place regarding the possibility of replacing plastic bottled water with boxed water and paper cups, and other alternatives to plastics currently being used.

The Committee requested this item be brought to the Board for consideration. General Manager Pruim will provide a broad cost analysis of plastic bottled water versus boxed water and the amount spent annually on plastic bottled water.

OVERNIGHT HOTEL STAYS IN SAN DIEGO COUNTY FOR COMPENSATED EVENTS

General Manager Pruim stated that in the past, a previous Board member was criticized for staying overnight in a San Diego County hotel while attending an approved event. The District discontinued the practice at some point; however, it is not prohibited in the current policy. He asked for the Committee's recommendation on overnight hotel stays as to whether they should be permitted based on geographical or mileage limits.

During general discussion, the Committee considered mileage involved, length of multi-day events, estimated cost of conference hotels versus lower-cost hotels, a flat per-night rate of reimbursement toward the cost of a hotel stay or allowing a one-night stay for multiple day events. General Manager Pruim will seek legal advice on this matter and cautioned the Committee that this may subject the Board to criticism.

The Committee recommended this item be presented to the Board for consideration.

PAPP COMMITTEE'S ROLE REGARDING FINANCIAL-RELATED POLICY ITEMS

General Manager Pruim stated that often times there are policy discussions of items that relate to finance. He asked the Committee to consider which committee should be addressing items such as the reserve policy or Cost of Service Study. Involving both the Finance/Investment Committee and this committee would take too much time; however, an item primarily related to finance could start with the Finance/Investment Committee, then go to the Board, who in turn may direct it to the PAPP Committee.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

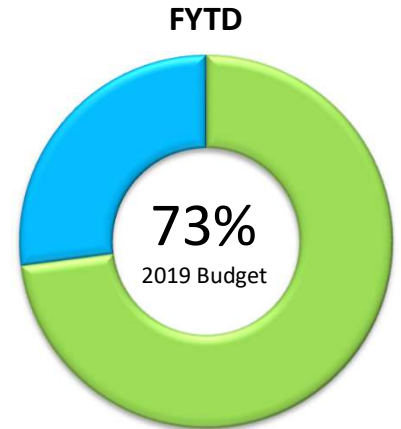
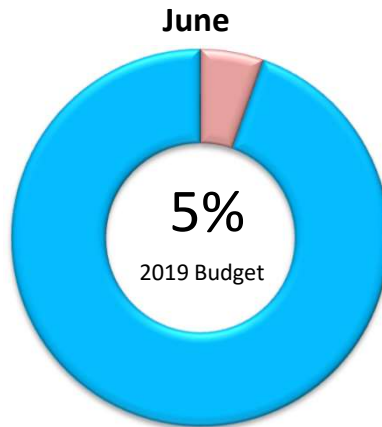
There being no further business to discuss, the meeting was adjourned at the hour of 2:35 p.m.

**VALLECITOS WATER DISTRICT
DISBURSEMENTS SUMMARY
June 30, 2019**

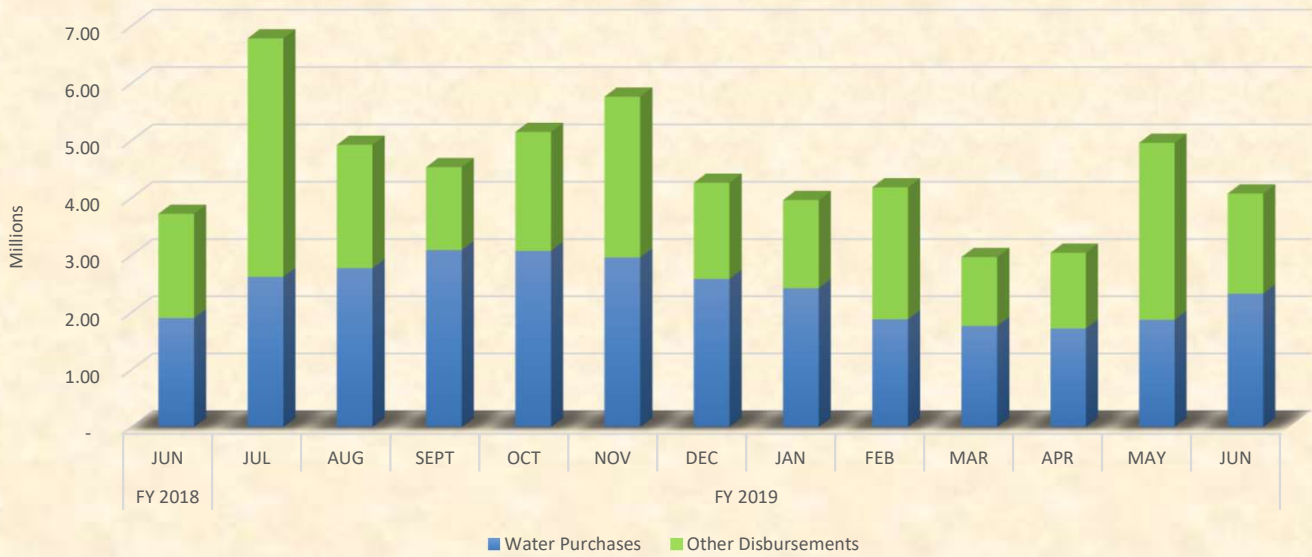
Summary

June Disbursements	\$	4,075,604	*
YTD Disbursements	\$	54,610,655	*
FY2019 Budget	\$	74,880,200	

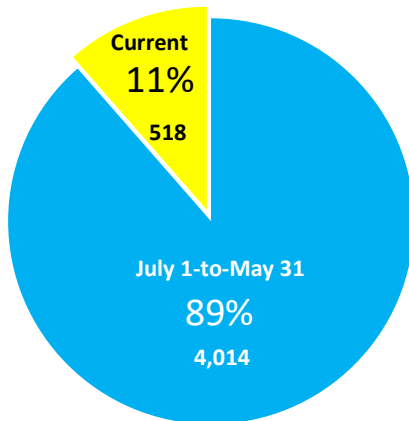
* Excludes Debt Service



Disbursements by Month



Invoices Processed



Top 10 Vendors - FYTD

SAN DIEGO COUNTY WATER AUTH.	\$29.3M
ENCINA WASTEWATER AUTHORITY	\$6.3M
ACWA/JOINT POWERS INSURANCE	\$2.8M
PUBLIC EMPLOYEES RETIRE SYSTM	\$2.7M
BURTECH PIPELINE INCORPORATED	\$1.6M
SAN DIEGO GAS & ELECTRIC	\$1.5M
OLIVENHAIN MWD	\$722K
CASS CONSTRUCTION INC	\$675K
CREW BUILDERS, INC.	\$438K
PENCCO, INC.	\$420K

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 17, 2019

PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
Garnishments	Payroll Garnishments	116631 through 116633	-
Air Pollution Control District	Emission Fee Renewals - 813 Twin Oaks, 2 Via Del Corvo, 201 Vallecitos	116634	1,872.00
Aloha Printing	Storeroom Requisition Forms	116635	457.47
Altman Specialty Plants Inc	Succulents Prj 20191-30	116636	635.40
Anne Bauman	Closed Account Refund	116637	36.75
AT&T	Internet Svc - Jun	116638	64.25
AT&T	SCADA Phone Svc - Jun	116639	339.95
AT&T	Phone Svc - May & Jun	116640	166.89
Best Best & Krieger	Legal Svcs - Apr	116641	38,684.08
Blue Diamond Rentals	Closed Account Refund	116642	32.18
Boot World Inc	Safety Boots	116643	445.42
Brookfield Rancho Coronado LLC	Closed Account Refund	116644	1,157.54
CalDesal	Membership Renewal 20-21	116645	1,000.00
Carley Hebron	Closed Account Refund	116646	75.91
CDW Government Inc	Wireless Headset Batteries 6	116647	189.91
Christian Wheeler Engineering	Geotechnical Svcs Prj 90003 & 20181-6	116648	10,875.00
Core Logic Information Solutions Inc	Real Quest Svc Engineering Maps - May	116649	206.00
Coro Data Media Storage Inc	Back Up Storage Tape - May	116650	192.81
Council of Water Utilities	Meeting 6-18-19 Elitharp, Sannella, Evans, Martin, Pruim	116651	225.00
CWC Rancho Coronado 71, LLC	Closed Account Refund	116652	154.68
Davidson Building Inc	Closed Account Refund	116653	266.69
DirecTV Inc	Satellite Svc - Jun	116654	120.24
Doug Davidson	Closed Account Refund	116655	75.69
Emcor Service	HVAC Preventative Maintenance	116656	423.00
Fisher Scientific LLC	Incubator & Lab Supplies - MRF	116657	4,519.10
Golden Pacific Real Estate	Closed Account Refund	116658	120.75
Hach Company	Water Quality Equipment - Annual Calibrations	116659	1,369.50
Harper & Associates Inc	School House Tank Refurb Prj 20181-3, N Twin Oaks Tank Refurb Prj 20191-3	116660	5,209.00
Hub Construction Specialties	Hardware Supplies	116661	78.50
Infrastructure Eng Corp	Rock Springs Sewer Prj 90003	116662	4,074.50
Interstate Batteries	Batteries 4 - Veh 251, 179, 258, Generator	116663	555.46
Jennifer Leonardy	Closed Account Refund	116664	89.30
Jerry Van Tassel	Closed Account Refund	116665	96.27
JCI Jones Chemicals Inc	Chlorine	116666	4,086.42
Kenneth Heater	Closed Account Refund	116667	63.99
Lloyd Pest Control	Pest Control - May	116668	1,240.00
Major League Pest	Bee Removals - 5	116669	555.00
Hal Martin	COWU Meeting 6-18-19	116670	32.56
Matheson Tri-Gas Inc	Cylinder Rental	116671	56.74
Matias Labarrere	CompTIA Cert Renewal 19-20, CISSP Cert Renewal 19-20	116672	135.00
Merrill Hayden	Closed Account Refund	116673	49.13
Mike Sannella	CSDA Meeting 5-16-19, COWU Meeting 6-18-19	116674	65.12
North County Auto Parts	Fleet Supplies - May	116675	2,320.18
Occu Med Ltd	Medical Svcs - May	116676	541.00
Ostari Inc	IT Network Programming Part 1 of 2, IT Support - Jun, Duo Software - May & Jun	116677	10,808.96
Otis Smith	Closed Account Refund	116678	68.48
Pacific Pipeline Supply	Steel Pipe Weld Straps 16, Copper Pipes 120, Ball Valves 4, Hardware Supplies	116679	12,935.60
Palomar Backflow, Inc.	Backflow Testing - Dist Offices	116680	385.00
Patriot Portable Restroom Inc	Portable Restroom Rental	116681	256.61
Paul Manifesta	Closed Account Refund	116682	85.87
Penco, Inc.	Sulfend RT	116683	10,052.08
Quantum Group	Employee Appreciation Gifts	116684	2,788.57
Recycled Aggregate Materials Co Inc	Concrete Recycling	116685	100.00
SDG&E	Power - May & Jun	116686	95,213.78
Sandra Banfield	Closed Account Refund	116687	26.72

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 17, 2019

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Shields, Harper & Co	Fuel Master - 3 Kits For New Vehicle Set Ups - Veh 281, 282, 283	116688	867.52
Southern Counties Lubricants, LLC	Diesel Fuel	116689	1,041.83
Standard Insurance Company	LIFE, LTD & ADD Insurance - Jul	116690	6,392.01
Sunnva Brizzio Djoenne	Closed Account Refund	116691	83.35
Talley Communications	SCADA Radio Supplies	116692	451.11
Technique Data Systems Inc	Check Scanner Maintenance 19-20	116693	438.00
The Keze Group LLC	Capital Facilities Fee Update Prj 20141-03	116694	2,340.00
Total Resource Mgt Inc	Maximo Support - May, Maximo Map Integration - Phase 1 of 2	116695	14,496.50
Dean Toth	Safety Boots	116696	150.00
Underground Service Alert	Dig Alert Svc, CA State Fee Regulatory Costs - May	116697	536.92
Unitis, Inc.	Industrial Salt - MRF	116698	1,444.49
Univar USA Inc	Sodium Hypo Liquichlor	116699	1,059.18
Verizon Wireless	Ipad Svc - Jun	116700	371.12
Woodard & Curran Inc	Ground Water Evaluation Prj 20191-572	116701	17,612.15
Tri-City Emergency Medical Group	Medical Svcs - May	116702	605.00
Xerox Corporation	Copier Lease - May	116703	814.20
AAFSI	Deposit Refund Prj 20191-571	116704	418.76
Aqua-Metric Sales Co	Meters 2 Prj 20191-33	116705	17,966.67
Backflow Solutions, Inc.	Backflow Tests - May - Qty 396	116706	5,128.20
Black & Veatch Corporation	Water & Sewer Master Plan Prj 20141-3	116707	3,648.81
Blue Wave Security	Door Access Control System - Customer Service	116708	525.21
Burtech Pipeline Incorporated	Rock Springs Sewer Prj 90003	116709	232,806.97
California Special Dist Assn.	Membership Renewal 19-20	116710	150.00
Christian City Church San Diego	Deposit Refund Prj 20181-407	116711	63.42
Computer Protection Technology Inc	UPS - Back Up Power Supply - MRF	116712	1,213.95
County of San Diego	Facility Permit - 3896 El Paso Alto	116713	675.00
Crew Builders, Inc.	Water Ops Locker Room Expansion Prj 20161-5	116714	21,860.95
Electrical Sales Inc	Hardware Supplies	116715	295.55
Ferguson Enterprises, Inc	Couplings 16, Valve Gates 6, Meter Boxes & Lids, Pipe Tape, Hardware Supplies	116716	13,825.99
Fleet Pride	Fleet Supplies	116717	214.42
Global Equipment Company Inc.	Water Bottle Refill Stations 2 Prj 20191-627	116718	2,327.29
Grainger Inc	Wall Cabinet, Industrial Fan, Saw Blades, Shop Towels, Hardware Supplies	116719	3,632.19
Harrington Industrial	Chemical Feed System Parts - MRF	116720	1,215.56
Huntington & Associates, Inc.	Claval Rebuild Kit, Claval Parts	116721	2,129.31
Infosend Inc	Processing, Postage, Printing, Door Hangers - Jun	116722	8,415.15
International Public Management Assoc	Membership Renewal 19-20, R Emmanuel & B Anderson	116723	160.00
KB Home Coastal	Deposit Refund Prj 20181-420	116724	5,525.04
Mallory Safety & Supply, LLC	Safety Supplies	116725	141.16
Manhole Adjusting Inc	Manhole Frames & Covers 7, Emergency Repairs - Rancho Santa Fe	116726	32,550.00
Olivenhain MWD	RMC Grant Admin Costs, Blue Water Technology & Furman Group Payment	116727	16,427.62
Plumbers Depot Inc	Nozzles 12, Liquid Dye	116728	710.13
Richard Hunsaker - Hunsaker Family Trust	Deposit Refund Prj 20191-499	116729	630.61
Schmidt Fire Protection Co Inc	Quarterly Sprinkler Maintenance	116730	640.00
Shaw Equipment Rentals, Inc	Sewer Bypass Repair Prj 20191-6	116731	30,775.15
Sunbelt Rentals Inc	Boom Lift Rental - MRF	116732	1,569.57
T.S. Industrial Supply	Push Brooms 3, Marking Paint	116733	711.09
Traffic Safety Solutions LLC	Rental Signs - Main Break on San Elijo Rd	116734	105.00
Traffic Supply Inc	Marking Tape, Custom Signs 22	116735	962.38
Unifirst Corporation	Uniform Delivery	116736	1,444.45
Lisa Urabe	Conservation Supplies Prj 20191-31, Prj 20191-27	116737	977.97
Visser Construction Inc	Building A Kitchens Prj 20181-16	116738	24,665.00
VWR International	Potassium Iodide - MRF, Hardware Supplies	116739	777.84
Walters Wholesale Electric	Hardware Supplies	116740	185.39
Waxie Sanitary Supply	Cleaning Supplies	116741	1,204.43
West Coast Cabling Inc	Fiber Optics Installation - Hilltop Site	116742	3,961.79
West Health	Deposit Refund Prj 20181-437	116743	1,124.12

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 17, 2019

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Western A/V	Office Furniture - MRF - New Desk Setups - 3 Operators	116744	22,655.97
Garnishments	Payroll Garnishments	116745 through 116747	-
Alex & Ariana Covarrubias	Closed Account Refund	116748	30.38
Andy Alvarez	Closed Account Refund	116749	35.33
Anthony Glenn	GASB Update, SDCWA Interview Panel 6-20-19 & 6-24-19	116750	65.54
Blue Wave Security	Door Security System - Bldg A	116751	2,434.60
Boncor Water Systems	Soft & Drinking Water Svc - Jul	116752	1,726.00
Boot Barn	Safety Boots	116753	296.13
Boot World Inc	Safety Boots	116754	294.65
Dennis Bowman	Effective Communication & Emotional Intelligence Training 6-18-19	116755	66.35
Brizo, Inc.	Security Access Control Expansion - 11 Doors, Long Range Reader - Front Gate	116756	23,424.43
Brookfield Rancho Coronado LLC	Closed Account Refund	116757	7,404.64
State Board Of Equalization	Underground Storage Tank Fees Apr - Jun	116758	320.36
CCI	Water Treatment - Jun	116759	220.00
Craig Elitharp	COWU Meeting 6-18-19	116760	40.56
CWEA	Membership Renewal - J Bakken	116761	188.00
David Saavedra	Self Improvement Program	116762	415.00
Davidson Communities	Closed Account Refund	116763	57.01
Dell Computers	Computer Replacements - 8	116764	9,154.67
DirecTV Inc	Satellite Svc - Jul	116765	74.54
Patrick Drummond	VMUG User Conference 6-18-19	116766	114.64
EDCO Waste & Recycling Serv	Trash Svc - Jun	116767	873.64
Electrical Sales Inc	Power Monitoring Units 21 - MRF, Folding Shelves 4	116768	3,502.51
Eva Abrego	Closed Account Refund	116769	28.96
Fernanda Hernandez	Closed Account Refund	116770	5.60
Fisher Scientific LLC	Lab Supplies - Water Ops & MRF	116771	288.60
Gerald Pollard	Closed Account Refund	116772	118.36
Hach Company	Probe For Odor Scrubber 2 - MRF	116773	1,329.76
Harrington Industrial	PVC Piping Odor Scrubber 2 MRF, Generators Mahr & TOR, Hardware Supplies	116774	19,267.10
Home Depot Credit Services	Hardware Supplies - Jun	116775	1,260.55
Infinisource	Admin Svcs - May	116776	315.92
Infosend Inc	Bill Inserts - Conservation Department Prj 20191-26	116777	2,181.94
Jill Stroman	Closed Account Refund	116778	38.16
John Rhodes	Closed Account Refund	116779	130.91
Julie & Brian Cambier	Closed Account Refund	116780	41.34
Karen White	Closed Account Refund	116781	24.01
Keynon Basinger	Closed Account Refund	116782	118.01
Laura De Ghetaldi	Closed Account Refund	116783	73.55
Lawnmowers Plus Inc	Lawn Mower, Leaf Blower & Weed Trimmer Repair	116784	883.72
Liebert, Cassidy, & Whitmore	Employment Relations Consortium Membership 19-20	116785	3,300.00
Mallory Safety & Supply, LLC	Safety Equipment	116786	584.00
Manhole Adjusting Inc	Manhole Adjustments 7	116787	32,550.00
Mark & Ellen Miller	Closed Account Refund	116788	114.67
Nancy Chu	Closed Account Refund	116789	75.69
Nathan Barkley	Closed Account Refund	116790	15.87
North County Auto Parts	Fleet Supplies - Jun	116791	2,496.42
National Public Employer Labor Relations	Conference 9-25-19 R Emmanuel & B Anderson	116792	398.00
National Public Employer Labor Relations	Membership 19-20 R Emmanuel	116793	195.00
Parkhouse Tire Inc	Backhoe Tire - Veh 166	116794	388.84
Peters Paving & Grading, Inc.	Paving Svcs - 25,986 Sq. Ft - Stargaze Court	116795	31,652.50
Pitney Bowes	Postage Meter Refill - Jun	116796	44.13
Rely Environmental	Fuel Island Maintenance - Jun	116797	199.50
Rusty Wallis Inc	Soft Water Svc - Jun	116798	220.00
SDG&E	Power - Jun	116799	17,613.83
San Marcos Unified School Dist	Transportation Svcs Prj 20191-28	116800	375.00
Shred-It US JV LLC	Shredding Svcs May - Jun	116801	280.94

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 17, 2019

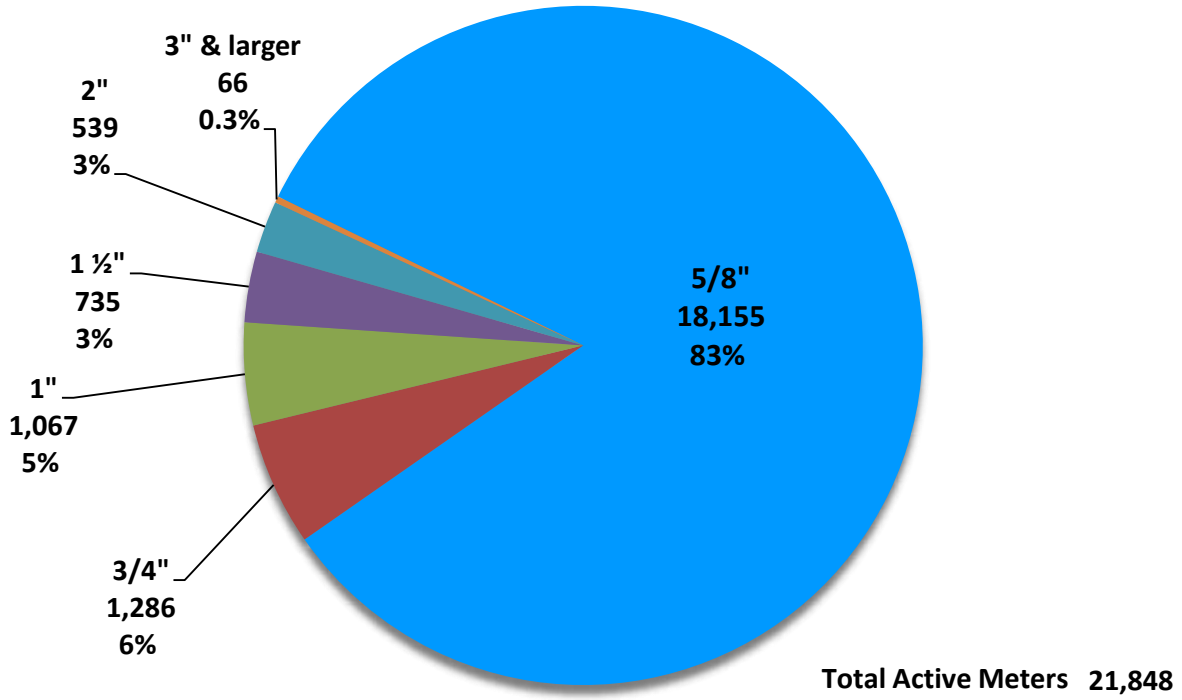
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Staples Advantage	Office Supplies - Jun	116802	263.34
Stephen Black	Closed Account Refund	116803	32.62
State Water Resources Control	ELAP Certification Renewal - MRF - 19-20	116804	3,592.00
Tamima Maniscal	Closed Account Refund	116805	105.47
Terra Verde Energy LLC	District Wide Solar Project	116806	1,700.00
Union Bank FKA 1st Bank Card	Meetings & Travel Jun	116807	1,559.54
Union Bank FKA 1st Bank Card	Meetings & Travel Jun	116808	861.12
Union Bank FKA 1st Bank Card	Meetings & Travel Jun	116809	8,863.60
Univar USA Inc	Caustic Soda	116810	3,228.62
UPS	Shipping Svcs - Jun	116811	22.59
USA Blue Book	Hardware Supplies - Jun	116812	117.53
Vasil Svolopoulos	Closed Account Refund	116813	85.29
Verizon Wireless	Cell Phone Svc - May	116814	2,354.73
Versatile Systems Inc.	OSHA Compliant Ladder Systems/Water Tank Fall Protection Prj 20191-4	116815	58,568.43
Xerox Corporation	Copier Lease - May	116816	5,208.37
Environmental Resource Associates	ELAP Certification Testing - MRF	116817	606.20
A.O. Reed & Co.	Deposit Refund Prj 20191-593	116818	61.77
Ace Coolers Inc	Ice Machine Repairs - Bldg A	116819	350.00
ACWA/Joint Powers Insurance	Group Insurance - Jul	116820	210,835.58
Adobe Lock & Safe	Duplicate Keys 6	116821	137.80
Applied Indust. Tech.	Hardware Supplies	116822	92.99
Automated Water Treatment	Calcium Hypochlorite Tablets	116823	3,600.16
Backflow Solutions, Inc.	Backflow Tests Jun - Qty 280	116824	3,626.00
Hidden Valley Pump Sys Inc	Mixing Pumps 2 - MRF	116825	2,877.03
Building Block Entertainment	School Assembly 9-20-19 Prj 20191-28	116826	200.00
Carson's Custom Concrete	Concrete - Odor Scrubber Area - MRF	116827	8,490.00
Cart Mart, Inc.	Brake Parts - MRF Cart	116828	144.34
Chandler Asset Management, Inc.	Investment Management Svcs - Jun	116829	3,979.29
Christian Wheeler Engineering	Rock Springs Sewer Prj 90003	116830	7,995.00
Jeffrey Colwell	Video Production Svcs Prj 20191-27	116831	402.50
D & H Water Systems	Load Cell Sensor - Tracks Chlorine Gas/Chlorine Cylinder - MRF	116832	775.36
Global Equipment Company Inc.	Water Bottle Fill Stations 3, Floor Polishing Machine	116833	5,038.23
Grainger Inc	Pallets 3, Industrial Fan - Wellness Room, Lockers 2 - Men's Locker Room - MRF	116834	2,557.12
JWC Environmental Inc.	Blades 6 MRF Headworks Grinder, Hardware Supplies	116835	4,068.06
Kapono Corporation	Deposit Refund Prj 20191-616	116836	704.19
Ken Grody Ford	Spare Keys 9 Veh 273, 282, 283	116837	1,973.13
Left Coast Window Cleaning	Janitorial Svcs MRF - Jun	116838	553.13
Major League Pest	Bee Removal	116839	125.00
Matias Labarrere	Special District Summit 5-30-19	116840	83.87
Dawn McDougle	Frame - MRF Aerial Map	116841	182.27
MGM Plastics Inc	Hardware Supplies	116842	158.23
Olivenhain MWD	Treated Water - May, Woodard & Curran Costs	116843	60,620.37
One Source Distributors LLC	Server - SCADA System	116844	631.45
Ostari Inc	IT Network Programming Part 2 of 2	116845	7,400.00
Pacific Midtechs Inc	Glassware Washing Machine Svc - MRF	116846	968.70
Pacific Pipeline Supply	Hardware Supplies	116847	140.74
Pencco, Inc.	Trioxyn, Sulfend RT	116848	39,812.06
Samuel Norris	Deposit Refund Prj 20191-614	116849	1,500.00
San Diego County Water Authority	Water Connection Fees Quarter Ending 6-30-19	116850	233,842.00
Schmidt Fire Protection Co Inc	Quarterly Sprinklers Maintenance	116851	335.00
Talley Communications	900 MHz Radios 19 & Installation Supplies - SCADA Upgrade	116852	19,144.27
Traffic Safety Solutions LLC	Traffic Sign Rental, Traffic Control Service - Lane Closure	116853	2,401.25
Turner Designs Inc	Lab Supplies - MRF	116854	194.78
Unifirst Corporation	Uniform Delivery	116855	1,744.76
Lisa Urabe	Conservation Supplies - Jun Prj 20191-27	116856	85.63

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 17, 2019

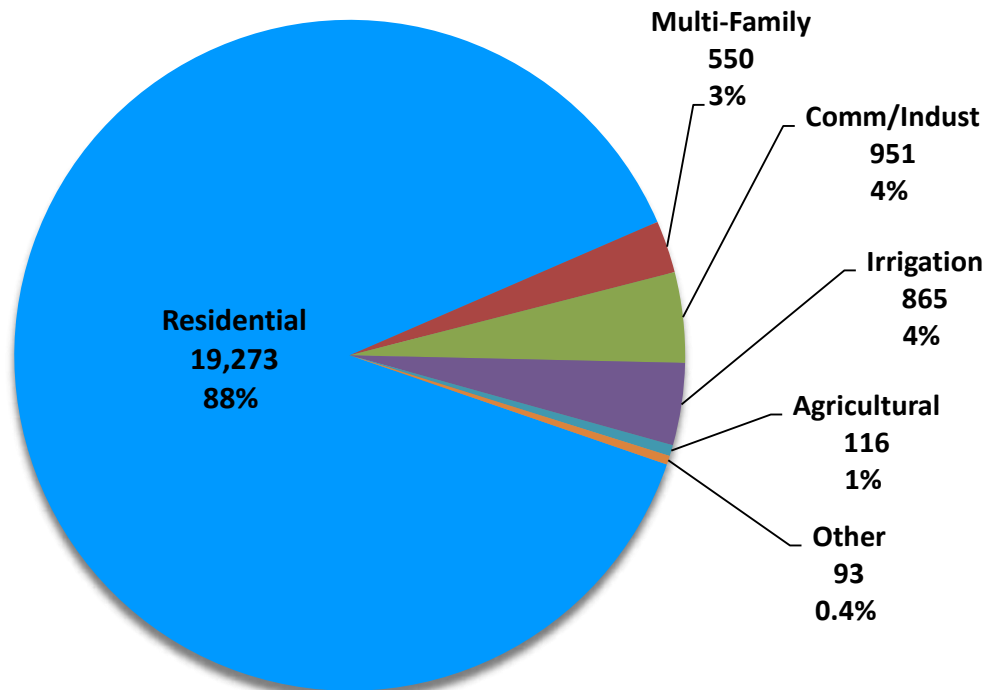
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Valley Creditors Service	Commission Fees - Collections	116857	7,531.94
Visser Construction Inc	MRF & OPS Conference/Locker Rooms, Bldg A Kitchenettes 2 Prj 20181-16	116858	40,200.00
Vista Irrigation District	Annual Chlorine Plant Lease 19-20	116859	360.00
Work Smart Automation Inc	SCADA Daily/Monthly Report Charges - MRF	116860	3,400.00
Xylem Water Solutions USA, Inc.	Sensors 2 - MRF Grinders	116861	700.22
Total Disbursements (225 Checks)			<u>1,663,341.07</u>
WIRES			
San Diego County Water Authority	May Water Bill	Wire	2,102,666.73
Public Employees Retirement System	Retirement Contribution - FY 19-20	Wire	1,132,802.00
Public Employees Retirement System	One-time UAL Additional Discretionary Payment	Wire	834,000.00
Public Employees Retirement System	Retirement Contribution - Jul 3, 2019 Payroll	Wire	68,054.70
Public Employees Retirement System	Retirement Contribution - Jun 19, 2019 Payroll	Wire	67,828.55
Total Wires			<u>4,205,351.98</u>
PAYROLL			
Total direct deposits		Wire	225,345.86
VWD Employee Association		116631	588.00
Payroll & Garnishments	116632 through	116633	1,001.06
IRS	Federal payroll tax deposits	Wire	87,857.32
Employment Development Department	California payroll tax deposit	Wire	16,728.76
CalPERS	Deferred compensation withheld	Wire	14,652.67
VOYA	Deferred compensation withheld	Wire	5,770.23
Total Jun 19, 2019 Payroll Disbursements			<u>351,943.90</u>
Total direct deposits		Wire	230,234.58
VWD Employee Association		116745	588.00
Garnishments	116746 through	116747	1,001.06
IRS	Federal payroll tax deposits	Wire	89,043.85
Employment Development Department	California payroll tax deposit	Wire	16,903.25
CalPERS	Deferred compensation withheld	Wire	14,082.90
VOYA	Deferred compensation withheld	Wire	5,976.23
Total July 3, 2019 Payroll Disbursements			<u>357,829.87</u>
Total Payroll Disbursements			<u>709,773.77</u>
TOTAL DISBURSEMENTS			<u><u>6,578,466.82</u></u>

Vallecitos Water District
Active Water Meters
June 30, 2019

Active Meters by Size as of June 30, 2019

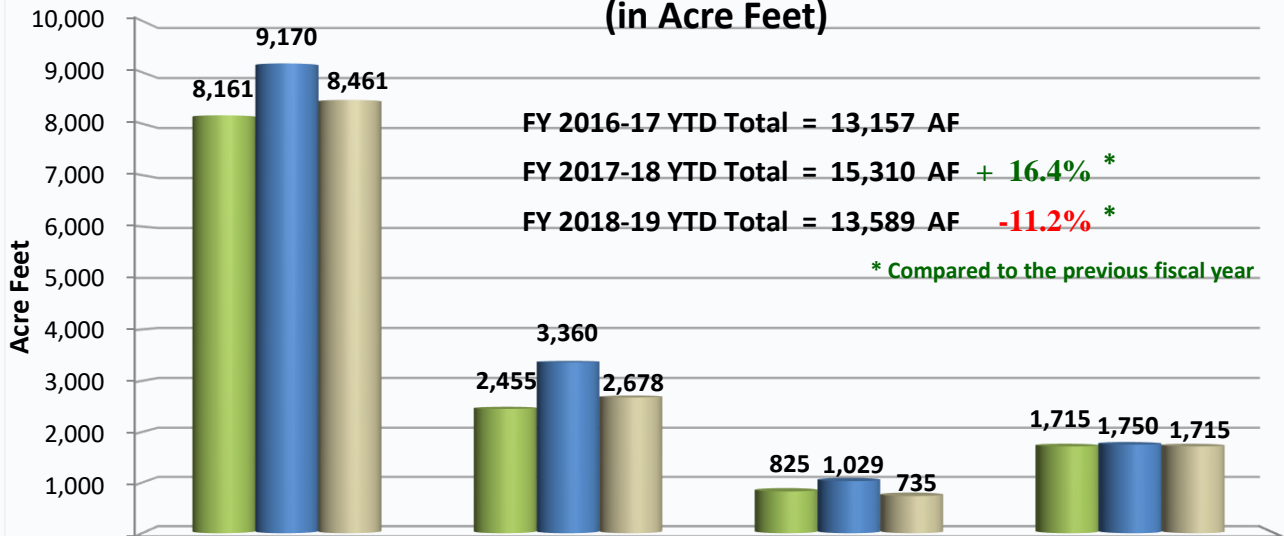


Active Meters by Type as of June 30, 2019



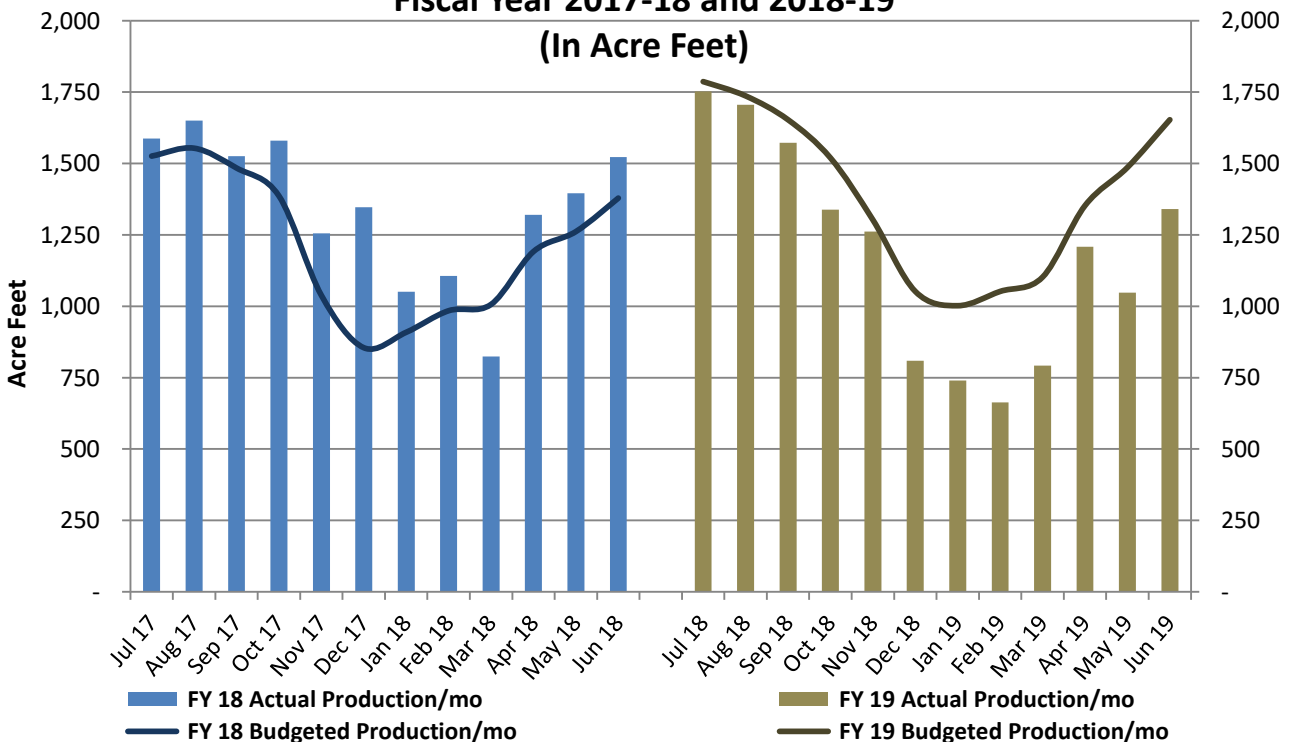
Vallejos Water District
 Water Production/Sales
 June 30, 2019

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	8,161	2,455	825	1,715
FY 2017-18	9,170	3,360	1,029	1,750
FY 2018-19	8,461	2,678	735	1,715

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



OVERVIEW

With the fourth quarter complete, the District's water fund had a net operating income of \$3.8 million (before depreciation) while the sewer fund had a net operating income of \$9.4 million (before depreciation). The District is cash funding capital projects and is current on all debt service payments.

WATER FUND

Overall, the Water Fund outperformed expectations in Fiscal Year 2019.

Revenues: Water sales and Pumping Cost Recovery were low due to decreased demand during the rainy months. Other revenue were high as a result of the large refund payment received from ACWA/JPIA. Ready to Serve (RTS) performed slightly better than expected.

Revenue	Budget	YTD Actual	Percent
Water Sales	\$ 31,800,000	\$ 28,168,549	89%
Ready to Serve	13,300,000	13,901,206	105%
Pumping Cost Rec	340,000	303,711	89%
Other	690,000	991,768	144%
Total	\$ 46,130,000	\$ 43,365,234	94%

Expenses: Water Purchases were low due to decreased demand during the unusually wet winter months. Operating and General & Administration expenses performed as expected. Supporting expenses were lower than budgeted due to timing of budgeted materials being purchased and outside services being performed.

Expense	Budget	YTD Actual	Percent
Water Purchases	\$ 32,250,000	\$ 28,031,580	87%
Operating	4,517,000	4,671,057	103%
Supporting	4,155,000	3,849,465	93%
General & Admin	2,985,000	3,005,766	101%
Total	\$ 43,907,000	\$ 39,557,868	90%

SEWER FUND

The Sewer Fund remained stable through Fiscal Year 2019. Revenues received in this fund are from monthly fixed charges and, therefore, are 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 were 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	\$ 18,139,016	101%
Reclaimed	1,974,000	1,953,236	99%
Other	80,000	789,143	986%
Total	\$ 20,008,000	\$ 20,881,395	104%

SEWER FUND (continued)

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

Expense	Budget	YTD Actual	Percent
Treatment	\$ 6,173,000	\$ 5,542,988	90%
Operating	2,793,000	2,432,121	87%
Supporting	2,699,000	2,355,159	87%
General & Admin	1,452,000	1,180,416	81%
Total	\$ 13,117,000	\$ 11,510,684	88%

RESERVES AND FUNDS:

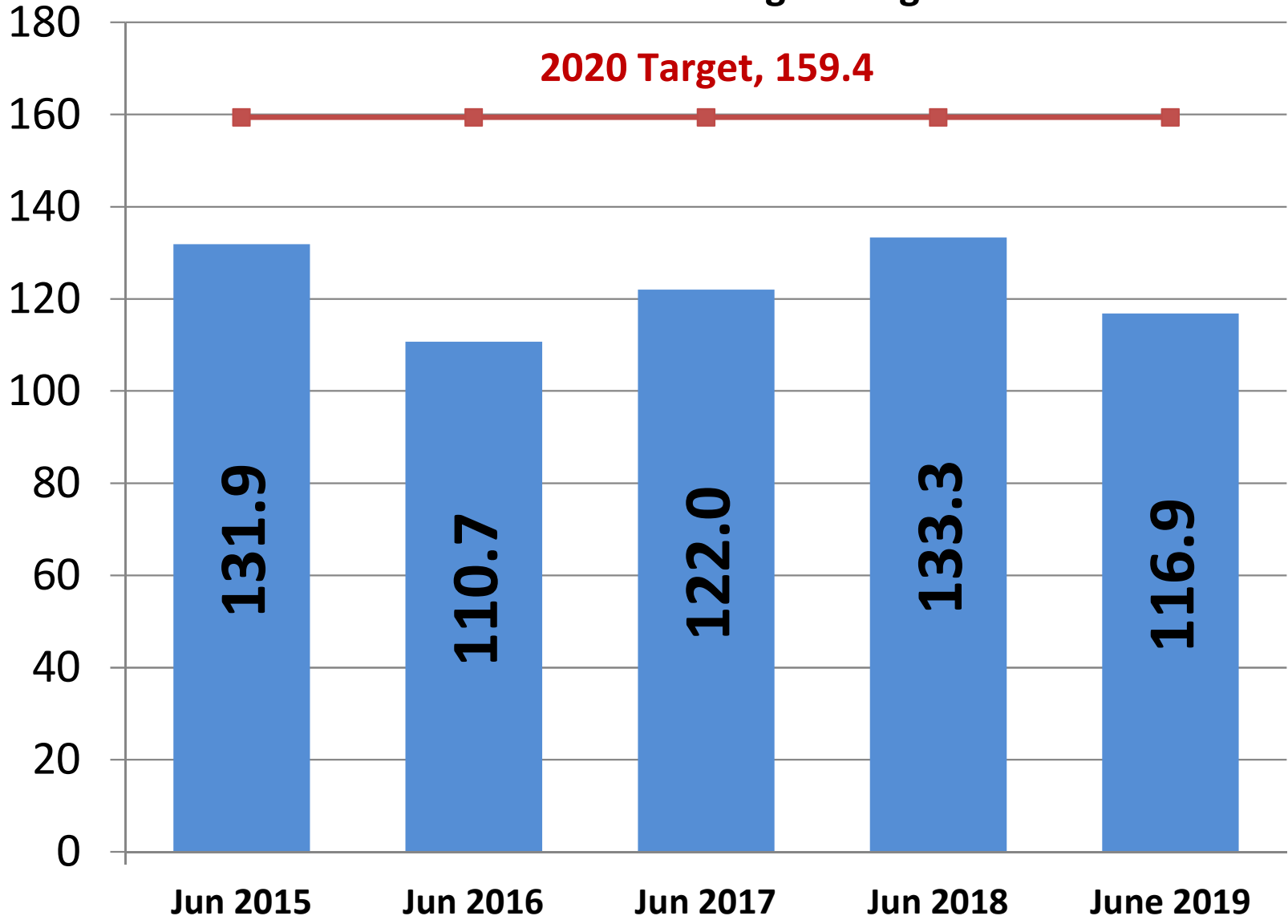
The following is a summary of the replacement reserves and capacity funds as of June 30, 2019.

Water:		
Revenues	Replacement	Capacity
FY 18/19 Operating Transfers	\$ 3,807,366	-
Capital Facility Fees	-	\$ 3,197,364
Property tax & Other	3,458,527	-
Total Revenue	7,265,893	3,197,364
Distributions		
Capital Projects	2,321,854	231,944
Debt Service	-	2,137,155
Total Distributions	2,321,854	2,369,099
Beginning Balance	32,797,105	(9,161,412)
Ending Balance	37,741,145	(8,333,147)
Less: Operating Reserves	5,748,700	-
Replacement Reserve Balance	\$ 31,992,445	\$ (8,333,147)
Replacement Reserve Floor	\$ 7,428,200	
Replacement Reserve Ceiling	\$ 32,224,700	

Wastewater:		
Revenues	Replacement	Capacity
FY 18/19 Operating Transfers	\$ 9,370,711	-
Capital Facility Fees	-	\$ 5,666,284
Property tax & Other	3,150,340	-
Total Revenue	12,521,051	5,666,284
Distributions		
Capital Projects	4,774,613	1,728,653
Debt Service	-	2,607,227
Total Distributions	4,774,613	4,335,880
Beginning Balance	51,677,556	(6,820,836)
Ending Balance	59,423,994	(5,490,432)
Less: Operating Reserves	6,468,600	-
Less: Rate Stabilization	4,873,495	-
Replacement Reserve Balance	\$ 48,081,899	\$ (5,490,432)
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: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: MONTHLY FINANCIAL REPORTS

BACKGROUND:

The Monthly Revenue and Expense Reports and the Reserve Report for the twelve months ended June 30, 2019 are presented.

DISCUSSION:

The Monthly Revenue and Expense reports summarize revenues by service type and expenses by department over the 12-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 Year Ended June 30, 2019

(Unaudited)

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Water Sales	\$28,168,549	\$28,856,611	\$ (688,062)	-2.4%	\$31,800,000	\$ (3,631,451)	-11.4%
Ready-to-serve	13,901,206	13,695,174	206,032	1.5%	13,300,000	601,206	4.5%
Pumping cost recovery	303,711	309,578	(5,867)	-1.9%	342,000	(38,289)	-11.2%
Late & lock charges	371,437	447,196	(75,759)	-16.9%	463,000	(91,563)	-19.8%
Backflow fees	93,130	90,276	2,854	3.2%	97,000	(3,870)	-4.0%
Other revenue	527,201	259,971	267,230	102.8%	120,000	407,201	339.3%
Total Revenue	43,365,234	43,658,806	(293,572)	-0.7%	46,122,000	(2,756,766)	-6.0%
Expenses							
Water costs	28,031,580	30,714,034	(2,682,454)	-8.7%	32,250,000	(4,218,420)	-13.1%
Pumping costs	849,107	810,066	39,041	4.8%	838,000	11,107	1.3%
Water quality	120,115	147,921	(27,806)	-18.8%	154,000	(33,885)	-22.0%
Water treatment	416,362	424,753	(8,391)	-2.0%	475,000	(58,638)	-12.3%
Tanks & reservoirs	381,021	344,563	36,458	10.6%	451,000	(69,979)	-15.5%
Trans & distribution	2,170,108	1,384,043	786,065	56.8%	1,719,000	451,108	26.2%
Services	53,471	188,607	(135,136)	-71.6%	139,000	(85,529)	-61.5%
Meters	623,187	631,228	(8,041)	-1.3%	675,000	(51,813)	-7.7%
Backflow prevention	57,686	50,785	6,901	13.6%	66,000	(8,314)	-12.6%
Customer accounts	639,633	577,619	62,014	10.7%	635,000	4,633	0.7%
Building & grounds	366,979	369,165	(2,186)	-0.6%	377,000	(10,021)	-2.7%
Equipment & vehicles	232,024	262,212	(30,188)	-11.5%	320,000	(87,976)	-27.5%
Engineering	1,555,225	1,385,665	169,560	12.2%	1,582,000	(26,775)	-1.7%
Safety & compliance	253,006	228,536	24,470	10.7%	268,000	(14,994)	-5.6%
Information Technology	802,598	766,873	35,725	4.7%	973,000	(170,402)	-17.5%
General & administrative	3,005,766	2,895,606	110,160	3.8%	2,985,000	20,766	0.7%
Total Expenses	39,557,868	41,181,676	(1,623,808)	-3.9%	43,907,000	(4,349,132)	-9.9%
Net Operating Income	\$ 3,807,366	\$ 2,477,130	1,330,236	54%	\$ 2,215,000	1,592,366	

Explanation of Significant Variances

The favorable prior year and 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.

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

Vallecitos Water District
Sewer Revenue and Expense Report
For the Year Ended June 30, 2019

(Unaudited)

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Sewer service charges	\$ 18,139,016	\$ 17,985,402	\$ 153,614	0.9%	\$ 17,954,000	\$ 185,016	1.0%
Reclaimed water sales	1,953,236	2,079,721	(126,485)	-6.1%	1,974,000	(20,764)	-1.1%
Other revenue	789,143	134,478	654,665	486.8%	80,000	709,143	886.4%
Total Revenue	20,881,395	20,199,601	681,794	3.4%	20,008,000	873,395	4.4%
Expenses							
Collection & conveyance	2,083,149	1,776,177	306,972	17.3%	2,310,000	(226,851)	-9.8%
Lift stations	178,439	202,429	(23,990)	-11.9%	293,000	(114,561)	-39.1%
Source Control	170,533	142,130	28,403	20.0%	190,000	(19,467)	-10.2%
Effluent disposal	2,546,308	2,743,086	(196,778)	-7.2%	2,777,000	(230,692)	-8.3%
Meadowlark	2,996,680	2,623,089	373,591	14.2%	3,396,000	(399,320)	-11.8%
Customer Accounts	453,299	389,179	64,120	16.5%	469,000	(15,701)	-3.3%
Building & grounds	244,081	233,728	10,353	4.4%	260,000	(15,919)	-6.1%
Equipment & vehicles	173,718	188,462	(14,744)	-7.8%	241,000	(67,282)	-27.9%
Engineering	653,896	552,827	101,069	18.3%	681,000	(27,104)	-4.0%
Safety & compliance	167,510	148,437	19,073	12.8%	203,000	(35,490)	-17.5%
Information technology	662,655	674,037	(11,382)	-1.7%	845,000	(182,345)	-21.6%
General & administrative	1,180,416	1,305,875	(125,459)	-9.6%	1,452,000	(271,584)	-18.7%
Total Expenses	11,510,684	10,979,456	531,228	4.8%	13,117,000	(1,606,316)	-12.2%
Net Operating Income	\$ 9,370,711	\$ 9,220,145	150,566	1.6%	\$ 6,891,000	2,479,711	36.0%

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.

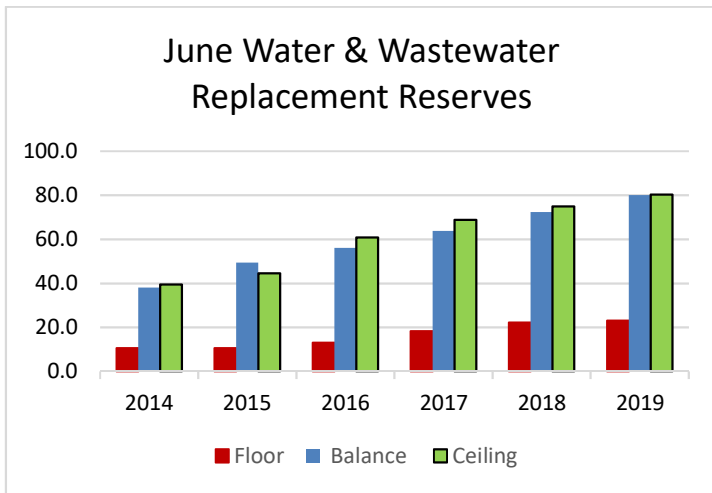
Lift stations has a favorable budget variance resulting from less than anticipated materials used during the year.

Information Technology has a favorable budget variance as a result of capitalizing hardware purchases that qualified as capital assets, in accordance with the District's policy on capitalization.

Variances are considered significant if they exceed \$100000 and 20%.

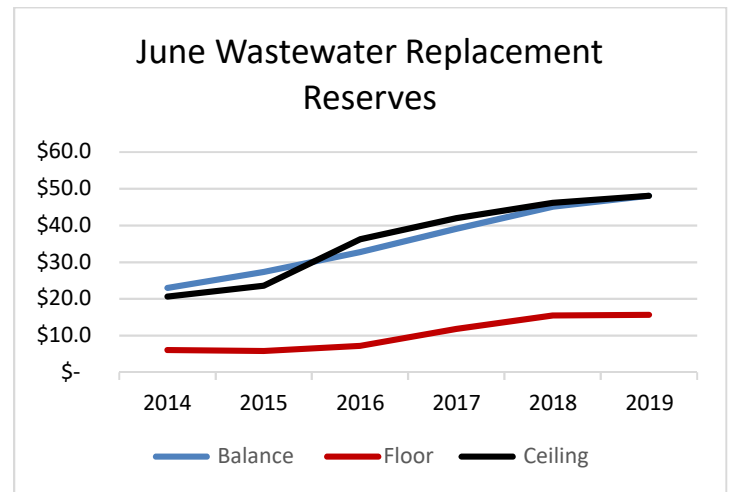
REPLACEMENT RESERVES

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 June 30, 2019, the total water and wastewater replacement reserve balance was \$80.1 million, 11 percent greater than June 30, 2018.



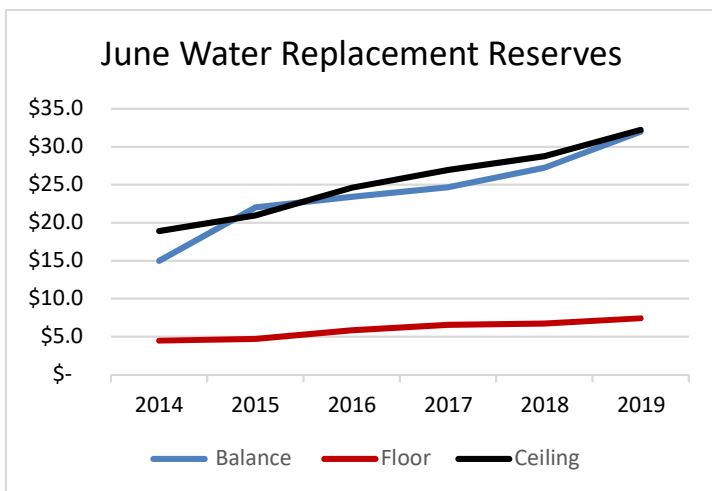
WASTEWATER REPLACEMENT RESERVE

As of June 30, 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, \$4.9 million was transferred to rate stabilization to keep the replacement reserve balance within the established range.



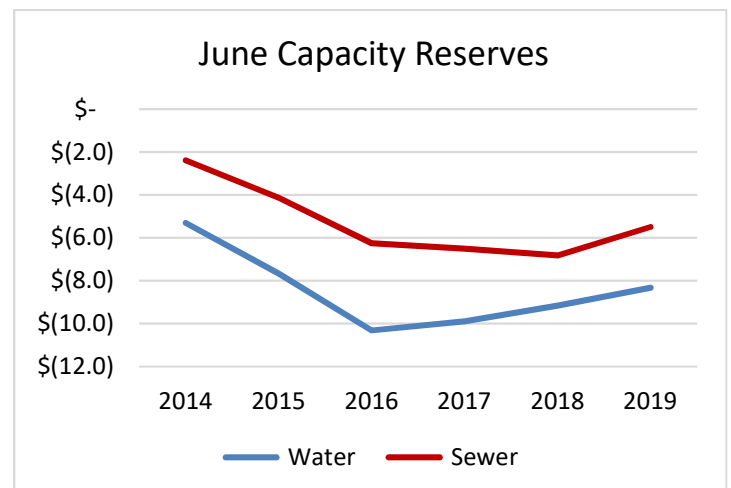
WATER REPLACEMENT RESERVE

As of June 30, 2019, the District’s water replacement reserve totaled \$32.0 million, an increase of 17 percent, or \$4.7 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 June 30, 2019, the water capacity fund had a deficit of \$8.3 million and the sewer capacity fund had a deficit of \$5.5 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 MONTH OF JUNE 2019

	110 Water Replacement	120 Capacity	210 Wastewater Replacement	220 Capacity	Total
BEGINNING BALANCE	\$ 32,797,105	\$ (9,161,412)	\$ 51,677,556	\$ (6,820,836)	\$ 68,492,413
REVENUES					
FY 18/19 Operating Transfers	3,807,366		9,370,711		13,178,077
Capital Facility Fees	-	3,197,364	-	5,666,284	8,863,648
RDA pass-through	1,348,031	-	1,348,031	-	2,696,062
Property Tax	1,260,075	-	997,318	-	2,257,393
Investment Earnings	850,421	-	804,991	-	1,655,413
TOTAL REVENUES	7,265,893	3,197,364	12,521,051	5,666,284	28,650,593
LESS DISTRIBUTIONS					
Capital Projects					
Encina Wastewater Authority Five Year Plan	-	-	2,680,031	440,075	3,120,106
Rock Springs Sewer Replacement	-	-	840,361	1,027,108	1,867,469
Expansion of the Men's Locker Room in Building B	253,672	-	243,725	-	497,397
Stargaze Court Water Line Replacement	488,339	-	-	-	488,339
Solar Panel Inverter Replacement	137,551	-	132,155	-	269,706
Audiovisual Upgrade	132,402	-	127,210	-	259,612
District Wide Valve Replacement	175,967	-	-	-	175,967
Laurels Sewer Lining	-	-	146,257	-	146,257
Palos Vista Pump Station Generator	114,368	-	-	-	114,368
Water & Sewer Master Plan	-	55,072	-	55,071	110,143
Schoolhouse Tank Refurbishment	96,265	-	-	-	96,265
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 Chorine System	68,736	-	-	-	68,736
South Vista Pressure Reducing Station Upgrade	62,298	-	-	-	62,298
Ultrasonic Algae Control System	-	-	59,718	-	59,718
Sewer Bypass Repair	-	-	59,352	-	59,352
Montiel Gravity Outfall	-	-	23,904	29,216	53,120
City of San Marcos Joint Projects	30,430	-	19,456	-	49,886
Asset Management Replacement Schedule	23,388	-	22,473	-	45,861
Encina Land Parallel Outfall	-	-	-	36,053	36,053
Sewer Rehabilitation And Repairs	-	-	33,628	-	33,628
Palos Vista Pump Station Motor Replacement	30,715	-	-	-	30,715
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
San Marcos interceptor sewer	-	-	7,792	17,344	25,136
Building A Kitchens	12,579	-	12,086	-	24,665
North Twin Oaks Tank 1 Refurb	22,478	-	-	-	22,478
MRF Biological Selector Improvements	-	-	22,312	-	22,312
Via Vera Cruz Tank Hill Stabilization	18,844	-	-	-	18,844
HVAC System Upgrade	9,561	-	9,186	-	18,747
Cal State San Marcos Meter Upgrade	17,967	-	-	-	17,967
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	35,317	-	6,822	-	42,138
Capital Budget - Vehicles/Mobile Equipmnt	419,781	-	134,290	-	554,071
Debt Service	-	2,137,155	-	2,607,227	4,744,382
Interest Expense	-	159,902	-	112,473	272,375
TOTAL DISTRIBUTIONS	2,321,854	2,369,099	4,774,613	4,335,880	13,801,445
ENDING BALANCE	\$ 37,741,145	\$ (8,333,147)	\$ 59,423,994	\$ (5,490,432)	\$ 83,341,561
Less: Operating Reserves	5,748,700	-	6,468,600	-	12,217,300
Less: Rate Stabilization	-	-	4,873,495	-	4,873,495
Replacement Reserves/Restricted Funds	\$ 31,992,445	\$ (8,333,147)	\$ 48,081,899	\$ (5,490,432)	\$ 66,250,765
Replacement reserve floor	\$ 7,428,200		\$ 15,665,900		
Replacement reserve ceiling	\$ 32,224,700		\$ 48,081,900		

VALLECITOS WATER DISTRICT
INVESTMENT REPORT FOR JUNE 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 June follows:

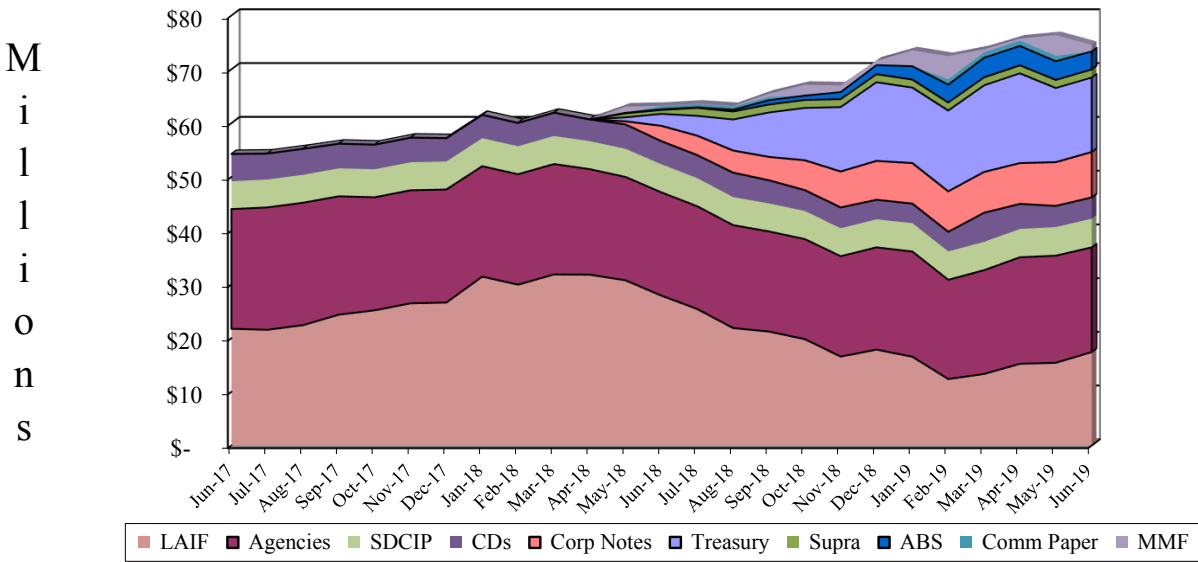
<u>Date</u>	<u>Activity</u>	<u>Investment</u>	<u>Amount</u>	<u>Maturity</u>	<u>Yield</u>
06/04/19	Deposit	LAIF	6,000,000	Open	2.43%
06/10/19	Deposit	LAIF	700,000	Open	2.43%
06/13/19	Matured	FFCB	(500,000)	06/13/19	1.18%
06/13/19	Purchased	PNC Bank CD	519,580	06/08/23	3.50%
06/17/19	Withdrawal	LAIF	(1,800,000)	Open	2.43%
06/17/19	Sold	JDOT 2017-B	(33,039)	10/15/21	1.82%
06/17/19	Sold	TOAT 2017-B	(31,585)	07/15/21	1.76%
06/17/19	Sold	JDOT 2018-B	(26,620)	04/15/21	2.83%
06/18/19	Sold	HAROT 2017-3	(25,978)	09/20/21	1.79%
06/20/19	Withdrawal	LAIF	(2,900,000)	Open	2.43%
06/20/19	Matured	MUFG Bank	(991,333)	06/20/19	2.30%
Change in investments during the month			<u>\$ 911,025</u>		

	<u>Current</u>
Weighted average annual yield for total Vallecitos investments	2.400%
Weighted average days to maturity	409

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 March 31, 2019. 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 May 31, 2019. Fair values for federal agency obligations and corporate notes are provided by Union Bank trust account reporting

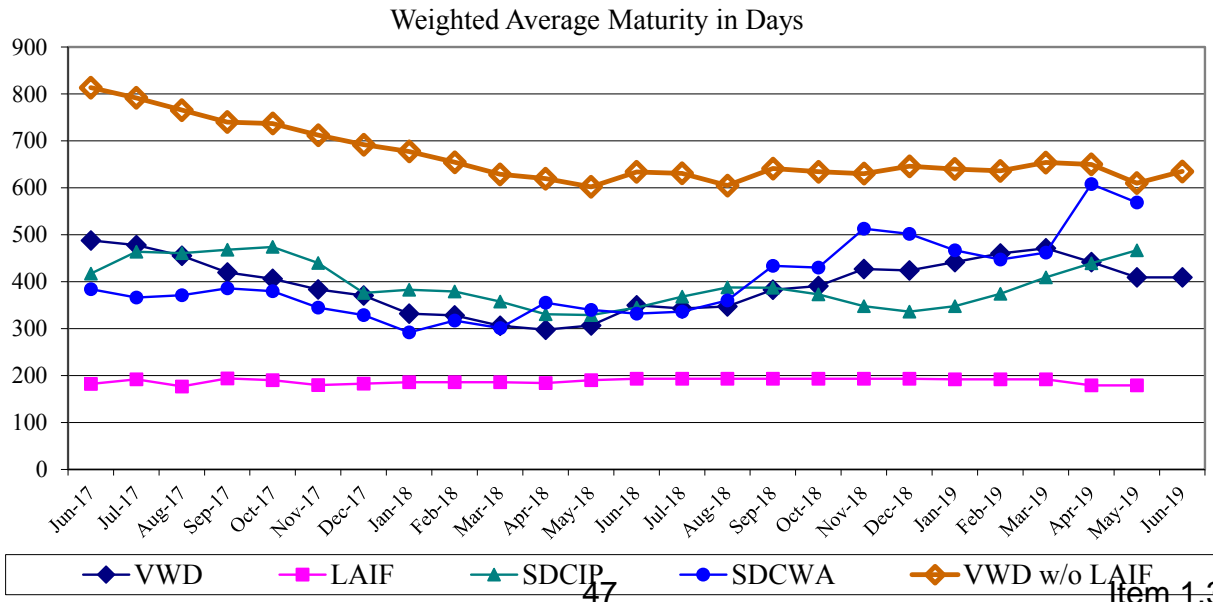
Safety

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.



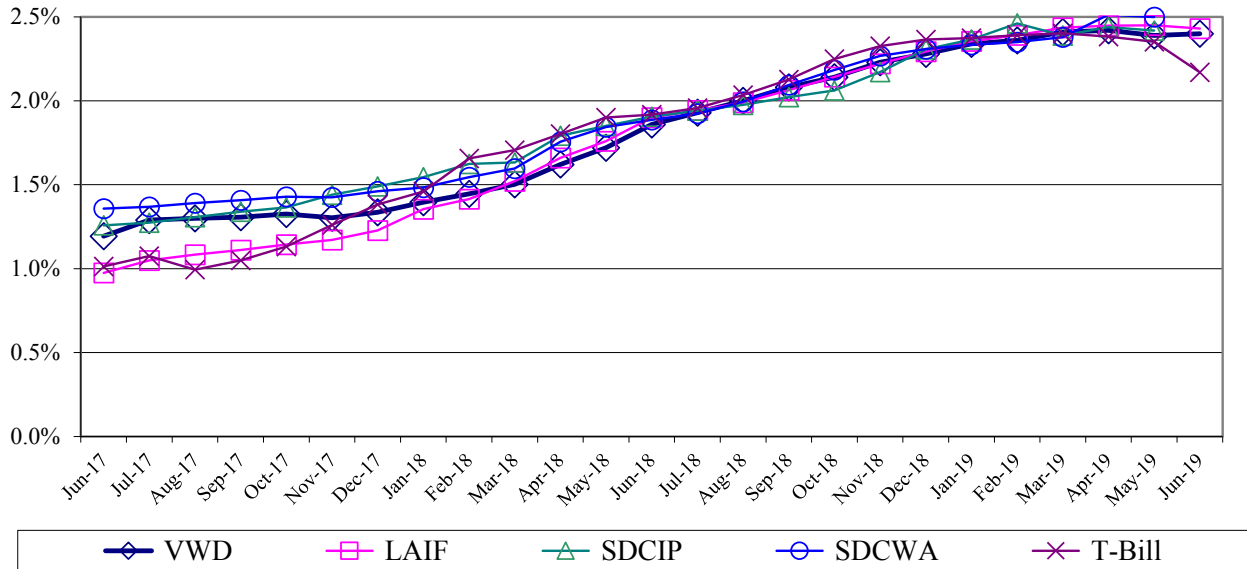
Liquidity

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 \$17.4 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	1.12
Average Coupon	2.18%
Average Purchase YTM	2.40%
Average Market YTM	2.12%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.34 yrs
Average Life	1.18 yrs

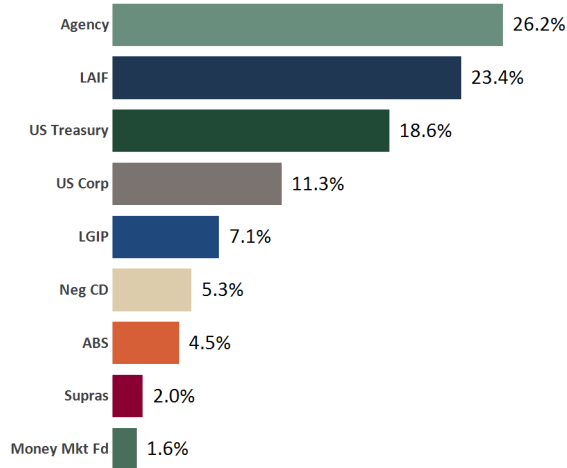
ACCOUNT SUMMARY

	Beg. Values as of 5/31/19	End Values as of 6/30/19
Market Value	76,352,933	74,537,666
Accrued Interest	290,698	322,625
Total Market Value	76,643,631	74,860,291
Income Earned	143,495	154,840
Cont/WD		
Par	76,304,681	74,303,393
Book Value	75,991,170	74,020,321
Cost Value	75,871,869	73,897,723

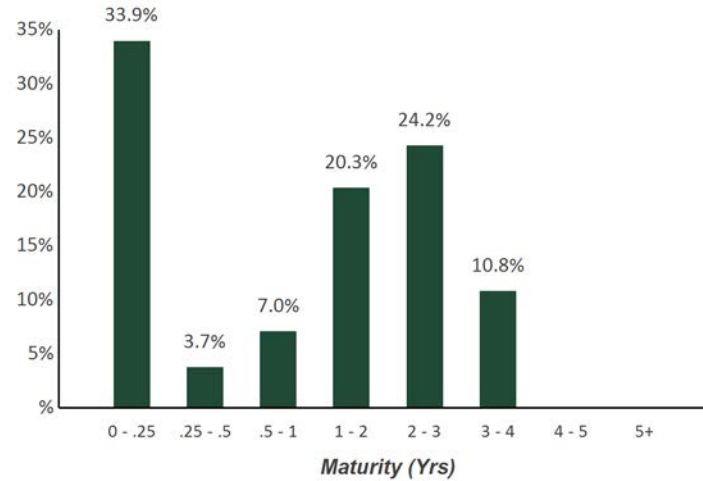
TOP ISSUERS

Local Agency Investment Fund	23.4%
Government of United States	18.6%
County of San Diego Pooled Inve	7.1%
Federal National Mortgage Assoc	7.0%
Federal Home Loan Bank	6.8%
Federal Farm Credit Bank	6.3%
Federal Home Loan Mortgage Corp	6.0%
Dreyfus Treasury and Agency	1.6%
Total	76.9%

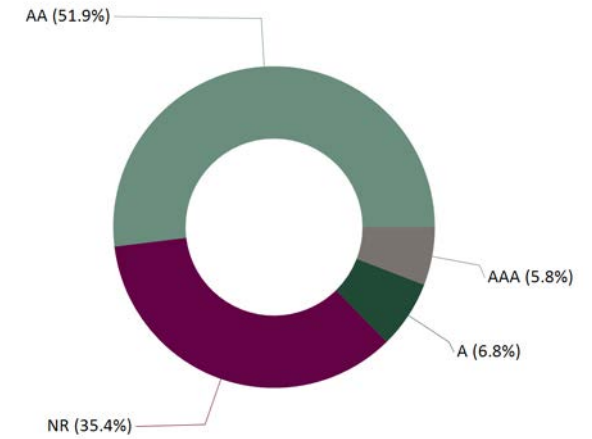
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of June 30, 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	232,136.52	01/29/2019 2.95%	231,937.03 232,007.74	100.18 2.37%	232,544.38 291.98	0.31% 536.64	Aaa / NR AAA	1.79 0.37
89190BAD0	Toyota Auto Receivables Owner 2017-B A3 1.76% Due 7/15/2021	364,615.21	09/26/2018 2.78%	360,356.63 361,507.82	99.72 2.30%	363,585.53 285.21	0.49% 2,077.71	Aaa / AAA NR	2.04 0.53
43814PAC4	Honda Auto Receivables Owner T 17-3 A3 1.79% Due 9/20/2021	337,167.19	12/11/2018 2.73%	332,794.55 333,658.71	99.73 2.22%	336,261.81 217.94	0.45% 2,603.10	NR / AAA AAA	2.23 0.64
43814WAB1	HAROT 2019-1 A2 2.75% Due 9/20/2021	455,000.00	02/19/2019 2.77%	454,970.70 454,974.58	100.36 2.35%	456,641.64 451.84	0.61% 1,667.06	NR / AAA AAA	2.23 0.87
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	405,262.20	11/14/2018 3.14%	399,674.01 400,866.23	99.74 2.27%	404,220.20 327.81	0.54% 3,353.97	Aaa / NR AAA	2.30 0.58
89239AAB9	Toyota Auto Receivables 2019-A A2A 2.83% Due 10/15/2021	375,000.00	02/05/2019 2.85%	374,965.95 374,970.77	100.43 2.26%	376,603.88 471.67	0.50% 1,633.11	Aaa / AAA NR	2.30 0.72
47789JAB2	John Deere Owner Trust 2019-A A2 2.85% Due 12/15/2021	360,000.00	03/05/2019 2.87%	359,983.58 359,985.37	100.59 2.20%	362,118.96 456.00	0.48% 2,133.59	Aaa / NR AAA	2.46 0.88
43814UAG4	Honda Auto Receivables 2018-2 A3 3.01% Due 5/18/2022	105,000.00	05/22/2018 3.03%	104,997.71 104,998.34	101.25 2.11%	106,307.25 114.13	0.14% 1,308.91	NR / AAA AAA	2.88 1.34
43815HAC1	Honda Auto Receivables Owner 2018-3 A3 2.95% Due 8/22/2022	205,000.00	08/21/2018 2.98%	204,971.87 204,977.81	101.25 2.10%	207,563.32 167.99	0.28% 2,585.51	Aaa / NR AAA	3.15 1.44
65478WAE5	Nissan Auto Receivables Owner 2016-C A4 1.38% Due 1/17/2023	500,000.00	01/24/2019 2.95%	489,531.25 491,158.08	99.25 2.19%	496,255.50 306.67	0.66% 5,097.42	Aaa / NR AAA	3.55 0.93
Total ABS		3,339,181.12	2.89%	3,314,183.28 3,319,105.45	2.25%	3,342,102.47 3,091.24	4.47% 22,997.02	Aaa / AAA AAA	2.49 0.78

AGENCY									
3133EGLC7	FFCB Callable Note Cont 10/12/2016 1.08% Due 7/12/2019	500,000.00	07/12/2016 1.10%	499,675.00 499,996.74	99.96 2.19%	499,812.50 2,535.00	0.67% (184.24)	Aaa / AA+ AAA	0.03 0.03
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	500,000.00	09/25/2015 1.32%	498,665.00 499,915.43	99.76 2.20%	498,787.50 1,545.14	0.67% (1,127.93)	Aaa / AA+ AAA	0.26 0.25
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	99.69 2.14%	498,448.50 1,041.25	0.67% (1,551.50)	Aaa / AA+ NR	0.33 0.33

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of June 30, 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									
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	99.97 2.18%	749,799.75 5,364.58	1.01% (200.25)	Aaa / AA+ AAA	0.40 0.14
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	99.62 2.13%	498,078.50 18.75	0.67% (1,921.50)	Aaa / AA+ AAA	0.50 0.49
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	99.43 2.07%	497,155.50 1,643.06	0.67% (2,844.50)	Aaa / AA+ AAA	0.75 0.74
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	99.71 2.02%	747,828.75 2,191.88	1.00% (2,171.25)	Aaa / AA+ NR	0.83 0.82
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	99.52 2.03%	746,430.00 1,000.00	1.00% (3,570.00)	Aaa / AA+ AAA	0.92 0.90
3130A8M67	FHLB Callable Note Cont 7/13/2017 1.2% Due 7/13/2020	500,000.00	11/22/2016 1.60%	492,970.00 498,000.50	99.28 1.90%	496,408.00 2,800.00	0.67% (1,592.50)	Aaa / AA+ NR	1.04 1.02
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	99.41 1.92%	994,106.00 4,938.89	1.33% (5,894.00)	Aaa / AA+ AAA	1.15 1.13
3133EGC94	FFCB Callable Note Cont 2/2/2017 1.38% Due 11/2/2020	500,000.00	11/04/2016 1.40%	499,600.00 499,865.66	99.04 2.11%	495,176.00 1,130.83	0.66% (4,689.66)	Aaa / AA+ AAA	1.35 1.31
3133EGR49	FFCB Callable Note Cont 12/7/2017 1.77% Due 12/7/2020	250,000.00	12/07/2016 1.83%	249,437.50 249,797.87	99.91 1.84%	249,763.25 295.00	0.33% (34.62)	Aaa / AA+ AAA	1.44 0.85
3134GBTA0	FHLMC Callable Note Qtrly 9/22/2017 2.1% Due 12/22/2020	750,000.00	06/27/2017 2.10%	750,000.00 750,000.00	100.08 1.76%	750,592.50 391.67	1.00% 592.50	Aaa / AA+ AAA	1.48 0.61
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	98.89 2.12%	494,456.50 2,975.00	0.66% (5,543.50)	Aaa / AA+ AAA	1.58 1.54
3133EFC54	FFCB Callable Note Cont 2/17/2017 1.62% Due 2/17/2021	150,000.00	11/18/2016 1.67%	149,667.00 149,871.91	99.66 1.83%	149,496.15 904.50	0.20% (375.76)	Aaa / AA+ AAA	1.64 1.15
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	100.01 1.92%	514,057.57 3,562.31	0.69% 57.57	Aaa / AA+ AAA	1.66 0.15
3130A7ES0	FHLB Callable Note Qtrly 6/22/2016 2% Due 3/22/2021	275,000.00	04/06/2017 2.11%	274,381.25 274,730.42	100.02 1.91%	275,053.63 1,510.59	0.37% 323.21	Aaa / AA+ NR	1.73 0.77
3133EFZ91	FFCB Callable Note Cont 4/12/2017 1.62% Due 4/12/2021	750,000.00	04/12/2016 1.62%	749,925.00 749,973.26	99.64 1.82%	747,315.75 2,666.25	1.00% (2,657.51)	Aaa / AA+ AAA	1.79 1.12
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	100.00 1.99%	750,006.75 2,404.58	1.01% 6.75	Aaa / AA+ AAA	1.84 0.80

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of June 30, 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									
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	99.48 1.76%	497,385.50 3,208.33	0.67% (2,614.50)	Aaa / AA+ AAA	2.08 1.48
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	99.45 1.86%	994,484.00 5,600.00	1.34% (5,516.00)	Aaa / AA+ AAA	2.16 1.24
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	99.52 1.85%	995,159.00 4,107.64	1.33% (4,841.00)	Aaa / AA+ NR	2.25 1.48
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	99.45 1.79%	994,547.00 2,712.50	1.33% (5,453.00)	Aaa / AA+ AAA	2.33 1.59
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	100.00 1.87%	1,000,011.00 1,822.92	1.34% 11.00	Aaa / AA+ AAA	2.41 1.12
3133EJ3B3	FFCB Note 2.8% Due 12/17/2021	1,000,000.00	12/26/2018 2.70%	1,002,780.00 1,002,303.87	102.25 1.86%	1,022,515.00 1,088.89	1.37% 20,211.13	Aaa / AA+ AAA	2.47 2.37
3135G0U92	FNMA Note 2.625% Due 1/11/2022	500,000.00	03/05/2019 2.60%	500,350.00 500,310.70	102.08 1.78%	510,383.50 6,197.92	0.69% 10,072.80	Aaa / AA+ AAA	2.54 2.41
3133EKBV7	FFCB Note 2.55% Due 3/1/2022	750,000.00	02/27/2019 2.55%	750,075.00 750,066.65	101.92 1.81%	764,415.00 6,375.00	1.03% 14,348.35	Aaa / AA+ AAA	2.67 2.55
313378WG2	FHLB Note 2.5% Due 3/11/2022	500,000.00	04/08/2019 2.36%	501,945.00 501,793.70	101.82 1.81%	509,082.50 3,819.44	0.69% 7,288.80	Aaa / AA+ NR	2.70 2.58
313383WD9	FHLB Note 3.125% Due 9/9/2022	500,000.00	01/30/2019 2.68%	507,580.00 506,710.92	104.00 1.83%	520,015.50 4,861.11	0.70% 13,304.58	Aaa / AA+ AAA	3.20 3.01
3130AFE78	FHLB Note 3% Due 12/9/2022	1,000,000.00	01/25/2019 2.71%	1,010,700.00 1,009,532.18	103.97 1.80%	1,039,697.00 1,833.33	1.39% 30,164.82	Aaa / AA+ AAA	3.45 3.26
Total Agency		19,439,000.00	1.84%	19,451,750.75 19,456,869.81	1.92%	19,500,468.10 80,546.36	26.16% 43,598.29	Aaa / AA+ AAA	1.75 1.33
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	17,398,732.29	Various 2.41%	17,398,732.29 17,398,732.29	1.00 2.41%	17,398,732.29 99,902.75	23.38% 0.00	NR / NR NR	0.00 0.00
Total LAIF		17,398,732.29	2.41%	17,398,732.29	2.41%	17,398,732.29 99,902.75	23.38% 0.00	NR / NR NR	0.00 0.00



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LOCAL GOV INVESTMENT POOL									
90SDCP\$00	County of San Diego Pooled Investment Pool	5,349,000.00	Various 2.44%	5,349,000.00 5,349,000.00	1.00 2.44%	5,349,000.00 0.00	7.15% 0.00	NR / NR AAA	0.00 0.00
Total Local Gov Investment Pool		5,349,000.00	2.44%	5,349,000.00	2.44%	5,349,000.00 0.00	7.15% 0.00	NR / NR AAA	0.00 0.00
MONEY MARKET FUND FI									
261908206	Dreyfus Treasury Money Market Fund	1,209,480.06	Various 1.95%	1,209,480.06 1,209,480.06	1.00 1.95%	1,209,480.06 0.00	1.62% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		1,209,480.06	1.95%	1,209,480.06	1.95%	1,209,480.06 0.00	1.62% 0.00	Aaa / AAA NR	0.00 0.00
NEGOTIABLE CD									
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	99.95 2.12%	244,879.22 1,364.62	0.33% (120.78)	NR / NR NR	0.21 0.21
06417G5R5	Bank of Nova Scotia Yankee CD 2.61% Due 12/17/2019	1,000,000.00	03/25/2019 2.61%	999,994.51 999,996.51	100.00 2.61%	999,996.51 7,105.00	1.35% 0.00	P-1 / A-1 F-1+	0.47 0.46
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 8,742.50	1.35% 0.00	P-1 / A-1 F-1+	0.68 0.67
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	99.67 2.18%	244,199.34 1,312.26	0.33% (800.66)	NR / NR NR	0.69 0.68
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%	244,510.00 244,868.61	99.19 2.21%	243,004.72 1,635.12	0.33% (1,863.89)	NR / NR NR	1.02 1.00
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	98.79 2.43%	242,044.08 664.52	0.32% (2,955.92)	NR / NR NR	1.33 1.30
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	99.50 2.19%	243,773.04 24.84	0.33% (1,226.96)	NR / NR NR	1.50 1.48
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	100.06 1.93%	243,156.98 1,814.51	0.33% 156.98	NR / NR NR	1.68 0.18



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									
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	98.82 2.25%	242,104.10 11.08	0.32% (2,895.90)	NR / NR NR	2.00 1.96
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	98.44 2.40%	241,182.66 509.47	0.32% (3,817.34)	NR / NR NR	2.13 2.08
Total Negotiable CD		3,958,000.00	2.20%	3,957,504.51 3,957,865.12	2.44%	3,944,340.65 23,183.92	5.30% (13,524.47)	Aaa / AA AAA	0.94 0.83
SUPRANATIONAL									
4581X0CD8	Inter-American Dev Bank Note 2.125% Due 11/9/2020	750,000.00	05/22/2018 2.81%	737,865.00 743,298.78	100.25 1.94%	751,860.00 2,302.08	1.01% 8,561.22	Aaa / AAA AAA	1.36 1.33
459058GH0	Intl. Bank Recon & Development Note 2.75% Due 7/23/2021	750,000.00	07/24/2018 2.86%	747,607.50 748,351.74	101.85 1.83%	763,861.50 9,052.08	1.03% 15,509.76	Aaa / AAA NR	2.07 1.98
Total Supranational		1,500,000.00	2.84%	1,485,472.50 1,491,650.52	1.89%	1,515,721.50 11,354.16	2.04% 24,070.98	Aaa / AAA AAA	1.72 1.66
US CORPORATE									
40428HPV8	HSBC USA Inc Note 2.75% Due 8/7/2020	250,000.00	10/10/2018 3.26%	247,772.50 248,650.10	100.50 2.28%	251,260.75 2,750.00	0.34% 2,610.65	A2 / A AA-	1.11 1.07
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%	490,920.00 494,164.55	100.04 2.26%	500,214.00 1,852.78	0.67% 6,049.45	A3 / A A	1.35 1.23
459200JF9	IBM Corp Note 2.25% Due 2/19/2021	500,000.00	06/26/2018 3.07%	489,640.00 493,582.59	99.98 2.26%	499,915.00 4,125.00	0.67% 6,332.41	A1 / A A	1.64 1.59
69371RN93	Paccar Financial Corp Note 2.8% Due 3/1/2021	300,000.00	07/23/2018 3.12%	297,585.00 298,451.86	100.92 2.24%	302,754.00 2,800.00	0.41% 4,302.14	A1 / A+ NR	1.67 1.61
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%	493,125.00 495,321.28	100.55 2.17%	502,748.00 2,638.89	0.68% 7,426.72	A1 / A AA-	1.79 1.66
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	350,000.00	06/28/2018 3.08%	349,247.50 349,511.27	101.62 2.11%	355,667.20 1,458.33	0.48% 6,155.93	A2 / A+ NR	1.87 1.80
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	500,000.00	10/12/2018 3.30%	483,360.00 487,898.18	99.74 2.09%	498,697.00 1,137.50	0.67% 10,798.82	A1 / A AA-	1.89 1.84



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									
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.25% Due 5/21/2021	320,000.00	Various 3.09%	321,372.10 320,857.55	101.94 2.15%	326,196.48 1,155.56	0.44% 5,338.93	A2 / A A	1.89 1.75
931142EJ8	Wal-Mart Stores Note 3.125% Due 6/23/2021	290,000.00	06/20/2018 3.13%	289,985.50 289,990.40	102.18 2.00%	296,327.80 201.39	0.40% 6,337.40	Aa2 / AA AA	1.98 1.92
02665WBG5	American Honda Finance Note 1.7% Due 9/9/2021	500,000.00	07/20/2018 3.19%	478,045.00 484,614.21	98.85 2.24%	494,253.00 2,644.44	0.66% 9,638.79	A2 / A NR	2.20 2.13
89233P5F9	Toyota Motor Credit Corp Note 3.4% Due 9/15/2021	500,000.00	05/31/2018 3.03%	505,785.00 503,893.66	102.79 2.10%	513,954.00 5,005.56	0.69% 10,060.34	Aa3 / AA- A+	2.21 2.11
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	500,000.00	Various 3.29%	489,627.50 492,431.51	101.07 2.21%	505,369.50 6,440.98	0.68% 12,937.99	A2 / A A	2.52 2.39
74005PBA1	Praxair Callable Note Cont 11/15/2021 2.45% Due 2/15/2022	300,000.00	06/27/2018 3.15%	292,848.00 294,825.98	100.83 2.09%	302,478.60 2,776.67	0.41% 7,652.62	A2 / A NR	2.63 2.28
037833CQ1	Apple Inc Callable Note Cont 4/11/22 2.3% Due 5/11/2022	500,000.00	10/30/2018 3.30%	483,395.00 486,517.31	100.69 2.05%	503,425.50 1,597.22	0.67% 16,908.19	Aa1 / AA+ NR	2.87 2.67
68389XBB0	Oracle Corp Callable Note Cont 3/15/2022 2.5% Due 5/15/2022	500,000.00	Various 3.28%	486,304.00 489,592.56	101.07 2.09%	505,354.50 1,597.23	0.68% 15,761.94	A1 / AA- A	2.88 2.60
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	500,000.00	12/11/2018 3.31%	495,015.00 495,813.24	102.80 1.99%	514,014.00 1,916.67	0.69% 18,200.76	Aa2 / AA A+	2.88 2.74
09247XAJ0	Blackrock Inc Note 3.375% Due 6/1/2022	500,000.00	11/28/2018 3.36%	500,215.00 500,179.19	103.50 2.13%	517,478.00 1,406.25	0.69% 17,298.81	Aa3 / AA- NR	2.92 2.77
69353RFL7	PNC Bank Callable Note Cont 5/9/2023 3.5% Due 6/8/2023	500,000.00	06/11/2019 2.44%	519,580.00 519,332.85	104.55 2.26%	522,751.50 1,118.06	0.70% 3,418.65	A2 / A NR	3.94 3.60
931142EK5	Wal-Mart Stores Callable Note Cont 5/26/2023 3.4% Due 6/26/2023	500,000.00	05/21/2019 2.65%	514,115.00 513,738.99	105.10 2.03%	525,514.00 236.11	0.70% 11,775.01	Aa2 / AA AA	3.99 3.66
Total US Corporate		8,310,000.00	3.11%	8,227,937.10 8,259,367.28	2.14%	8,438,372.83 42,858.64	11.33% 179,005.55	A1 / A+ A+	2.41 2.25
US TREASURY									
912828WW6	US Treasury Note 1.625% Due 7/31/2019	600,000.00	08/29/2018 2.44%	595,593.75 599,605.41	99.95 2.22%	599,687.40 4,066.99	0.81% 81.99	Aaa / AA+ AAA	0.08 0.09



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									
9128283S7	US Treasury Note 2% Due 1/31/2020	750,000.00	08/24/2018 2.57%	744,082.03 747,573.86	99.97 2.05%	749,766.00 6,256.91	1.01% 2,192.14	Aaa / AA+ AAA	0.59 0.57
9128283Y4	US Treasury Note 2.25% Due 2/29/2020	750,000.00	06/25/2018 2.51%	746,835.94 748,745.73	100.13 2.05%	750,966.75 5,640.29	1.01% 2,221.02	Aaa / AA+ AAA	0.67 0.66
912828XH8	US Treasury Note 1.625% Due 6/30/2020	750,000.00	05/31/2018 2.43%	737,753.91 744,126.38	99.67 1.96%	747,539.25 33.12	1.00% 3,412.87	Aaa / AA+ AAA	1.00 0.99
912828L65	US Treasury Note 1.375% Due 9/30/2020	750,000.00	06/27/2018 2.53%	731,044.92 739,500.03	99.36 1.89%	745,195.50 2,592.21	1.00% 5,695.47	Aaa / AA+ AAA	1.25 1.23
912828WC0	US Treasury Note 1.75% Due 10/31/2020	750,000.00	07/20/2018 2.64%	735,292.97 741,363.38	99.83 1.88%	748,710.75 2,211.28	1.00% 7,347.37	Aaa / AA+ AAA	1.34 1.31
912828A42	US Treasury Note 2% Due 11/30/2020	750,000.00	11/28/2018 2.85%	737,695.31 741,292.58	100.21 1.85%	751,552.50 1,270.49	1.01% 10,259.92	Aaa / AA+ AAA	1.42 1.39
912828N89	US Treasury Note 1.375% Due 1/31/2021	750,000.00	10/30/2018 2.86%	725,859.38 732,987.17	99.30 1.83%	744,726.75 4,301.62	1.00% 11,739.58	Aaa / AA+ AAA	1.59 1.55
912828U81	US Treasury Note 2% Due 12/31/2021	750,000.00	11/08/2018 3.05%	726,650.39 731,409.81	100.67 1.72%	755,039.25 40.76	1.01% 23,629.44	Aaa / AA+ AAA	2.51 2.43
912828W55	US Treasury Note 1.875% Due 2/28/2022	1,000,000.00	01/30/2019 2.56%	979,921.88 982,619.21	100.37 1.73%	1,003,711.00 6,266.98	1.35% 21,091.79	Aaa / AA+ AAA	2.67 2.58
912828W89	US Treasury Note 1.875% Due 3/31/2022	750,000.00	09/27/2018 2.92%	724,013.67 729,616.97	100.44 1.71%	753,310.50 3,534.84	1.01% 23,693.53	Aaa / AA+ AAA	2.75 2.66
912828XR6	US Treasury Note 1.75% Due 5/31/2022	750,000.00	09/24/2018 2.93%	719,208.98 725,600.87	100.07 1.73%	750,498.00 1,111.68	1.00% 24,897.13	Aaa / AA+ AAA	2.92 2.83
912828XW5	US Treasury Note 1.75% Due 6/30/2022	350,000.00	09/07/2018 2.80%	336,792.97 339,588.41	100.13 1.71%	350,437.50 16.64	0.47% 10,849.09	Aaa / AA+ AAA	3.00 2.91
9128282P4	US Treasury Note 1.875% Due 7/31/2022	1,000,000.00	12/28/2018 2.53%	977,617.19 980,731.62	100.45 1.72%	1,004,492.00 7,821.13	1.35% 23,760.38	Aaa / AA+ AAA	3.09 2.96
912828L24	US Treasury Note 1.875% Due 8/31/2022	750,000.00	09/20/2018 2.94%	720,439.45 726,248.92	100.45 1.73%	753,369.00 4,700.24	1.01% 27,120.08	Aaa / AA+ AAA	3.17 3.05
9128282W9	US Treasury Note 1.875% Due 9/30/2022	1,000,000.00	03/19/2019 2.43%	981,406.25 982,890.87	100.49 1.72%	1,004,922.00 4,713.11	1.35% 22,031.13	Aaa / AA+ AAA	3.25 3.13
9128284D9	US Treasury Note 2.5% Due 3/31/2023	1,000,000.00	02/21/2019 2.51%	999,414.06 999,464.52	102.79 1.73%	1,027,891.00 6,284.15	1.38% 28,426.48	Aaa / AA+ AAA	3.75 3.55



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									
912828R69	US Treasury Note 1.625% Due 5/31/2023	600,000.00	04/11/2019 2.30%	584,039.06 584,884.67	99.61 1.73%	597,633.00 825.82	0.80% 12,748.33	Aaa / AA+ AAA	3.92 3.77
Total US Treasury		13,800,000.00	2.65%	13,503,662.11 13,578,250.41	1.82%	13,839,448.15 61,688.26	18.57% 261,197.74	Aaa / AA+ AAA	2.22 2.15
TOTAL PORTFOLIO		74,303,393.47	2.39%	73,897,722.60 74,020,320.94	2.12%	74,537,666.05 322,625.33	100.00% 517,345.11	Aa1 / AA+ AAA	1.34 1.12
TOTAL MARKET VALUE PLUS ACCRUED						74,860,291.38			

**VALLECITOS WATER DISTRICT
FY 19 SUMMARY OF LEGAL FEES**

Matter Description	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	Total
General Counsel Services	\$3,223	\$14,057	\$6,416	\$7,639	\$8,896	\$7,886	\$3,422	\$9,177	\$10,914	\$5,557	\$77,188
Labor/Employment	609	-	493	3,770	6,409	852	-	2,610	5,577	21,718	42,037
Engineering - Construction/Contracting	2,059	1,274	1,947	1,404	260	858	2,938	2,840	2,647	3,172	19,399
VWD v. Brian Thomas Boyd	658	1,730	3,375	494	2,718	130	104	-	-	-	9,210
Environmental	-	-	-	-	-	-	-	-	-	7,935	7,935
Annual Public Policy & Ethics Program	4,600	-	-	-	-	-	-	-	-	-	4,600
Fees and Taxes	182	-	1,040	-	78	988	364	-	-	-	2,652
Adv. Butler	-	-	-	-	-	-	-	-	2,302	302	2,604
Total	\$11,331	\$17,061	\$13,271	\$13,308	\$18,361	\$10,714	\$6,828	\$14,628	\$21,439	\$38,684	\$165,625

DATE: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: APPROPRIATIONS LIMIT FOR FISCAL YEAR 2019/20

BACKGROUND:

Article XIII B of the California constitution (Proposition 4) requires the District establish an appropriations limit on proceeds from taxes each fiscal year, whether or not the amount is assessed. The limit may increase annually by a factor comprised of the change in population and a change in the U.S. Consumer Price Index (March to March). The proposed 2019/20 limit in the amount of \$860,304 was calculated by using these factors.

DISCUSSION:

VWD receives an amount in excess of this limit through our share of the 1% property tax collected by San Diego County; however, as an Enterprise Fund (Utility), we are allowed to deduct depreciation in making the calculation. Our current depreciation exceeds \$5 million per year. Therefore, we are not affected by the limit.

Article XIII B also requires the documentation used to determine the appropriations limit be available to the public at least 15 days prior to the adoption of the resolution. The requirement has been fulfilled.

RECOMMENDATION:

Staff recommends adoption of the resolution.

ATTACHMENT:

Resolution

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT ESTABLISHING
APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2019-20**

WHEREAS, effective July 1, 1980, Article XIII B of the California Constitution took effect limiting the appropriation of certain state and local agencies; and

WHEREAS, the Legislature has adopted Government Code Sections 7900-13 setting forth procedures to be followed by affected local agencies in fixing and determining their appropriations limit; and

WHEREAS, pursuant to said Government Code sections, the Department of Finance and San Diego County have supplied the District with information regarding changes in population, cost of living, and per capita income and assessment roll data for use in determining its appropriations limit; and

WHEREAS, the District has a tax rate in excess of 12.5 cents per \$100 of assessed valuation during the 1977-78 fiscal year, and, therefore, is subject to the provisions of Article XIII B and implementing legislation; and

WHEREAS, Government code Section 7910 requires that each year the governing body of the District, by resolution, establish its appropriations for the following fiscal year; and

WHEREAS, at least 15 days prior to the meeting at which this resolution was adopted, the documentation used in the determination of the appropriations limit was made available to the public at the offices of the District; and

WHEREAS, the Board has fully considered said laws, the revenues and expenditures of the District during the relevant years, the data received from the Department of Finance, the reports and recommendations of the staff, and the opinions of Counsel;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Vallecitos Water District as follows:

SECTION 1: The foregoing facts are true and correct.

SECTION 2: Pursuant to Article XIII B and Section 7910 of the Government Code, the appropriations limit for Vallecitos Water District for the 2019-20 Fiscal Year is established as \$860,304.

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 17th day of July, 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: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: RESOLUTION APPROVING COLLECTION OF SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT "A"

BACKGROUND:

Sewer Improvement District "A" is a special service area where Vallecitos provides sewer collection services and another agency provides domestic water service and fire protection. For these areas, as prescribed by Ordinance No. 184, the District elects to have its sewer service fees collected on the County tax roll in the same manner at the same time together with general property taxes.

DISCUSSION:

The State Health Code requires the District to specify on an annual basis the method it will use to collect sewer service fees. Resolution No. 1554, adopted June 19, 2019, approved the District's proposed method of collection. The attached Resolution orders the collection of sewer service fees for fiscal year 2019-20. The sewer service fees will be collected by the County of San Diego, and then transferred to the District.

FISCAL IMPACT:

Including sewer service fees on the tax roll results in time and materials savings through reduced workload on staff and eliminating postage costs. Additional revenue is also realized through facilitated collections.

RECOMMENDATION:

Staff recommends adoption of the resolution.

ATTACHMENT:

Resolution

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT APPROVING THE SEWER
SERVICE FEES TO BE COLLECTED ON THE TAX ROLL
FOR IMPROVEMENT DISTRICT "A" FOR THE
FISCAL YEAR JULY 1, 2019 TO JUNE 30, 2020**

WHEREAS, the Vallecitos Water District duly adopted Resolution No. 1554 on June 19, 2019, electing to have the sewer service fees for Improvement District "A" for Fiscal Year July 1, 2019, to June 30, 2020, collected on the Tax Roll.

WHEREAS, a written report has been prepared and filed with the District, which contains a description of each parcel of real property in Improvement District "A" receiving sewer service and the amount of sewer service fee for each parcel for the Fiscal Year 2019-2020.

WHEREAS, the Secretary of the District has prepared and caused notices to be mailed and published in the form and manner prescribed by law.

WHEREAS, on July 17, 2019, at the hour of 5:00 p.m., at the office of the District, 201 Vallecitos de Oro, San Marcos, California, a duly noticed public hearing was held with respect to this matter.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. The sewer service fees for Improvement District "A" for Fiscal Year 2019-2020, attached hereto and incorporated herein as Exhibit "A", are hereby approved.

Section 2. Sewer service fees for properties that connect to the District sewer system subsequent to approval of the foregoing report or properties connected to the system that are not included in the report for any reason, shall be billed to the property owners directly by the Vallecitos Water District in accordance with the rules and regulations established by Ordinance of the District.

Section 3. The sewer service fees for properties that are not on the Tax Roll shall be billed to the property owners directly by the Vallecitos Water District in accordance with the rules and regulations established by Ordinance of the District.

Section 4. This Resolution is adopted pursuant to the Health and Safety Code Section 5473.3 and is effective immediately upon its adoption, and its provisions shall supersede any conflicting provisions or existing Ordinance, Resolution, rules or regulations of the District.

Section 5. The Secretary/General Manager of the Vallecitos Water District is hereby authorized and directed to file this endorsed report with a certified copy of this Resolution with the County Auditor of the County of San Diego on or before August 1, 2019.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on the 17th day of July 2019, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

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

ATTEST:

Glenn Pruiem, Secretary
Board of Directors
Vallecitos Water District

EXHIBIT A

AVAILABLE UPON REQUEST

DATE: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: AUTHORIZATION TO EXECUTE A LEASE AGREEMENT AND NEGOTIATE CONTRACT TERMS WITH AIS FOR LEASE AND MAINTENANCE OF XEROX MULTI-FUNCTION PRINTERS

BACKGROUND:

The District currently leases thirteen multi-function printers (MFPs) and eighteen stand-alone printers from Xerox Corporation. Equipment is located in each department and sized depending upon department uses and volume needs. The District's Xerox printers are under a 60-month contract with Xerox corporation that expires in July 2019. In the past 5 years, three additional Hewlett Packard printers were purchased outside of contract and not currently supported by Xerox, requiring additional staff time to maintain. Average life expectancy based on current use warrants a replacement of equipment every 5 years to ensure acceptable equipment uptime and limit loss of productivity for staff. As a result, IT issued a Request for Proposal (RFP) on May 1, 2019 that included replacement of the entire fleet and addition of three vendor-supported printers to ensure continued availability of print resources.

DISCUSSION:

The RFP included a detailed list of hardware and software functional requirements to meet existing and future print demands. The requirements were developed in consultation with key users across multiple departments within the District. The District provided copies of the RFP to three qualified vendors in addition to posting it on the "Request for Proposals/Quotes" page of our website. The District received two responses; one from AIS and the other from Xerox Corporation.

The RFP evaluation team consisted of IT staff who analyzed and ranked responses based on the following factors: compatibility with the District's technology standards, ability to meet District's functional requirements, financial stability of the vendor, costs are within budget, implementation methodology, support availability and the overall RFP response submitted. The respondents were scored on pre-determined criteria including reference checks, risk mitigation, demonstration ranking by the evaluation team, total cost, product support, vendor qualifications/strength and system features.

Based on receiving the highest evaluation scores, AIS was selected as the preferred vendor of choice. The total cost of the AIS solution over the course of a 60-month lease is approximately \$75,000 less than the proposed Xerox solution. AIS distinguished itself during the selection process by offering a cost competitive Xerox managed print solution with comprehensive features including networked scanning, advanced reporting, document management interface capabilities; excellent customer references; and superior qualifications of support and implementation staff. Staff is recommending AIS as the highest qualified vendor that best meets the needs of the District.

Upon approval of a contract, staff will work with AIS to install and configure a replacement MFP fleet of upgraded Xerox devices. All repairs, replacement parts, software upgrades and consumables (toner) of MFP hardware will be the responsibility of AIS. AIS will provide equipment warranty and maintenance guarantees for 5 years and onsite training to District staff on how to use the new MFPs.

FISCAL IMPACT:

The District previously procured the current MFP fleet through a lease-purchase agreement, amounting to \$241,446.60 in total costs over a 5-year period. In comparison, the proposed cost over the next 5 years to replace the existing fleet is \$127,042.42. Current operating costs are approximately \$8,000 annually; under the proposed AIS contract annual operating costs are estimated to decrease to \$1,500 annually.

A comparison of the total costs for the current Xerox Corporation solution and the proposed AIS solution are shown in the table below.

MFP Solution	Lease Costs	Five Year Operating Costs
Current Xerox Contract	\$241,446.60	\$39,016.80
Proposed AIS	\$127,042.42	\$5,878.44
Savings over 60 mo. term.	\$114,404.18	\$33,138.36

RECOMMENDATION:

Authorize the General Manager to negotiate lease and maintenance contract terms with AIS and enter into a 60-month lease agreement with two optional one-year extensions for thirteen Xerox multi-function printers and twenty-one stand-alone printers.

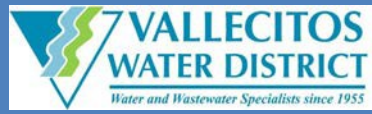
ATTACHMENTS:

- 1) Equipment Details
- 2) RFP

Equipment Proposed

QTY	MODEL	TYPE	DESCRIPTION
1	AltaLink C8055/H2	55 PPM Color MFP	Xerox AltaLink C8055 Color MFP 55ppm, W/ Hi-Cap Tandem Try, single pass DADF, EIP, Data Security, Job Based Accounting, PostScript, NFC, full network scanning, Server Fax, STD output tray, Fax & Finisher BR Booklet Maker Finisher 2/3 Hole Punch & Wireless Print Kit.
5	AltaLink C8045/H2	45 PPM Color MFP	Xerox AltaLink C8045 Color MFP 45ppm, W/ Hi-Cap Tandem Try, single pass DADF, EIP, Data Security, Job Based Accounting, PostScript, NFC, network scanning, Server Fax, STD output tray, Fax (4 units) & Office Finisher LX & Wireless Print Kit- BR Booklet Maker Finisher with 2/3 Hole Punch (3 units)
1	AltaLink B8075/H2	75 PPM B/W MFP	Xerox AltaLink B8075 Mono MFP 75ppm, w/ Hi-Cap Tandem Try, single pass DADF, EIP, Data Security, Job Based Accounting, PostScript, NFC, full network scanning, Server Fax, STD output tray, left side tray, Fax, International Printing Kit Office Finisher W/ Booklet ACCS Maker & Wireless Print Kit, 3 Hole Punch Kit
4	AltaLink B8045/H2	45 PPM B/W MFP	AltaLink B8045 200 Sheet SPDH, Hi-Cap Tandem Try, 100 Sheet Bypass Tray, 4GB Memory, Data Security Kit, EIP, Scan Kit, PS Kit, Xerox Copier Assistant, Office Finisher LX & Wireless Print Kit- with 2/3 Hole Punch
1	VersaLink B7035	35 PPM B/W MFP	VersaLink B7035 B/W MFP 35ppm W/ single pass DADF, Tandem Trays Duplex 2 X520 Sheet Paper Drawers, Integrated Office Finisher, Postscript Kit
1	VersaLink B7025	25 PPM B/W MFP	VersaLink B7025 B/W MFP 25ppm W/ single pass DADF, Tandem Trays Duplex 2 X520 Sheet Paper Drawers, Integrated Office Finisher, Postscript Kit
2	VersaLink C405DN	36 ppm Color A4 MFP	Xerox VersaLink C405DN Color Multifunction Laser Printer
9	VersaLink B405DN	47 ppm B/W A4 MFP	Xerox VersaLink B405DN B/W Multifunction Laser Printer
3	VersaLink C400DN	36 ppm Color Printer	Xerox VersaLink C400DN Color Laser Printer
7	VersaLink B400DN	47 ppm B/W Printer	Xerox VersaLink B400DN B/W Laser Printer





RFP for Multi-Function Digital Copiers

NOTICE IS HEREBY GIVEN that the Vallecitos Water District is issuing this Request for Proposals (RFP) for the lease or purchase of multi-function digital copiers. Submitted competitive sealed proposals must be from qualified vendors and include information related to maintenance and support for corresponding machines.

Vendors are solely responsible for ensuring proposals are received by the District on or before the submittal deadline. Proposals must be received no later than 2:00 p.m., Pacific Daylight Time on May 24, 2019, at the following address:

Vallecitos Water District
Administrative Services Department
Attn: Matias Labarrere, IT Supervisor
201 Vallecitos De Oro
San Marcos, CA 92069

The original copy must be signed by a representative authorized to bind the company. Proposals submitted by facsimile or email are not acceptable and will not be considered. Proposals are to be submitted in sealed packages with the name of the vendor and RFP title clearly marked on the outside of the package.

Failure to comply with the requirements set forth in this RFP may result in disqualification. Proposals and/or modifications received subsequent to the hour and date specified above will not be considered. Submitted proposals may be withdrawn at any time prior to the submission time specified in this RFP, provided notification is received in writing before the submittal deadline. Proposals cannot be changed or withdrawn after the submittal deadline. No handwritten notations or corrections will be allowed. The responding vendor is solely responsible for all costs related to the preparation of the proposal.

The District reserves the right to reject all proposals and to waive any minor informalities or irregularities contained in any proposal. Acceptance of any proposal submitted pursuant to this RFP shall not constitute any implied intent to enter into a contract.

The contract award, if any, will be made to the vendor who, in the District's sole discretion, is best able to perform the required services in a manner most beneficial to the Vallecitos Water District.

INQUIRIES:

Direct questions for clarification of this RFP, in writing, to Matias Labarrere via email: mlabarrere@vwd.org. To ensure a response, all questions must be received no later than 5:00 pm PST on May 7, 2019. Verbal statements regarding this RFP by any persons should be considered unverified information unless confirmed in writing.

I. INTRODUCTION

The Vallecitos Water District is seeking proposals from qualified and established vendors or manufacturers to provide the District with Xerox digital multi-function copiers as well as provide supplies, maintenance, and support on these new copiers.

The District maintains thirteen (13) Xerox WorkCentre copiers and seventeen (17) Xerox A4 printers. A full inventory of printers is listed below in Appendix A. The District is willing to lease, or outright purchase new Xerox multi-function digital copiers and printers. The District reserves the right to accept a proposal from one vendor for the acquisition of the multi-function digital copiers and printers, and another to maintain and supply them.

II. CONTENTS OF PROPOSAL

Transmittal Cover Letter Please provide a formal letter of transmittal with your bid that commits your company to its proposal and states that the proposal meets the requirements of each section of this RFP. The transmittal letter must be signed by an officer of your company authorized to bind the company to the proposal. Also include contact information for: (1) the person responsible for answering questions regarding the proposal, (2) the person responsible for contract negotiation, and (3) the signer.

Company Information This section provides each vendor with the opportunity to demonstrate how its history, organization, and/or partnerships differentiate it. Please include the following:

1. A manufacturer's company profile.
2. A qualifications statement describing projects and installations of similar scope and size.
3. The ability to supply, maintain, service and support equipment.
4. The resolution process for service/equipment and technical/ connectivity problems.

Proposal Criteria Please provide a thorough written response to the Proposal Criteria provided in Section III.

Contract Performance If your company has had a contract terminated during the past five (5) years, all such incidents must be described. Submit full details of all terminations experienced by your company during the last five years including the terminating party's name, address, and telephone number. Present your company's position on the matter. If no such terminations for default have been experienced by your company in the past five years, you must warrant such.

Please indicate whether your company is involved in any pending litigation that may affect its ability to provide its products.

References Provide a list of at least three (3) current public agency customers in California for whom you have provided comparable equipment in similar projects/installations. Include the agency's name and the contact's name, title, address, telephone number, and email address.

III. PROPOSAL CRITERIA

The Proposal should cover all costs and compensation based upon: (1) a 60-month lease term; and (2) an outright purchase. Prices proposed by vendors should be submitted on a price schedule. Prices submitted shall be firm for the term of the contract.

The Proposal should also provide a breakdown of costs for professional services, training, maintenance, supplies not covered by the maintenance agreement, any ancillary equipment, delivery and installation, programming, assistance with network configuration, and hard wire installation. The maintenance cost breakdown may include a basic monthly rate with over the usage cost or straight per page printing rate.

The Proposal should include discussion on how vendor will provide on-site training for the proposed equipment and software. Please describe the training program for the proposed system. Training costs, if any, must be included in the pricing section of the proposal.

The Proposal should provide documented qualifications/specifications for each equipment model included.

The proposer shall describe the technical qualifications of their field service staff capabilities and must include responses to the following questions:

- What is your first-time fix percentage?
- Do your technicians carry inventory with them?
- Are your technicians certified?
- Do you leverage third party companies to help with heavy call volumes?

General and Technical Requirements

All multi-function digital copiers shall be new and be from the same manufacturer. No used or refurbished parts will be accepted. The District seeks to implement digital technology via single platform, network-based units capable of performing copying, printing, faxing, and scanning.

The multi-function digital copiers shall meet or exceed the following *minimum* requirements:

General

All units must have:

1. User-friendly, Interactive touch screen interface
2. Real time data push from the device from the print driver enables users to view the status of the device, e.g.: jobs, consumables, print queues, and paper trays from the driver itself.
3. Remote device administrative and trouble shooting ability for IT to remote to your machine for support and training. No additional software required for this functionality.
4. The device is to copy, print, scan and fax simultaneously,
5. Minimum local hard drive storage of 256 gigabytes with PCL and Post-script driver compatibility with Windows 7, Windows 10, 2008 Server, 2012 Server, and 2016 Server.
6. Standard encryption is mandatory. Encryption to include address book, authentication information and stored documents on copier hard drive
7. Integration of fax, email and scan addresses at the device establishing a standard address book format for public devices supporting the new format. Favorite buttons are required.
8. Ability to print in both black and color. The ability to set limitations by user and time of day as well as application.
9. 1 Gigabit Ethernet.

Scanning and Emailing Functionality

10. Integrated Scanner shall not require additional PC workstation, external hard disk drive, processors, or port replicators to facilitate scan and email functionality.
11. Scanner must natively integrate with following network operating system and software technologies:
 - Exchange 2016
 - Office 365
 - SMTP
 - Windows Server 2008/2012/2016 File Shares
 - Laserfiche Enterprise Content Management
12. Scanning resolution of 600 x 600 dpi.
13. Scanning speed of 65 sheets per minute (letter).
14. Ability to scan in black and white, grayscale, and color.
15. Ability to scan to at least these file formats: PDF, TIFF, and JPEG.
16. Ability to scan to both email, cloud services including Google drive and network file shares.

Print/Copy Function

17. Capable of producing double-sided prints/copies.
18. Print speeds of 86 ppm or faster for letter size and 43 ppm for tabloid unless the current copier has lower PPM specifications as listed in Appendix A.
19. Capability of printing on stock ranging from 20 lb. bond paper to 110 lb. index, on sizes letter (8 ½ x 11), legal (8 ½ x 14) and tabloid (11 x 17).
20. An automated stapling system, capable of stapling a minimum of 20 sheets of 20 lb. paper. Stapling to include corner, double and saddle stitch.
21. Full offset stacking and finishing capability.
22. An automated document feeder, with a minimum capacity of 50 sheets of 20 lb. bond paper.
23. Bypass tray for the purpose of printing on specialized stock.
24. Capable of enlarging documents in preset increments to a minimum of 400% and reducing documents to a minimum of 25%.
25. Standard paper capacity of 4,000 – 8,000 sheets using 20 lb. stock.
26. Dual front-loading drawers (1,500 sheets each); dual front-loading cassettes 550 sheets each); and 50-sheet stack bypass.
27. Capable of inserting tabs/or slips sheets.

Other Functions

28. Enable end user to easily replace consumable components including toner, staples, fusers, imaging units and paper.
29. PIN code and/or mailbox secured access for users.
30. Programmable cost center/accounting meters, with a minimum of 50 separate cost centers/meters; vendor to specify the number of digits accommodated per accounting code.
31. Automatic meter reading and service dispatching capabilities.
32. Centralized administration of all copier units preferably via a web-based client. Output management tools (PaperCut MF for Xerox) and associated professional service costs for initial installation of this software shall be included in bidder's response.
33. Capable of saddle stitching. Identify whether or not saddle stitching is an optional feature and delineate all functions of this feature. If optional, identify all costs (i.e. equipment, software, installation, etc.) and technical requirements necessary to the operation of this feature.

Security

34. Standard Disk over write feature that scrubs the disk in accordance with specifications established by the US Department of Defense.
35. Immediate job over write

Miscellaneous

37. The District requires **new** equipment.
38. Proposals should include only one brand/manufacturer.
39. Proposals should include either a per-page cost (for both black and color prints/copies) or a fixed cost assuming a maximum number of pages per month (the District averages 26,000 pages per month).
40. All supplies shall be included in the maintenance costs (drums, toner, developer, maintenance kits, cleaning kits, waste toner bottles and staples).
41. The ability for the machine to move past a job that is held in the queue due to incorrect resources and the ability to use an alternative resource rather than hold the job.
42. Vendor must provide in proposal a certificate or letter from the manufacturer stating that the vendor is an authorized service/supply dealer for the equipment proposed.
42. Vendor should propose a limited number of models to suit the District's various needs.
43. Vendor must provide a technical support hotline 6am – 6pm Monday through Friday with seven day a week support preferred.
44. Vendor will guarantee the availability of “like-for-like” replacement multi-function digital copiers, parts, applicable accessories and equipment for the duration of the contract term.
45. Vendor will respond to service request with a one (1) hour call-back and address any defect in software, equipment or part on-site within four (4) hours of such report. If the reported defect(s) remain unresolved for a period of forty-eight (48) hours or more, the vendor will provide a comparable loaner printer/copier at no charge.
46. A minimum quarterly uptime average of ninety- six percent (96%), which shall be calculated based upon an eight- hour day and exclude normal preventive maintenance time and downtime attributable to customer negligence.

If a copier fails to meet 96% uptime as measured quarterly, vendor will implement a performance improvement plan. If after a thirty (30)-day period of time, this plan fails to raise the performance to the previously stated uptime targets, this equipment will be replaced with equal to or greater than capabilities.
47. Vendor shall be responsible to return the current copier to its lessor at its expense.

Term

The contract award may be based on a full purchase or a 60-month lease.

IV. SCHEDULE FOR SELECTION AND AWARD

The following “tentative” schedule is anticipated with regard to this RFP:

- | | |
|---|-----------------------|
| 1. Release of RFP | May 1, 2019 |
| 2. Deadline for Questions/Clarifications | May 7, 2019 |
| 3. District Response/Clarifications Provided | May 8, 2019 |
| 4. Proposal Due Date | May 24, 2019 |
| 5. Review of Proposals | Starting May 27, 2019 |
| 6. Product Demo (if required) | June 3-5 |
| 7. Potential interviews with short list vendors | June 12-14, 2019 |
| 8. Notice of Selection | June 17, 2019 |
| 9. Approval of Contract Award by Board of Directors | June 19, 2019 |
| 10. Implementation of Negotiated Agreement | July 1, 2019 |

V. EVALUATION PROCESS

A. Evaluation Committee

An Evaluation Committee will be established, composed of representatives from various District Departments, as deemed appropriate. The Committee will evaluate all proposals received in accordance with the requested information pursuant to Sections II and III.

B. Committee Recommendation

The Evaluation Committee, based upon the number of proposals received, may select a short list of best qualified vendors for this service. The Evaluation Committee may interview the representatives on the short list and require a presentation and/or product samples. However, the District reserves the right to make its recommended selection based solely upon the evaluation of the written proposals, reference checks, and/or site visits.

C. Visits, Conferences and Provision of Facilities

The Vallecitos Water District may elect to visit a vendor’s facilities as part of the evaluation process. Vendors should be prepared to provide information on appropriate locations and to arrange for such visits.

D. Proposal Evaluation

The Evaluation Committee will evaluate all proposals received in accordance with the Evaluation Criteria set forth below. The Vallecitos Water District shall not be obligated to accept the lowest priced proposal but will make an award in the best interests of the District after all factors have been evaluated.

Evaluation Criteria	%
Responsiveness: Adherence to the requirements of this RFP.	50
Qualifications and Experience: The ability, capacity, flexibility, financial stability and skill of the vendor to perform the contract.	20
Technical Approach and Quality: The ability of the vendor to meet the specifications and requirements for equipment, installation, maintenance and service.	20
Cost: Cost consideration will be reviewed only if a proposal is determined to be otherwise qualified. All figures entered on the vendor proposal must be clearly legible.	10
TOTAL	100%

E. Selected Vendor

1. The successful vendor will be expected to execute the agreement attached hereto as Appendix B.
2. Selection of a vendor’s proposal does not mean that all aspects of the proposal are acceptable to the Vallecitos Water District. The District retains the right to modify the terms and conditions in the proposal or reject terms and conditions proposed by the selected vendor prior to the execution of an Agreement with the District, which the District, in its sole discretion, deems necessary to ensure a satisfactory procurement. The District may, by written notice stating the extent and effective date, cancel and/or terminate any order resulting from this RFP for cause in whole or in part, at any time.
3. Upon determination of the highest ranked vendor, the District will endeavor to negotiate a mutually agreeable scope of services and fee with the selected vendor. In the event that the District is unable to reach agreement, the District will proceed, at its sole discretion, to negotiate with the next firm selected by the District.
4. The final Agreement will incorporate the RFP, the selected vendor’s proposal and all modifications and clarifications that are submitted at the request of the Vallecitos Water District during the evaluation and negotiation process. The RFP, including all attachments and addenda,

and all promises, warranties, commitments and representations in the successful Proposal of the selected vendor shall be binding.

5. The selection of the successful vendor will be presented for approval to the Vallecitos Water District Board of Directors at a regular Board of Directors meeting.

VI. Special Conditions

A. Reservations

This RFP does not commit the Vallecitos Water District to award a contract, to defray any costs incurred in the preparation of a proposal pursuant to this RFP, or to procure or contract for work. No payment of any kind will be provided to the vendors responding to this RFP, or parties they represent, for obtaining any of the information solicited.

B. Public Records

All proposals submitted in response to this RFP become the property of the Vallecitos Water District. Information in the proposal may be subject to public review at the conclusion of the selection process. Any information contained in the proposal that is proprietary must be clearly designated. Marking the entire proposal as proprietary will be neither accepted nor honored. Proprietary information submitted in response to this RFP will be handled in accordance with the California Public Records Act.

C. Right to Cancel and Amend

The Vallecitos Water District reserves the right to cancel, for any or no reason, in part or in its entirety, this RFP, including but not limited to: selection schedule, submittal date, and submittal requirements. If the Vallecitos Water District cancels or revises the RFP, all vendors will be notified in writing.

D. Additional Information

The Vallecitos Water District reserves the right to request additional information and/or clarification from any or all vendors.

E. Conflict of Interest

Vendor covenants that the company, its officers, employees and/or agents presently have no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services requested herein by the Vallecitos Water District.

Vendor further covenants that, in the performance of any contract or agreement resulting from this RFP, no subcontractor or person having such an interest shall be employed. Vendor certifies that to the best of vendor's knowledge, no one who has or will have any financial interest under any contract or agreement resulting from this RFP is an officer or employee of the Vallecitos Water District.

F. Release of Public Information

Vendors who respond to this RFP who wish to release information to the public regarding selection, contract award or data provided by the Vallecitos Water District must receive prior written approval from the District before disclosing such information to the public.

G. Non-Assignment

If a contract is awarded, the selected vendor shall neither assign, nor delegate, in part or in whole, any duties without the prior written consent of the Vallecitos Water District which shall not be unreasonably withheld.

H. Collusion

Each vendor certifies that the company, its officers, employees and/or agents are not a party to any collusive action, fraud, or any action that may be in violation of the Sherman Antitrust Act. The vendor certifies that the company, its officers, employees and/or agents have not offered or received any kickbacks or inducements from any other bidding vendor, supplier, manufacturer, or subcontractor in connection with the proposal and that the company, its officers, employees and/or agents have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value. Any or all bids shall be rejected if there is any reason to believe collusion exists among the bidding vendors. More than one bid from an individual, firm, partnership, corporation, or association under the same or different names may be rejected. Reasonable grounds for believing that a bidding vendor has interest in more than one proposal for the work being proposed may result in rejection of all bids in which the bidding vendor is believed to have interest.

I. Debarment

By submitting a proposal, the vendor certifies that the company is not currently debarred from submitting proposals and/or bids for contracts issued by any City or political subdivision or agency of the State of California, and that it is not an agent of a person or entity that is currently debarred from submitting proposals

and/or bids for contracts issued by any City or political subdivision or agency of the State of California.

J. Equal Employment Opportunity Compliance

The selected vendor shall not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The vendor shall take affirmative action to ensure that all employees and applicants for employment shall be treated with equality in all aspects of employment processes - including, but not limited to, hiring, transfer, promotion, training, compensation and termination, regardless of their race, creed, color, sex, national origin, age, or physical handicap.

K. Right to Audit

The selected vendor shall maintain such financial records and other records as may be prescribed by the District or by applicable federal and state laws, rules, and regulations. The selected vendor shall retain these records for a period of four years after final payment, or until they are audited by the District, whichever event occurs first. These records shall be made available during the term of the contract or service agreement and the subsequent four-year period for examination, transcription, and audit by the District or its designees.

Appendix A District Copiers

Appendix A						
A3 Devices Item	Product Description	Accessories	Meter	Avg. Monthly Volume	Maintenance Plan Features	Location / User
1	- Xerox WC 5325 S/N AE7166105	- Integratd Off Finshr	Total	151	- Consumable Supplies Included for all prints	Construction Department
		- Postscript 3 Kit			- Pricing Fixed for Term	
2	- Xerox 7845 CONTRACT/EXCEPTION S/N MX4353775	- Br Booklet Mk-2/3 Hp	BW	701	- Consumable Supplies Included for all prints	O&M Main Printer
		- 1 Line Fax	CLR	1011	- Pricing Fixed for Term	
		- Wireless Print Kit				
3	- Xerox 5845APT S/N EX7423649	- 3 Hole Punch Kit	Total	476	- Consumable Supplies Included for all prints	Safety Department
		- Office Finisher			- Pricing Fixed for Term	
		- Wireless Print Kit				
4	- Xerox 5845APT S/N EX7421365	- 3 Hole Punch Kit	Total	2752	- Consumable Supplies Included for all prints	Customer Service Department
		- Office Finisher			- Pricing Fixed for Term	
		- Wireless Print Kit				
5	- Xerox 5845APT S/N EX7421528	- 3 Hole Punch Kit	Total	737	- Consumable Supplies Included for all prints	Meters Department
		- Office Finisher			- Pricing Fixed for Term	
		- Wireless Print Kit				
6	- Xerox 7845 CONTRACT/EXCEPTION S/N MX4353128	- Br Booklet Mk-2/3 Hp	BW	1859	- Consumable Supplies Included for all prints	Engineering Department
		- 1 Line Fax	CLR	3254	- Pricing Fixed for Term	
		- Wireless Print Kit				
7	- Xerox 7845 CONTRACT/EXCEPTION S/N MX4353741	- Br Booklet Mk-2/3 Hp	BW	1162	- Consumable Supplies Included for all	Upstairs Admin

					prints	
		- 1 Line Fax	CLR	2443	- Pricing Fixed for Term	
		- Wireless Print Kit				
8	- Xerox WC 5335P S/N AE7165639	- Integratd Off Finshr	Total	525	- Consumable Supplies Included for all prints	Collections Department
		- Postscript 3 Kit			- Pricing Fixed for Term	
9	- Xerox 5845APT S/N EX7423633	- 3 Hole Punch Kit	Total	434	- Consumable Supplies Included for all prints	Water Ops Department
		- Office Finisher			- Pricing Fixed for Term	
		- Wireless Print Kit				
10	- Xerox 5845APT S/N EX7421529 (will need to upgrade to color printer)	- 3 Hole Punch Kit	Total	1110	- Consumable Supplies Included for all prints	Inspection Department
		- Office Finisher			- Pricing Fixed for Term	
		- Wireless Print Kit				
11	- Xerox 5875APT S/N EX9295562	- 3 Hole Punch Kit	Total	595	- Consumable Supplies Included for all prints	Customer Service File Room
		- 1 Line Fax			- Pricing Fixed for Term	
		- Office Finisher W/bm				
		- Xrx Intl Print Kit				
12	- Xerox 7855PT S/N MX4353148	- Br Booklet Mk-2/3 Hp	BW	1169	- Consumable Supplies Included for all prints	Mail Room Printer
		- 1 Line Fax	CLR	1715	- Pricing Fixed for Term	
		- Wireless Print Kit				
13	- Xerox 7855PT S/N MX4353787	- Br Booklet Mk-2/3 Hp	BW	308	- Consumable Supplies Included for all prints	Meadowlark Printer
		- 1 Line Fax	CLR	296	- Pricing Fixed for Term	
		- Wireless Print Kit				
			A3 Monthly Avg.	20,698		

A4 Devices Item	Product Description	Meter	Avg. Monthly Volume	Maintenance Plan Features	Location / User	
1	- Xerox PH6600 S/N XL1400906	BW	110	- Consumable Supplies Included for all prints	Meadowlark SCADA Printer	
		CLR	46	- Pricing Fixed for Term		
2	- Xerox PH6600DN S/N XL1400909	BW	39	- Consumable Supplies Included for all prints	Collections SCADA Printer	
		CLR	25	- Pricing Fixed for Term		
3	- Xerox PH6600 S/N XL1400910	BW	6	- Consumable Supplies Included for all prints	Water Ops SCADA Printer	
		CLR	2	- Pricing Fixed for Term		
4	- Xerox PH3610 S/N A4T035726 (will need to upgrade to Xerox® VersaLink® B405 Multifunction Printer)	Total	320	- Consumable Supplies Included for all prints	Sr. Accountant Printer	
				- Pricing Fixed for Term		
5	- Xerox WC 3615 S/N A2T196660	Total	225	- Consumable Supplies Included for all prints	HR Analyst Printer	
				- Pricing Fixed for Term		
6	- Xerox WC6605 S/N XL3612197	BW	118	- Consumable Supplies Included for all prints	GM Printer	
		Color	132	- Pricing Fixed for Term		
7	- Xerox WC 3615 S/N A2T196717	Total	62	- Consumable Supplies Included for all prints	Mechanics Shop Printer	
				- Pricing Fixed for Term		
8	- Xerox PH3610 S/N A4T035557	Total	280	- Consumable Supplies	HR Manager Printer	

				Included for all prints	
				- Pricing Fixed for Term	
9	- Xerox WC 3615 S/N A2T196714	Total	5	- Consumable Supplies Included for all prints	Front Lobby Desk Printer
				- Pricing Fixed for Term	
10	- Xerox WC6605DN S/N XL3612184	BW	116	- Consumable Supplies Included for all prints	Warehouse Printer
		CLR	345	- Pricing Fixed for Term	
11	- Xerox PH3610 S/N A4T035554 (will need to upgrade to Xerox® VersaLink® B405 Multifunction Printer)	Total	106	- Consumable Supplies Included for all prints	Accounting Supervisor Printer
				- Pricing Fixed for Term	
12	- Xerox PH3610 S/N A4T037623 (will need to upgrade to Xerox® VersaLink® B405 Multifunction Printer)	Total	618	- Consumable Supplies Included for all prints	Accounting Tech Printer
				- Pricing Fixed for Term	
13	- Xerox PH3610 S/N A4T037625	Total	81	- Consumable Supplies Included for all prints	CS Supervisor Printer
				- Pricing Fixed for Term	
14	- Xerox WC 3615 S/N A2T196981	Total	356	- Consumable Supplies Included for all prints	Engineering Front Counter Printer
				- Pricing Fixed for Term	
15	- Xerox WC 3615 S/N A2T196718	Total	762	- Consumable Supplies Included for all prints	Electrical Department Printer
				- Pricing Fixed for Term	

16	- Xerox PH3610 S/N A4T035552	Total	761	- Consumable Supplies Included for all prints	Finance Tech Printer	
				- Pricing Fixed for Term		
17	- Xerox PH3610 S/N A4T035727	Total	283	- Consumable Supplies Included for all prints	Finance Manager Printer	
				- Pricing Fixed for Term		
18	- Xerox PH3610DN S/N A4T566003	Total	88	- Consumable Supplies Included for all prints	Financial Analyst Printer	
				- Pricing Fixed for Term		
19	Needs Xerox® VersaLink® B405 Multifunction Printer	Total	450	- Consumable Supplies Included for all prints	Purchasing Supervisor	
				- Pricing Fixed for Term		
20	HP LaserJet 2300L – needs to be able to print envelopes without creasing	Total	400	- Consumable Supplies Included for all prints	Executive Secretary	
				- Pricing Fixed for Term		
21	HP LaserJet P1102 – needs to be able to print envelopes without creasing	Total	200	- Consumable Supplies Included for all prints	Administrative Secretary	
				- Pricing Fixed for Term		
		A4 Monthly Avg.	5,936			

**Appendix B
Agreement**

**VALLECITOS WATER DISTRICT
PURCHASE AGREEMENT**

This Purchase Agreement (“Agreement”) is made and entered into this [INSERT DAY**] day of [**INSERT MONTH**], 20__ by and between Vallecitos Water District, a public agency (“District”) and [**INSERT VENDOR NAME**] (“Seller”). District and Seller may be collectively referred to as the “Parties” and individually as a “Party.”**

RECITALS

A. District is a public agency of the State of California and is in need of certain equipment and personal property as more particularly described herein.

B. Seller is authorized to sell to District the materials and/or equipment as more particularly described herein.

C. The Parties desire to enter this Agreement for the purpose of setting forth the terms and conditions upon which the equipment and personal property shall be sold to District.

NOW, THEREFORE, the Parties hereto hereby agree as follows:

ARTICLE 1

Purchase and Sale of Goods

1.1 Goods. Seller agrees to sell to District and District agrees to purchase the materials and/or equipment per the specifications attached hereto and incorporated herein as Exhibit “A” (“Goods”). Unless specifically stated otherwise, the Goods shall be new and unused and of the current production year.

1.2 Delivery. Time is of the essence of this Agreement. Seller shall deliver the Goods at District's **[**INSERT FACILITY NAME**]** located at **[**INSERT ADDRESS**]**, at such time or times as set forth on the schedule attached hereto as Exhibit "A" and by this reference incorporated herein.

1.3 Acceptance. The Goods shall be received subject to District's inspection and right of rejection. The Goods shall not be considered accepted until inspection, testing and/or use of the Goods is found to be in accordance with District specifications. Final inspection of the Goods shall be at the location specified herein, unless otherwise agreed in writing. If the Goods are found at any time to be defective in material or workmanship, or otherwise not in conformance with specifications, District shall have the right, in addition to any other rights which it may have under warranties or otherwise, to reject such Goods in whole or in part. Rejected Goods shall be held at Seller's risk for a reasonable time thereafter and shall be returned or disposed of at Seller's expense. No rejected Goods shall be replaced by Seller without written instruction or authorization from District.

1.4 Term. This Agreement shall expire upon District's acceptance of the Goods as set forth in Section 1.3.

1.5 Changes. District shall have the right to make changes as to testing, destinations, specifications, designs, and delivery schedules. In the event of such a change, District will issue a Change Order to Seller. Seller shall immediately notify District of any increases or decreases in cost or delivery time caused by such changes. No adjustment in prices, schedule, or other terms shall be effective unless and until a Change Order to this Agreement is executed by the Parties.

1.6 Incorporation. The following documents are incorporated into and made part of this Agreement by this reference:

- Request for Proposals
- Seller's Proposal
- Purchase Agreement and all exhibits thereto
- Change Orders, if any
- Addenda, if any

These documents shall be referred to collectively as the "Contract Documents." The Contract Documents are intended to be complementary, and a requirement in one document is as effective as if it appeared in all of the Contract Documents. In the event of a conflict between any of the Contract Documents, the documents shall be given effect in the following order: Change Orders (most recent first), Addenda (most recent first), Purchase Agreement, Request for Proposals, Seller's Proposal.

ARTICLE 2

Shipment and Delivery

2.1 All Goods shall be packed, marked and shipped in suitable containers and in accordance with all regulatory requirements, the requirements of the carrier. In addition to the foregoing, the Goods shall be packed in accordance with good commercial practice to insure against damage from weather and/or transportation. On the date of shipment, Seller shall mail to District all shipping lists and the original of any bill of lading regarding the Goods placed in the

possession of any consignee. Any Goods not shipped by Seller or received by District in accordance with those terms may be rejected by District without liability. District assumes no obligation for Goods shipped in excess of the quantities specified in this Agreement. District may, from time to time, change shipping schedules or direct that Seller temporarily suspend any shipments.

2.2 No charge shall be made for packing, crating, drayage or other similar costs.

2.3 All sales are F.O.B. to the location specified in Section 1.2 of this Agreement. Seller shall be fully responsible for the Goods and bear all risk of loss or damage until such Goods are delivered. Seller shall bear all risk of loss or damage to the Goods after written notice from District of its rejection or the cancellation of the Agreement.

ARTICLE 3

Compensation

3.1 Purchase Price. District shall compensate Seller for the purchase of the Goods pursuant to this Agreement [***INSERT in the sum of _____ Dollars (\$) *** OR INSERT in the amount set forth on the schedule attached hereto as Exhibit "B" and by this reference incorporated herein***] ("Purchase Price").

3.2 Payment. The Purchase Price shall be paid by District at such times set forth in Exhibit "B". District may withhold payment or a portion thereof because of defective Goods not remedied or unsatisfactory performance by the Seller. District will release any withheld funds upon Seller satisfactorily remedying the issue that resulted in the withholding. District will not pay late fees to the Seller on the compensation due Seller under the terms of this Agreement.

3.3 Federal, State and Local Taxes. All prices stated herein include, unless otherwise specified, all Federal, State or local taxes that may be levied or assessed as a result of this Agreement, or are otherwise applicable to this Agreement.

3.4 Renewal Option. Within one (1) year following delivery, if a price is mutually agreed upon District may purchase additional Goods pursuant to this Agreement.

ARTICLE 4

Warranty

4.1 Warranty. In addition to all warranties which may be provided by law, Seller warrants that the Goods delivered hereunder shall, (a) be free from defect of material or workmanship and conform strictly to the specifications, drawings, or sample specified or furnished; (b) conform to drawings, plans, specifications, samples or other descriptions furnished, specified, accepted or approved by District; and (c) be merchantable and fit for the purposes intended. The warranty shall be for a period of one (1) year, or such longer period as provided by a manufacturer's warranty or as agreed to by Seller and District, from the date of final written acceptance of the Goods by District. This warranty shall survive any inspection, delivery, acceptance, or payment by District of the Goods. Seller, at its own expense, shall repair or replace, at the option of District, any defective Goods within two (2) business days after receipt of notice from District or within four (4) hours in case of emergency, as determined by

District. Seller also warrants that the Goods are free and clear of all liens and encumbrances whatsoever, that Seller is conveying good and marketable title to same, and that Seller owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Goods. Seller agrees to indemnify, defend and hold District harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

ARTICLE 5

Accounting, Inspection and Audit

5.1 Records. Seller shall keep and shall preserve for four (4) years after acceptance of the Goods, accurate and detailed records of all ledgers, books of account, invoices, vouchers, cancelled checks, and other documents or records evidencing or relating to the scope of this Agreement and disbursements charged to District under this Agreement (collectively, "Books and Records"). Any and all Books and Records must be maintained in accordance with generally accepted accounting principles and must be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Seller under this Agreement. During such four (4) year period, Seller shall give District and its agents, during normal business hours, access to such Books and Records. District and its agents shall have the right to make copies of any of the said Books and Records.

5.2 Custody. Where District has reason to believe that any of the Books and Records required to be maintained by this Article may be lost or discarded due to dissolution or termination of Seller's business, District may, by written request, require that custody of such Books and Records be given to a person or entity mutually agreed upon and such Books and Records thereafter shall be maintained by such person or entity at Seller's expense. Access to the Books and Records shall be granted to District and its Representatives.

ARTICLE 6

Termination

6.1 Termination. District may terminate the Agreement, in whole or in part, with or without cause, upon ten (10) days written notice to Seller. Upon receipt of the termination notice, Seller shall promptly stop work unless the notice directs to the contrary. In the event District renders such written notice to Seller, Seller shall be entitled to compensation for all services properly rendered prior to the effective date of the notice and all further services set forth in the notice. District shall be entitled to reimbursement for any compensation paid in excess of services rendered and shall be entitled to withhold compensation for defective work or other damages caused by Seller. Seller acknowledges District's right to terminate this Agreement as provided in this Article, and hereby waives any and all claims for damages that might arise from District's termination of this Agreement. Seller shall deliver to District and transfer title (if necessary) to all completed work, and work in progress including drafts, documents, plans, forms, maps, products, graphics, computer programs and reports. District shall not be liable for any costs other than the charges or portions thereof which are specified herein. Seller shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

ARTICLE 7

Project Management

7.1 Representative of Seller. **[**INSERT SELLER'S REPRESENTATIVE**]** ("Seller's Representative") is hereby designated as the principal and representative of Seller authorized to act on its behalf with respect to the work and services specified herein and to make all decisions in connection herewith. Seller shall not substitute Seller's Representative without first notifying District in writing of Seller's intent. District shall have the right to review the qualifications of said substitute. If District determines said substitute Seller's Representative is unacceptable, Seller shall submit alternate candidates until District determines that substitute Seller's Representative is acceptable.

7.2 Representative of District. **[**INSERT DISTRICT REPRESENTATIVE**]** is hereby designated as the representative of District and except as otherwise provided herein authorized to act on its behalf with respect to the work and services specified herein and make all decisions in connection therewith.

ARTICLE 8

Insurance

8.1 Insurance. Seller agrees to procure and maintain, at Seller's expense all insurance specified in Exhibit "C" attached hereto and by this reference incorporated herein. Seller shall require all subconsultants to carry the same policies and limits of insurance that the Seller is required to maintain pursuant to this Article, unless otherwise approved in writing by District, and shall furnish separate certificates and endorsements for each subcontractor.

8.2 Failure to Procure and Maintain Insurance. If Seller fails or refuses to procure or to maintain the insurance as required by this Agreement or fails or refuses to furnish District with required proof that the insurance has been procured and is in force and paid for, District shall have the right, at District's election and upon ten (10) days' notice to Seller, to terminate this Agreement or procure and maintain such insurance. The premiums paid by District shall be treated as an amount due from Seller with interest at the rate of ten percent (10%), to be paid on the first (1st) day of the month following the date on which the premiums were paid. District shall have the right to offset any amounts District pays hereunder with amounts due Seller for services rendered pursuant to this Agreement. District shall give prompt notice of the payment of such premiums, stating the amounts paid and the names of the insurer or insurers, and interest shall run from the date of the notice.

ARTICLE 9

Indemnification

9.1 Seller's Duty to Indemnify. To the fullest extent permitted by law, Seller shall indemnify and hold District, its Board, members of the Board, employees, and authorized volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Seller, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Seller's

services, or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses.

In addition, Seller shall defend, with counsel of District's choosing and at Seller's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by this section that may be brought or instituted against District or its Board, members of the Board, employees, and authorized volunteers. Seller shall pay and satisfy any judgment, award or decree that may be rendered against District or its Board, members of the Board, employees, and authorized volunteers as part of any such claim, suit, action or other proceeding. Seller shall also reimburse District for the cost of any settlement paid by District or its Board, members of the Board, employees, or authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for District's attorneys' fees and costs, including expert witness fees. Seller shall reimburse District and its Board, members of the Board, employees, and/or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Seller's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by District, its Board, members of the Board, employees, or authorized volunteers.

ARTICLE 10

General Provisions

10.1 Notices. All notices permitted or required under this Contract shall be given at the following address, or at such other address as the parties may provide in writing for this purpose:

VALLECITOS Water District:

201 Vallecitos de Oro
San Marcos, CA 92069
Attn: [**INSERT NAME**]

SELLER:

[**INSERT ADDRESS
INSERT ADDRESS**]
Attn: [**INSERT NAME**]

The parties may designate, in writing, other individuals to whom notice is to be given. Notices shall be deemed to be received upon personal delivery to the addresses above; if sent by overnight delivery, upon delivery as shown by delivery service records; if sent by facsimile, upon receipt as confirmed by the sending facsimile equipment; if by United States Postal Service, five days after deposit in the mail.

10.2 Notification. In the event of a problem or potential problem that could impact the quality or quantity of work, services or the level of performance under this Agreement, the Seller shall, within one (1) business day of actual knowledge of the problem or potential problem, notify District in writing and by telephone.

10.3 Equal Employment Opportunity. Seller shall not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. Seller shall take affirmative action to ensure that all employees and applicants for employment shall be treated with equality in all aspects of employment processes, including, but not limited to, hiring, transfer, promotion, training, compensation and termination, regardless of their race, creed, color, sex, national origin, age, or physical handicap.

10.4 Piggyback Clause. For the term of this Agreement and any mutually agreed upon extensions, at the Seller's option, other public agencies may purchase the identical item(s) at the same price and upon the same terms and conditions set forth herein.

10.5 Separate Contracts. Seller understands that this is not an exclusive Agreement and that District shall have the right to negotiate with and enter into separate contracts with others providing the same or similar services as those provided by Seller as District desires.

10.6 Compliance with Applicable Laws. Seller shall, in the performance of this Agreement, comply with all federal, state and local laws and regulations and orders issued under any applicable law.

10.7 Disputes. If any dispute should arise between the Parties concerning the performance of this Agreement, the payments to be made, or the manner of accomplishment of the work, Seller shall nevertheless proceed to perform the work as directed by District pending settlement of the dispute.

10.8 Setoffs and Counterclaims. All claims for moneys due or to become due to Seller shall be subject to deduction by District for any setoff or counterclaim arising out of this or any other of District's agreements with Seller.

10.9 No Waiver. The fact that District has made payment under this Agreement shall not be interpreted so as to imply District has inspected, approved or accepted the work which has been performed by Seller. No delay or omission in the exercise of any right or remedy by the non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. A Party's consent to or approval of any act by the other Party requiring the Party's consent or approval shall not be deemed to waive or render unnecessary the other Party's consent to or approval of any subsequent act. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the Agreement.

10.10 Assignment and Subcontractors. Seller shall not assign or subcontract any portion of the work to be performed under this Agreement or any of the rights or obligations under this Agreement, without the prior written consent of District, which consent may be withheld in District's sole and absolute discretion. Any attempted assignment in violation of the provisions of this paragraph shall be void. Subject to the foregoing, this Agreement shall be binding upon the heirs, administrators, successors and assigns of District and Seller.

10.11 Independent Contractor. Seller shall act as an independent contractor in the performance of this Agreement and in no respect shall Seller be considered an agent or employee of District. No provisions of this Agreement shall be intended to create a partnership or joint venture between Seller and District and neither Party shall have the power to bind or obligate the other Party, except as expressly set forth in this Agreement.

10.12 Non-Liability of District Officials and Employees. No official or employee of District shall be personally liable to the Seller in the event of any default or breach by District or for any amount which may become due to the Seller or for any breach of the terms of this Agreement.

10.13 Conflict of Interest. The Seller warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

10.14 Confidential Information. All information gained or Work Product produced by Seller in the performance of this Agreement will be considered confidential, unless such information is in the public domain. Seller shall not release or disclose any such information or Work Product to persons or entities other than District without the prior written consent of the General Manager of District, except as otherwise required by law. Seller shall promptly notify District should Seller, or its Representatives be served summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, requests for admissions or other discovery request or court order from any third party regarding this Agreement and the services performed under this Agreement.

10.15 Amendment. This Agreement may not be amended except by a subsequent writing which is signed by the Parties.

10.16 Cooperation. Seller shall cooperate in the performance of work with District and all other agents.

10.17 Incorporation of Recitals. The Recitals and section titles set forth herein are incorporated herein and are an operative part of this Agreement.

10.18 Governing Law, Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Parties agree that any action or proceeding to enforce or relating to this Agreement shall be brought exclusively in the federal or state courts located in San Diego County, California, and the Parties hereto consent to the exercise of personal jurisdiction over them by any such courts for purposes of any such action or proceeding

10.19 Attorneys' Fees and Costs. If any action in law or equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, each Party shall pay its own attorneys' fees.

10.20 Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, then the Parties agree that such invalidity or unenforceability shall have no effect whatsoever on the balance of this Agreement.

10.21 Counterparts. This Agreement may be signed and delivered in any number of counterparts, each of which, when signed and delivered, shall be an original, but all of which shall together constitute one and the same Agreement.

10.22 Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the subject matter of this Agreement and any agreement or representation with respect to the same or the obligations of either Party with respect to the same which is not expressly provided in this Agreement or in a written document which is signed by the Party to be charged, shall be null and void.

10.23 Time is of the Essence. Time shall be of the essence as to all dates and times of performance contained in this Agreement. If deliveries are not made at the time agreed upon, District reserves the right to cancel or to purchase elsewhere and hold Seller accountable therefor. Seller shall be liable to District for any loss or damage caused by Seller's failure to

make timely delivery and/or installation of the Goods, including, without limitation, consequential and incidental damages and costs of obtaining replacement Goods.

10.24 Authority to Execute. Each Party represents and warrants to the other Party that all necessary action has been taken by such Party to authorize the undersigned to execute this Agreement and to bind it to the performance of its obligations hereunder.

10.25 Binding on Successors. All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the Parties hereto, shall be binding upon and inure to the benefit of such Party, its successors and assigns.

10.26 Survival. All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

10.27 Third Party Rights. Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than District and the Seller.

PURCHASE AGREEMENT

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have hereunto set their hands on the first day date above written.

VALLECITOS WATER DISTRICT

[INSERT SELLER NAME]

By: _____

By: _____

(Authorized Representative of Vendor)

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

PURCHASE AGREEMENT

EXHIBIT LIST

EXHIBIT “A” – GOODS SPECIFICATION & DELIVERY SCHEDULE

EXHIBIT “B” – COMPENSATION

EXHIBIT “C” – INSURANCE REQUIREMENTS

EXHIBIT "A"
TO
PURCHASE AGREEMENT

GOODS SPECIFICATION & DELIVERY SCHEDULE

EXHIBIT "B"
TO
PURCHASE AGREEMENT
COMPENSATION

EXHIBIT "C"
TO
PURCHASE AGREEMENT

INSURANCE REQUIREMENTS

1. Time for Compliance. Contractor shall not commence Work under this Agreement until it has provided evidence satisfactory to District that it has secured all insurance required under this Section. Contractor shall require and verify that all subcontractors maintain insurance meeting all of the requirements stated herein.

2. Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement and shall verify subcontractors' compliance. Contractor's and subcontractors' insurance shall meet at least the following minimum levels of coverage:
 - (A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto) or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance, with statutory limits. The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability or (2) cross liability for claims or suits by one insured against another.

 - (B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$1 Million per occurrence, \$2 Million aggregate for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1 million per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation: statutory limits. Employer's Liability limits of \$1 million per accident for bodily injury or disease. Defense costs shall be paid in addition to the limits. Notwithstanding the minimum limits set forth above, any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds.

(C) Notices; Cancellation or Reduction of Coverage. At least fifteen (15) days prior to the expiration of any such policy, evidence showing that such insurance coverage has been renewed or extended shall be filed with District. If such coverage is cancelled or materially reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with District evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Contractor or District may withhold amounts sufficient to pay the premium from Contractor payments. In the alternative, District may suspend or terminate this Agreement.

3. Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms approved by District, to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall include or be endorsed (amended) to state that: (1) using ISO CG forms 20 10 and 20 37 (including completed operations), or endorsements providing the exact same coverage, District, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the Work or ongoing and completed operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) using ISO form 20 01, or endorsements providing the exact same coverage, the insurance coverage shall be primary insurance as respects District, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any excess insurance shall contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of District, before District's own primary insurance or self-insurance shall be called upon to protect it as a named insured. Any insurance or self-insurance maintained by District, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall include or be endorsed (amended) to state that: (1) District, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects District, its directors, officials, officers, employees, agents, and volunteers and any other Additional Insured named in the Special Provisions, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by District, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way. Notwithstanding the minimum limits set forth above, any

available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds.

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree, using form WC 00 03 13 or the exact equivalent to waive all rights of subrogation against District, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to include the following provisions:

(i) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days (10 days for nonpayment of premium) prior written notice by certified mail, return receipt requested, has been given to District and all additional insureds,

(ii) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to District and any other additional insureds,

(iii) standard separation of insureds provisions,

(iv) no special limitations on the scope of protection afforded to District, and all additional insureds,

(v) waiver of any right of subrogation of the insurer against District, its officials, officers, employees, agents, and volunteers, or any other additional insureds, or shall specifically allow Contractor or others required to provide insurance in compliance with these specifications to waive their right of recovery prior to a loss. By signing this agreement, Contractor hereby waives its own right of recovery against District or any other additional insureds, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

4. Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by District. Contractor shall guarantee that, at the option of District, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects District, its directors, officials, officers, employees, agents, and volunteers and any other Additional Insured named in the Special Provisions; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

5. Claims Made Policies. Claims made policies are not acceptable.

6. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VII, licensed to do business in California, and satisfactory to District.

7. Verification of Coverage. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to District. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by District before work commences. District reserves the right to require complete, certified copies of all required insurance policies, at any time.
8. Reservation of Rights. District reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

END OF INSURANCE REQUIREMENTS

DATE: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: CHANGE ORDER REQUEST FOR SCHOOLHOUSE TANK REFURBISHMENT

BACKGROUND:

The existing interior lining of the 2.4 MG Schoolhouse Tank, which serves the 1115-Pressure Zone in San Elijo Hills, has deteriorated and requires refurbishment. This project will make structural repairs, replace the existing interior lining, upgrade the anti-corrosion system, and upgrade safety equipment.

On April 17, 2019 the Board awarded a construction contract to West Coast Industrial Linings in the amount of \$535,000.

Schoolhouse Tank was drained, and work began on May 20th. The 1115-Pressure Zone is currently being served by flowing water from Double Peak Tank (at the 1530-Pressure Zone) through a bypass pressure reducing valve at the Schoolhouse Pump Station as well as a pressure reducing valve in Wild Canyon Drive (located at the border of the 1320-Pressure Zone).

DISCUSSION:

During installation of the new lateral bracing on the ceiling of the tank it was discovered that the rafters were very thin, resulting in holes in the structural members. The District initiated a change order to perform inspection blasting to better expose the deficiencies and evaluate the need for repairs. Blast inspection was completed on June 5th and the District's consultant, Harper & Associates Engineering (HAE) performed an evaluation of the 84 rafters located in the outer and inner bays of the tank. The evaluation determined the following:

- 19 rafters exhibit severe thinning of the steel with holes in multiple locations and need to be replaced.
- 33 rafters exhibit severe thinning of the steel with holes present and require a plate on both sides.
- 21 rafters exhibit severe thinning of the steel with no holes present and require a plate on one side only. If holes appear during the welding process, an additional plate will be required.
- 46 rafters are at risk of falling onto the girder due to severely corroded connections. The gusset plates that form the connection need to be replaced.
- 8 rafters exhibit large holes above the gusset plate and require a plate on both sides.
- 2 rafters are severely deteriorated on the end and replacement of only the end section is required.

This level of deterioration was not known during the design of the project and could not be known without inspection blasting being performed. Repairs are necessary to strengthen the rafters and prevent further corrosion.

The proposed cost for structural repairs, excluding blast inspection already performed, is 30% over the total construction contract. District Ordinance No. 146 Section 4.1.1 requires Board approval for change orders exceeding 10% of the Contract Value. However, staff requested the contractor begin repairs to the structural members under a contract change order for the following reasons:

- To prevent significant cost to make structural repairs at a later date.
- To prevent construction delay costs.
- To reduce delays to the construction schedule which affects the reliability of water supply to the 1115-Pressure Zone. Repairs will delay the project 65 calendar days.

FISCAL IMPACT:

The total estimated cost and budget summary are as follows:

Budget	\$782,000
Construction	\$535,000
10% Change Order Estimate (Ord. No. 146)	\$ 53,500
Design/Inspection Consultant	\$ 62,570
Staff (Design & Construction)	\$ 41,044
Staff Overhead	\$ 89,886
<u>Total</u>	<u>\$782,000</u>
Change Order 1 and 3 (Blast Inspection)	\$ 20,941.50
Change Order 2 (Structural Repairs)	\$160,005.25
Budget Shortfall	(\$180,946.75)

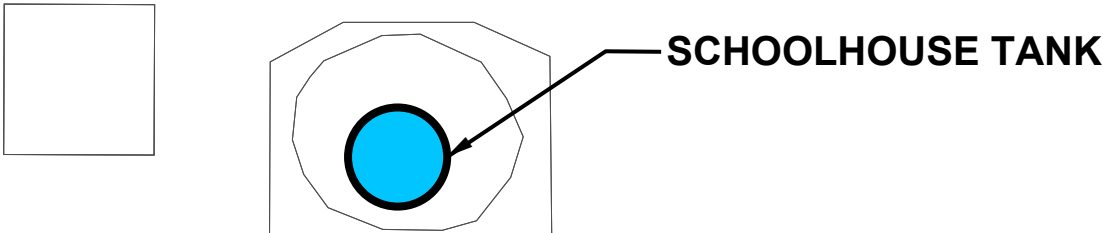
A budget adjustment is not requested at this time and will be evaluated after the project is complete. Any budget adjustment will be brought back to the Board for consideration. If a budget adjustment is necessary, additional funds will be paid for out of the water replacement reserves.

Change orders 1-3 amount to 34% of the construction contract and as work continues, any additional change order costs will require Board approval per District Ordinance No. 146 Section 4.1.1.

RECOMMENDATION:

Approve construction change order to West Coast Industrial Linings in the amount of \$180,946.75, subject to provisions of the contract.

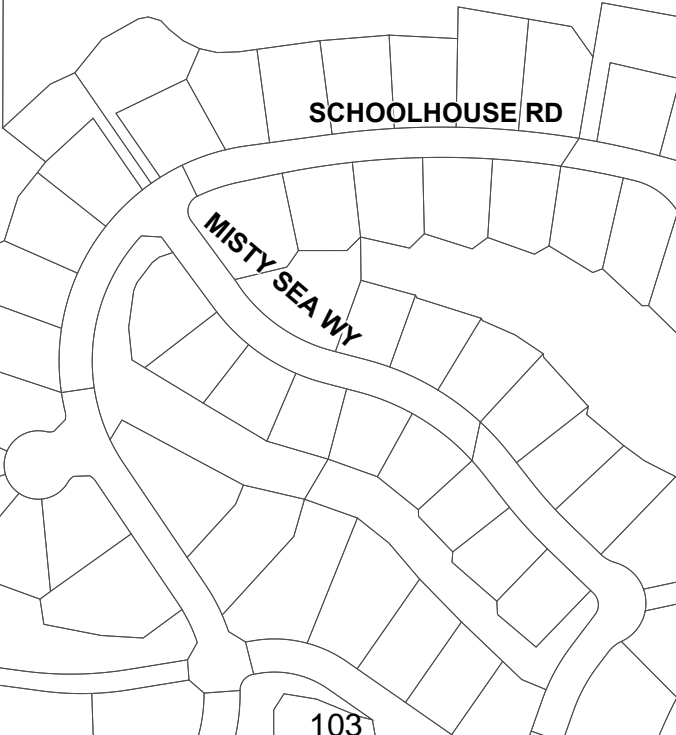
CHANGE ORDER REQUEST FOR SCHOOLHOUSE TANK REFURBISHMENT



**BLAST INSPECTION -
INTACT RAFTER**



**BLAST INSPECTION -
CORRODED RAFTER**



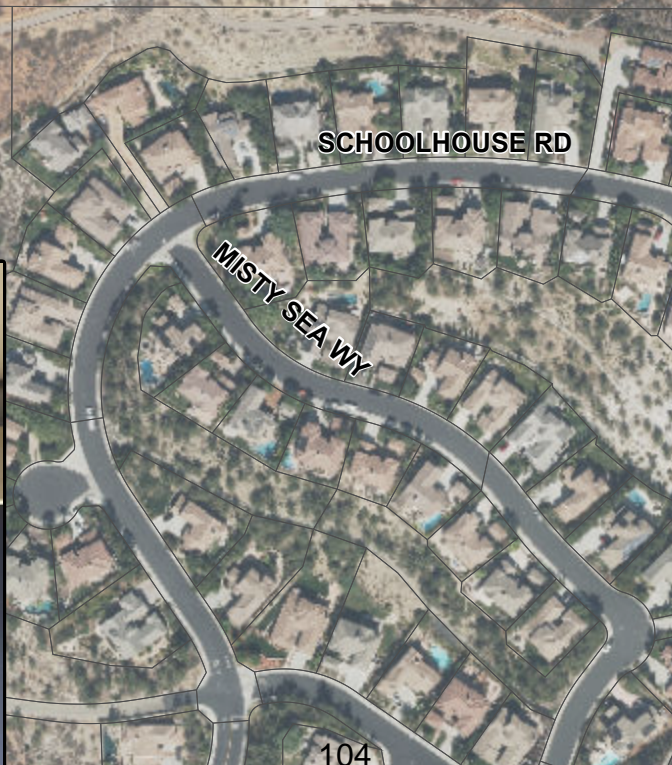
CHANGE ORDER REQUEST FOR SCHOOLHOUSE TANK REFURBISHMENT



BLAST INSPECTION - IN TACT RAFTER



BLAST INSPECTION - CORRODED RAFTER



DATE: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: CHANGE ORDER REQUEST FOR SEWER BYPASS REPAIR

BACKGROUND:

The existing 16" Emergency Bypass Sewer (Bypass) pipeline was installed in 1969 and is primarily composed of reinforced plastic mortar (RPM) pipe, commonly referred to as "Techite". Sewer in portions of the Bypass pipeline is under pressure due to its proximity to the pressurized section of the Land Outfall. Flow is diverted into the Bypass pipeline during MRF operational shutdowns or emergency situations.

In February 2017 a spill occurred near Carillo Way in Carlsbad due to a crack in the pipe while under pressure. Under the Districts emergency purchasing policy, repairs were made by an independent contractor and on May 3, 2017, the Board approved a \$65,253.98 purchase order for the repair.

In January 2018 a leak developed on the Bypass pipeline north of Brighton Glen Road. This section of the Bypass pipeline was isolated using control valves on Rancho Santa Fe Road to prevent further spills, and staff determined a repair at this location was not an emergency. A budget item was generated for the 2018/2019 Fiscal year to repair the Bypass pipeline.

Staff developed a construction bid package for repair of the Bypass pipeline and on January 17, 2019 received seven bids. Per Resolution 1481 Section 2.3, the General Manager approved a purchase order to Shaw Equipment Rentals (Shaw) in the amount of \$36,005.50 for the Sewer Bypass Repair. The repair was completed on June 16, 2019 with one deductive change order of \$3,611. Acceptance of the project has not yet been brought to the Board.

DISCUSSION:

During a heavy rain event on February 3, 2019, excessive flows from the Land Outfall pressurized the Bypass pipeline causing a new break to occur near Carillo Way, approximately 100-feet downstream of the 2017 break location. This section of the Bypass pipeline was isolated using control valves off Melrose Drive to prevent further spills. Since Shaw is under contract, staff took the opportunity to prepare a District initiated change order, requesting the contractor repair the new break.

Shaw submitted a quote for the new repair location in the amount of \$41,700. District Ordinance 146 Section 4.1.1 requires Board approval for change orders exceeding 10% of the original contract value. In lieu of budgeting the repair for the next fiscal year or making the repair under an emergency purchasing provision, staff recommends correcting the new repair under the existing contract as a change order for the following reasons:

- Functionality of the Bypass pipeline is essential to MRF operations during heavy rain events and if treatment issues occur.
- Not repairing the new location will delay scheduled operational projects at MRF.
- Reduce cost and time when compared to preparing a new contract bid package.

FISCAL IMPACT:

The total cost and budget summary are as follows:

Budget	\$ 180,000
Construction	\$ 36,006
Change Order 1	\$ (3,611)
Design	\$ 12,000
Staff	\$ 26,500
Overhead	\$ 20,500
Total	\$ 91,395
Proposed Change Order 2	\$ 41,700
Revised Total	\$ 133,095
Budget Surplus	\$ 46,905

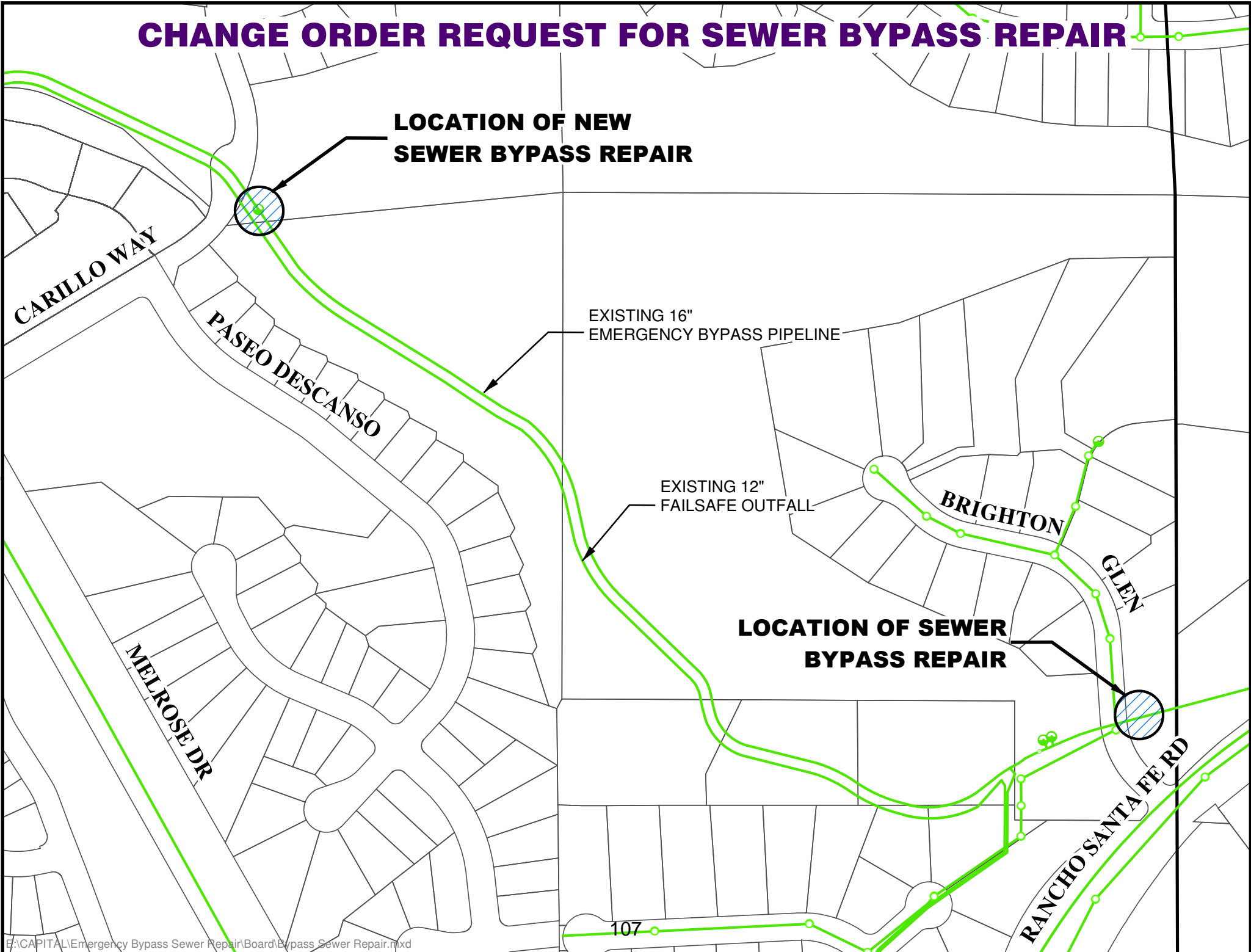
A budget adjustment is not requested at this time and will be evaluated after the project is complete. Current projections show a budget surplus, however, if an increased budget adjustment is necessary, additional funds will be paid for out of the sewer replacement reserves.

Change Order 2 in the amount of \$41,700 exceeds 10% of the original contract amount, and as work continues, any additional change order costs will require Board approval per Ordinance 146 Section 4.1.1.

RECOMMENDATION:

Approve construction change order to Shaw Equipment Rentals in the amount of \$41,700, subject to provisions of the contract.

CHANGE ORDER REQUEST FOR SEWER BYPASS REPAIR



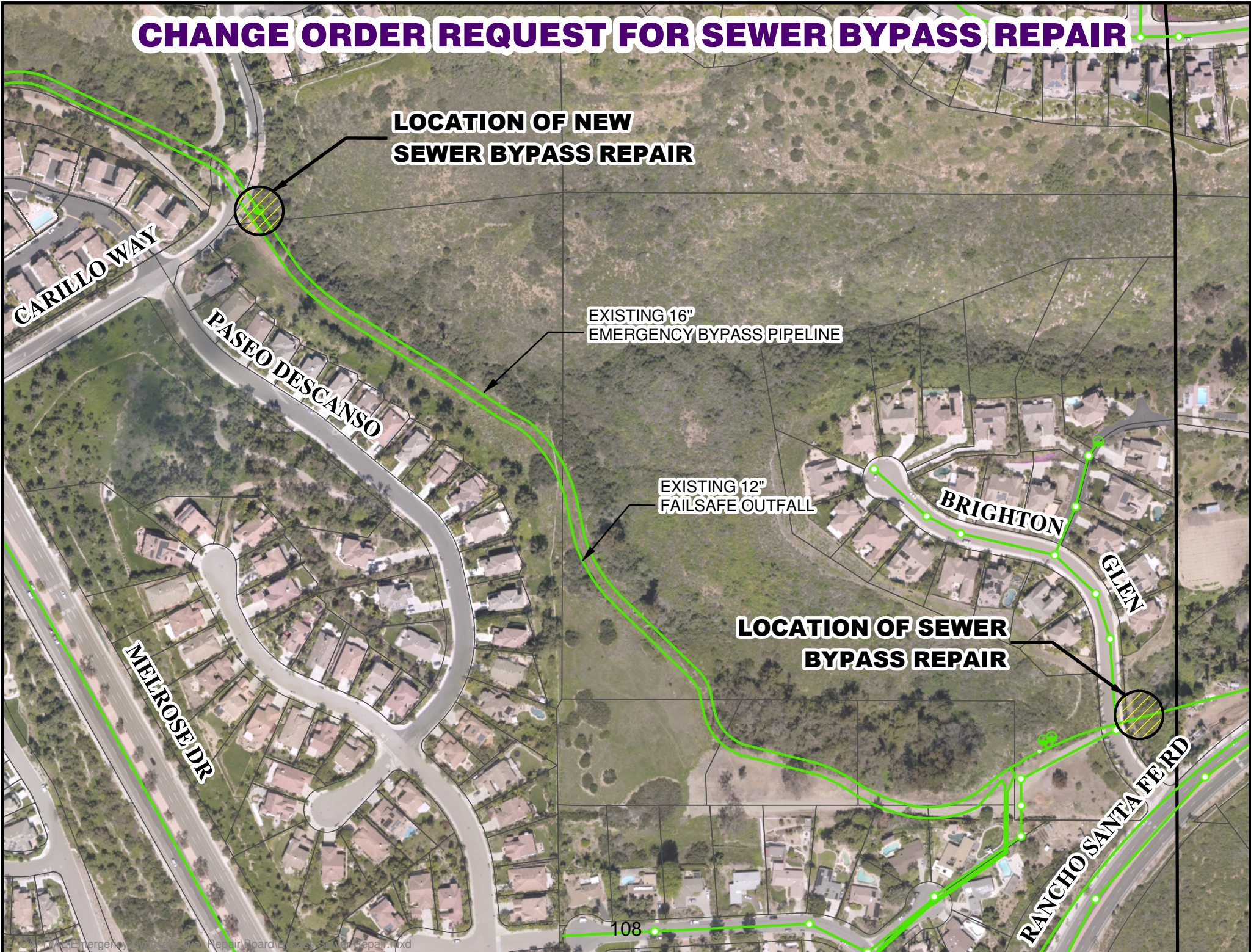
**LOCATION OF NEW
SEWER BYPASS REPAIR**

EXISTING 16"
EMERGENCY BYPASS PIPELINE

EXISTING 12"
FAILSAFE OUTFALL

**LOCATION OF SEWER
BYPASS REPAIR**

CHANGE ORDER REQUEST FOR SEWER BYPASS REPAIR



LOCATION OF NEW SEWER BYPASS REPAIR

EXISTING 16" EMERGENCY BYPASS PIPELINE

EXISTING 12" FAILSAFE OUTFALL

LOCATION OF SEWER BYPASS REPAIR

DATE: JULY 17, 2019
TO: BOARD OF DIRECTORS
SUBJECT: SOUTHERN CALIFORNIA WATER COALITION QUARTERLY LUNCHEON – MEETING ATTENDANCE PER DIEM/EXPENSE REIMBURSEMENT APPROVAL

BACKGROUND:

The Southern California Water Coalition is presenting a program, “San Diego County’s Water Resilience Portfolio: Multi-Benefit Solutions for the Southwest”, during their quarterly luncheon on July 19, 2019 at the Faraday Center in Carlsbad. The Southern California Water Coalition is not on the list of organizations for which meetings are considered compensable under District Ordinance No. 210; therefore, prior approval for per diem and expense reimbursement is required.

RECOMMENDATION:

Approve per diem and expense reimbursement for all Directors attending the event.



SAVE THE DATE

JULY 19
12-2PM
2019

QUARTERLY LUNCHEON

City of Carlsbad
Faraday Center

1635 Faraday Ave., Carlsbad, CA



San Diego County
Water Authority



SOUTHWEST
STRATEGIES



San Diego County's Water Resilience Portfolio: *Multi-Benefit Solutions for the Southwest*

SOUTHERN CALIFORNIA WATER COALITION

Tickets: \$75 | Event Sponsorship: \$2,000
(includes table of ten)

Contact: Julie Ackman
jackman@socalwater.org

RSVP TODAY

FOUNDING SPONSORS



VWD DIRECTOR'S COMPENSATION FOR JAN - MAR 2019
Payments from EWA (Encina Wastewater Authority)

<u>NAME</u>	<u>EWA DATE</u>	<u>CHECK NO</u>	<u>INVOICE NET</u>	<u>DESCRIPTION</u>
HAROLD J MARTIN	01/15/2019	187254	\$206.00	BOD MEETING 01/23/19
HAROLD J MARTIN	02/25/2019	3014	\$206.00	EWA 101 MEETING 02/25/19
HAROLD J MARTIN	02/25/2019	3014	\$206.00	BOD MEETING 02/27/19
HAROLD J MARTIN	03/05/2019	3014	\$206.00	SPECIAL BOARD WORKSHOP 03/05/19
HAROLD J MARTIN	03/11/2019	3055	\$206.00	PFC MEETING 3/12/19
HAROLD J MARTIN	03/25/2019	3113	\$206.00	BOD MEETING 03/27/19
		Meetings Only	<u>\$1,236.00</u>	
JIM HERNANDEZ	01/15/2019	187256	206.00	AGENDA REVIEW 01/15/19
JIM HERNANDEZ	01/15/2019	187256	206.00	BOD MEETING 01/23/19
JIM HERNANDEZ	02/20/2019	187353	206.00	CIC MEETING 02/20/19
JIM HERNANDEZ	02/25/2019	187419	206.00	BOD MEETING 02/27/19
JIM HERNANDEZ	03/05/2019	187419	206.00	SPECIAL BOARD WORKSHOP 03/05/19
JIM HERNANDEZ	03/11/2019	187469	206.00	GENERAL MANAGER'S EVALUATION 3
JIM HERNANDEZ	03/11/2019	187469	206.00	CIC MEETING 3/20/19
JIM HERNANDEZ	03/25/2019	187522	206.00	AGENDA REVIEW 03/25/19
JIM HERNANDEZ	03/25/2019	187522	206.00	BOD MEETING 03/27/19
		Meetings Only	<u>\$1,854.00</u>	

VALLECITOS WATER DISTRICT
Board of Directors Per Diem and Expenses (1)
Paid January 1, 2019 through March 31, 2019

Director Meeting/Seminar	Per Diem		Meeting					Reimbursements		Total
	#	Payments	Benefits	Registration	Travel	Lodging	Meals	Other Agencies		
ELITHARP, Craig										
Paid by VWD:										
VWD Meetings	10	\$ 2,000.00	-	-	-	-	-	-	-	\$ 2,000.00
ACWA	5	1,000.00	-	1,415.00	668.10	1,517.36	53.12	-	-	\$ 4,653.58
CASA	6	1,200.00	-	1,270.00	177.32	625.05	113.19	-	-	\$ 3,385.56
COWU - Council of Water Utilities	2	400.00	-	135.00	57.75	-	-	-	-	\$ 592.75
Ethics training	1	200.00	-	-	-	-	-	-	-	\$ 200.00
SDNCEDC	1	200.00	-	-	-	-	-	-	-	\$ 200.00
Group Insurance	-	-	272.94	-	-	-	-	-	-	\$ 272.94
Paid by VWD - EWA pmt differential NLA *	1	200.00	-	-	-	-	-	-	-	\$ 200.00
Paid by EWA - Encina JPA	-	-	-	-	-	-	-	-	-	\$ -
	26	\$ 5,200.00	\$ 272.94	\$ 2,820.00	\$ 903.17	\$ 2,142.41	\$ 166.31	\$ -	\$ -	\$ 11,504.83
EVANS, Betty										
Paid by VWD:										
VWD Meetings	7	\$ 1,400.00	-	-	-	-	-	-	-	\$ 1,400.00
COWU - Council of Water Utilities	-	-	-	135.00	-	-	-	-	-	\$ 135.00
Ethics training	1	200.00	-	-	-	-	-	-	-	\$ 200.00
Group Insurance	-	-	2,444.70	-	-	-	-	-	-	\$ 2,444.70
Paid by VWD - SDCWA pmt differential	-	200.00	-	-	-	-	-	-	-	\$ 200.00
	8	\$ 1,800.00	\$ 2,444.70	\$ 135.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,379.70
HERNANDEZ, James										
Paid by VWD:										
VWD Meetings	19	\$ 3,800.00	-	-	-	-	-	-	-	\$ 3,800.00
ACWA	4	800.00	-	725.00	-	-	-	-	-	\$ 1,525.00
CASA	3	600.00	-	575.00	256.38	416.70	15.62	-	-	\$ 1,863.70
COWU - Council of Water Utilities	1	200.00	-	-	-	-	-	-	-	\$ 200.00
CSDA - CA Special Districts Assoc	-	-	-	600.00	-	-	-	-	-	\$ 600.00
Ethics training	1	200.00	-	-	-	-	-	-	-	\$ 200.00
SDNEDC	1	200.00	-	-	-	-	-	-	-	\$ 200.00
Water Reuse	-	-	-	-	81.20	-	34.09	-	-	\$ 115.29
Group Insurance	-	-	6,145.19	-	-	-	-	-	-	\$ 6,145.19
Paid by EWA - Encina JPA	9	1,854.00	-	-	-	-	-	-	-	\$ 1,854.00
	38	\$ 7,654.00	\$ 6,145.19	\$ 1,900.00	\$ 337.58	\$ 416.70	\$ 49.71	\$ -	\$ -	\$ 16,503.18
MARTIN, Hal										
Paid by VWD:										
VWD Meetings	18	\$ 3,600.00	-	-	-	-	-	-	-	\$ 3,600.00
ACWA	-	-	-	725.00	-	188.26	-	-	-	\$ 913.26
CASA	3	600.00	-	575.00	147.32	416.70	26.88	-	-	\$ 1,765.90
CalDesal	2	400.00	-	225.00	124.12	435.50	3.00	-	-	\$ 1,187.62
COWU - Council of Water Utilities	2	400.00	-	45.00	38.50	-	-	-	-	\$ 483.50
UWI - Urban Water Institute	3	600.00	-	375.00	128.76	188.26	69.57	-	-	\$ 1,361.59
WaterReuse	3	600.00	-	500.00	135.20	-	74.68	-	-	\$ 1,309.88
Group Insurance	-	-	2,037.79	-	-	-	-	-	-	\$ 2,037.79
Paid by EWA - Encina JPA	6	1,236.00	-	-	-	-	-	-	-	\$ 1,236.00
	37	\$ 7,436.00	\$ 2,037.79	\$ 2,445.00	\$ 573.90	\$ 1,228.72	\$ 174.13	\$ -	\$ -	\$ 13,895.54
SANELLA, Mike										
Paid by VWD:										
VWD Meetings	11	\$ 2,200.00	-	-	-	-	-	-	-	\$ 2,200.00
Chamber of Commerce State of the City	1	200.00	-	85.00	-	-	-	-	-	\$ 285.00
COWU - Council of Water Utilities	2	400.00	-	90.00	38.50	-	-	-	-	\$ 528.50
SDNEDC	1	200.00	-	-	-	-	-	-	-	\$ 200.00
UWI - Urban Water Institute	2	400.00	-	425.00	164.76	-	68.08	-	-	\$ 1,057.84
WaterReuse	-	-	-	500.00	-	-	-	-	-	\$ 500.00
Group Insurance	-	-	2,312.45	-	-	-	-	-	-	\$ 2,312.45
	17	\$ 3,400.00	\$ 2,312.45	\$ 1,100.00	\$ 203.26	\$ -	\$ 68.08	\$ -	\$ -	\$ 7,083.79
TOTALS (1)	126	\$25,490.00	\$13,213.07	\$ 8,400.00	\$ 2,017.91	\$ 3,787.83	\$ 458.23	\$ -	\$ -	\$53,367.04

(1) Includes both expenses paid directly by the Agencies and reimbursements of expenses paid by Board members.

Presented in accordance with ordinance number 194, effective 5/17/2015. (Board per Diem, \$200/meeting)

* As of 4th Qtr 2017 - EWA meetings are \$200 each - VWD payment differential no longer applies

** SDCWA only required to publish report for Boardmember payments once per year. Fiscal Year End, June 30th



SAVE THE DATE!

*Urban Water Institute's
26th Annual Water Conference*

August 14-16, 2019

Hilton San Diego Resort & Spa

1775 East Mission Bay Drive

San Diego, CA 92109

619-276-4010

**For more information please contact
Urban Water Institute at (949) 679-9676
or stacy@urbanwater.com**

Please visit our website www.urbanwater.com