

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JANUARY 15, 2020, AT 5:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT EVANS

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 JANUARY 15, 2020

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.

PRESENTATION

Chris Robbins, Public Information/Conservation Supervisor, will present a new “Work We Do” video focusing on confined spaces training at the District’s Meadowlark Reclamation Facility in partnership with local fire agencies.

CONSENT CALENDAR

1.1 WARRANT LIST THROUGH JANUARY 15, 2020 – \$3,233,404.88 (pp. 5-7)

Recommendation: Approve Warrant List

1.2 FINANCIAL REPORTS (pp. 8-30)

- A. WATER METER COUNT – DECEMBER 31, 2019
- B. WATER PRODUCTION/SALES REPORT – 2019/2020
- C. QUARTERLY FINANCIAL REPORT – DECEMBER 31, 2019
- D. PER CAPITA WATER CONSUMPTION – DECEMBER 31, 2019
- E. WATER REVENUE AND EXPENSE REPORT – DECEMBER 31, 2019
- F. SEWER REVENUE AND EXPENSE REPORT – DECEMBER 31, 2019
- G. RESERVE FUNDS ACTIVITY – DECEMBER 31, 2019
- H. INVESTMENT REPORT – DECEMBER 31, 2019
- I. LEGAL FEES SUMMARY – DECEMBER 31, 2019

1.3 ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS THE “ORCHARD HILLS ANNEXATION”, APNS 218-220-10 & 17 AND ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 5 & 6 (WARMINGTON RESIDENTIAL CALIFORNIA, INC.) (pp. 31-36)

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

Recommendation: Adopt Resolution

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

ACTION ITEMS

2.1 CONTRACT AWARD FOR DISTRIBUTION WATER MAIN FLUSHING SERVICES (pp. 37-48)

Approximately 20 miles of water mains in the Lake San Marcos area will be flushed and cleaned.

Recommendation: Authorize the General Manager to execute a contract services agreement with Reliable Water Solutions, LLC

2.2 CONSTRUCTION CONTRACT AWARD OF SEWER LINING AND REHABILITATION 2019 (pp. 49-52)

Deficiencies were identified in existing segments of sanitary sewer and need rehabilitation to restore pipe integrity.

Recommendation: 1) Increase the 2019/20 Sewer Lining and Rehabilitation Fiscal Budget \$150,000; 2) Award construction contract to Insituform Technologies

- 2.3 ADOPT ORDINANCE TO COMPLY WITH SENATE BILL 998 REGARDING DISCONTINUATION OF WATER SERVICE FOR NON-PAYMENT (pp. 53-72)

SB 998 establishes additional requirements for policies and procedures related to the discontinuance of water service for non-payment.

Recommendation: Adopt Ordinance

- 2.4 REVIEW OF DISTRICT ORDINANCES, POLICIES AND CONTRACTS (pp. 73-74)

At the December 18, 2019 Board meeting, Director Sannella requested staff conduct a comprehensive review of District ordinances, policies and contracts.

Recommendation: Request Board direction

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

REPORTS

- 3.1 GENERAL MANAGER
- 3.2 DISTRICT LEGAL COUNSEL
- 3.3 SAN DIEGO COUNTY WATER AUTHORITY
- 3.4 ENCINA WASTEWATER AUTHORITY
- *Capital Improvement Committee*
- *Policy and Finance Committee*
- 3.5 STANDING COMMITTEES
- 3.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

- 4.1 MEETINGS (pp. 75)

WateReuse Annual Conference

March 15 – 17, 2020 – Hyatt Regency, San Francisco, CA
Estimated Cost to Attend Per Person: \$2, 248.00

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

- 5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

6.1 ADJOURNMENT

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

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

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

AFFIDAVIT OF POSTING

I, Diane Posvar, Executive Secretary of the Vallecitos Water District, hereby certify that I caused the posting of this Agenda in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California by 5:00 p.m., Friday, January 10, 2020.

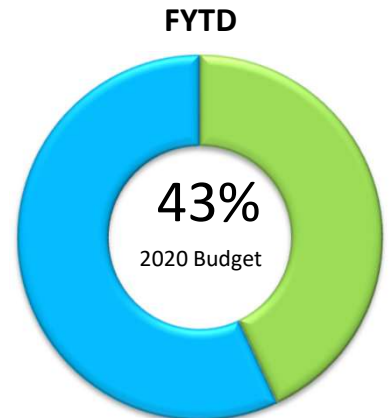
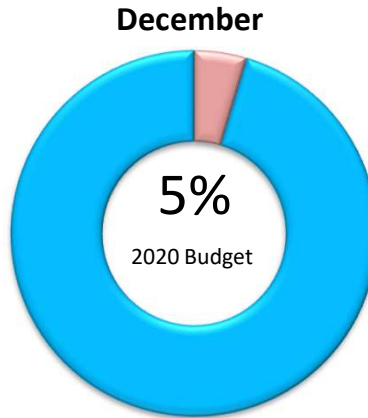
Diane Posvar

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

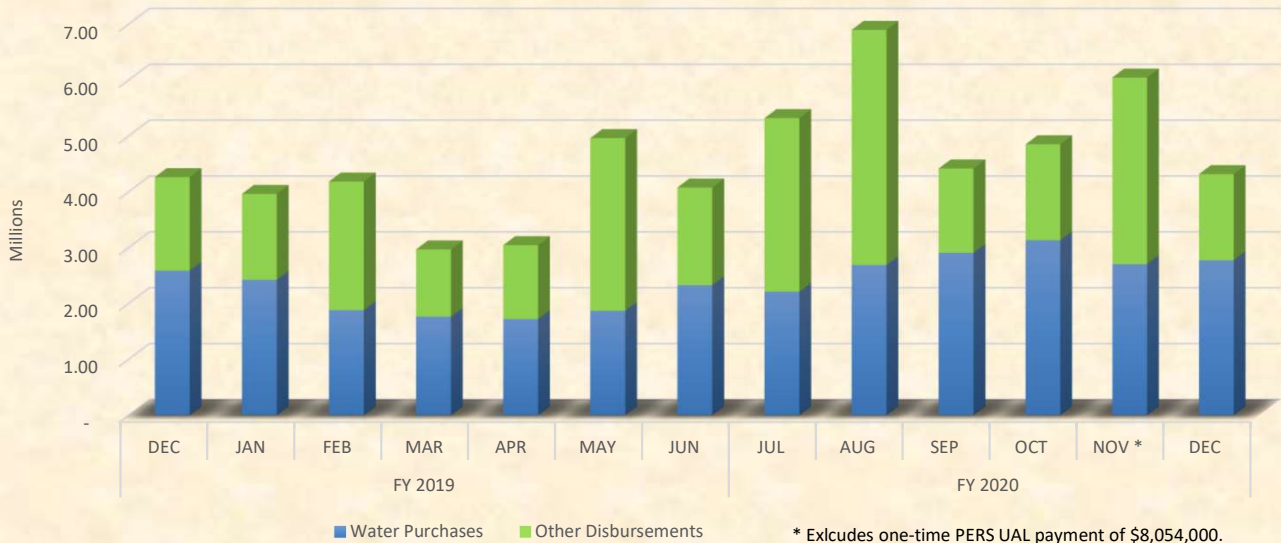
Summary

December Disbursements	\$	4,315,304 *
YTD Disbursements	\$	39,894,469 *
FY2020 Budget	\$	92,718,000

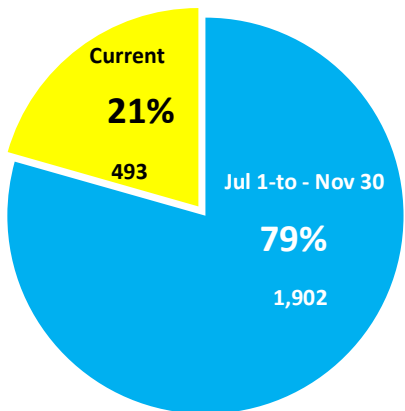
* Excludes Debt Service



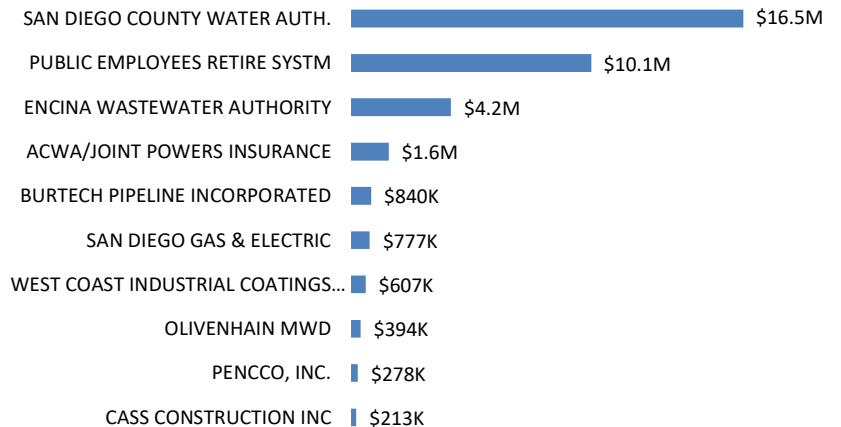
Disbursements by Month



Invoices Processed



Top 10 Vendors - FYTD



VALLECITOS WATER DISTRICT
WARRANTS LIST
January 15, 2020

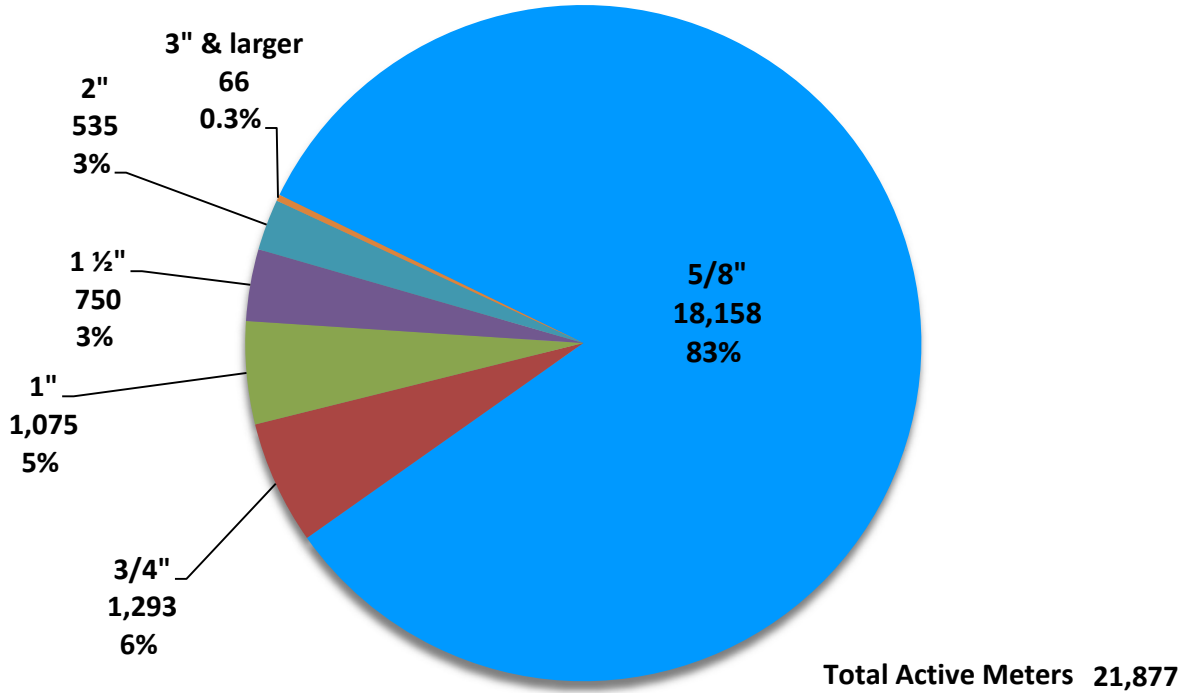
PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
Garnishments	Payroll Garnishments	118113 through	-
Advanced Imaging Solutions, Inc.	Copier Lease - Nov	118116	2,547.76
Al's Towing Inc	Towing Svcs	118117	56.00
AM Ortega Construction	Closed Account Refund	118118	1,254.40
American Asphalt South Inc	Closed Account Refund	118119	585.05
Ashley Debruler	Closed Account Refund	118120	19.78
AT&T	Phone Svc SCADA - Dec	118121	379.95
AT&T	Phone Svc - Nov	118122	42.76
Blue Wave Security	Long Range Readers - Flexible Sticker Tags For Windshields - 300	118123	2,611.00
Boot Barn	Safety Boots	118124	294.77
Boot World Inc	Safety Boots	118125	432.48
Calolympic Safety	Storm/Wet Well Hardware - Items For New Confined Space Entry System	118126	3,461.04
CCI	Water Treatment - Dec	118127	220.00
Charles Madden & Amy Salazar	Closed Account Refund	118128	94.21
Christian Wheeler Engineering	Corrosion Testing Prj 20201-740	118129	4,850.00
Chueh-Chi Huang Or Jawchyng Lue	Closed Account Refund	118130	83.23
CWEA	Electrical Cert Renewal - R Salazar	118131	104.00
David Papp	Closed Account Refund	118132	130.18
Davis Farr LLP	Audit Svcs Year Ending 6-30-19	118133	4,210.00
DirecTV Inc	Satellite Svcs - Dec	118134	120.24
East Side Ventures	Deposit Refund Prj 20191-590	118135	6,096.94
Fisher Scientific LLC	Lab Refrigerator & Freezer - MRF	118136	4,988.04
Gabriel & Elaine Martinez	Closed Account Refund	118137	20.47
George & Carmen Delgado	Closed Account Refund	118138	11.93
Glenn Pruim	SDCWA Meeting 12-16-19	118139	33.53
Government Finance Officers Association	Application for CAFR Award - Excellence in Financial Reporting	118140	560.00
Hach Company	Water Quality Supplies	118141	996.71
Harrison Power Equipment	Trash Pump Repair - MRF	118142	129.27
James R Hernandez	SDNEDC Meeting 12-12-19, Travel Expenses/Toll Road Fees Jul - Nov	118143	38.77
Hunter Properties	Closed Account Refund	118144	131.67
Infinisource	Admin Svcs - Nov	118145	429.30
Infosend Inc	Support Fee, Processing, Door Hangers, & Printing - Jul, Sep, Oct, Nov, & Dec	118146	33,757.53
Infrastructure Engr Corp	High Point Waterline Condition Assessment Prj 20191-544	118147	65,895.00
Jennifer Thurman	Closed Account Refund	118148	27.19
Jim Yada	Closed Account Refund	118149	111.29
JCI Jones Chemicals Inc	Chlorine	118150	2,043.21
Kennedy/Jenks Consultants	San Marcos Interceptor Prj 71004	118151	7,199.80
Lito Santos	Self Improvement Program	118152	1,257.00
Marilyn Golisch	Closed Account Refund	118153	48.59
Hal Martin	SDNEDC Meeting 12-12-19	118154	14.27
Master Gardener Association	L Urabe - Master Gardener Training Class Prj 20201-44	118155	295.00
Matt Chlor Inc	Gas Chlorinator Cans - 6	118156	4,624.11
Mercer Properties	Closed Account Refund	118157	95.51
Michael Thompson	Deposit Refund Prj 20191-542	118158	51.68
Mike Arthur	MAFO Meeting 11-13-19	118159	17.52
Minakshi Morjaria	Closed Account Refund	118160	8.08
Nestle Dreyer's Ice Cream Co.	Closed Account Refund	118161	112.08
Occu Med Ltd	Medical Svcs - Nov	118162	390.00
Oscar R. Miguel	Closed Account Refund	118163	97.99
Ostari Inc	Veeam Office 365 - 185 Users, Duo Software Subscription - Dec	118164	4,543.16
Phillip Hwang	Deposit Refund Prj 20151-834	118165	410.31
Richard W. Gittings	Consulting Services Hillside Development - Sep	118166	1,400.00
Roy Villareal	Closed Account Refund	118167	80.76
Steven Saavedra	Self Improvement Program	118168	1,500.00
SDG&E	Power - Nov	118169	100,877.88
Sarah Kirkpatrick & Robert May	Closed Account Refund	118170	7.74
Schmidt Fire Protection Co Inc	Quarterly Fire Sprinkler Inspections, Five Year Fire Sprinkler Inspections	118171	2,962.00
Shred-It US JV LLC	Shredding Svcs - Nov & Dec	118172	217.30
Southern Counties Lubricants, LLC	Diesel Fuel Prj 20181-6	118173	1,322.94
State Water Resources Control	Waste Water Operator Cert Renewal - A Sanchez	118174	110.00
Talley Communications	Power Meter & Hardware Supplies Prj 20201-4	118175	747.05
Tim Moynagh	Closed Account Refund	118176	28.52
Turner Designs Inc	Hardware Supplies	118177	191.39
Tuscany Pavers Inc.	Closed Account Refund	118178	91.78
Unitis, Inc.	Straw Waddles - 30	118179	834.67
Verizon Wireless	Ipad Svc - Nov	118180	2,761.37
Waxie Sanitary Supply	Cleaning Supplies	118181	1,125.35
West Coast General Corporation	Closed Account Refund	118182	257.33

VALLECITOS WATER DISTRICT
WARRANTS LIST
January 15, 2020

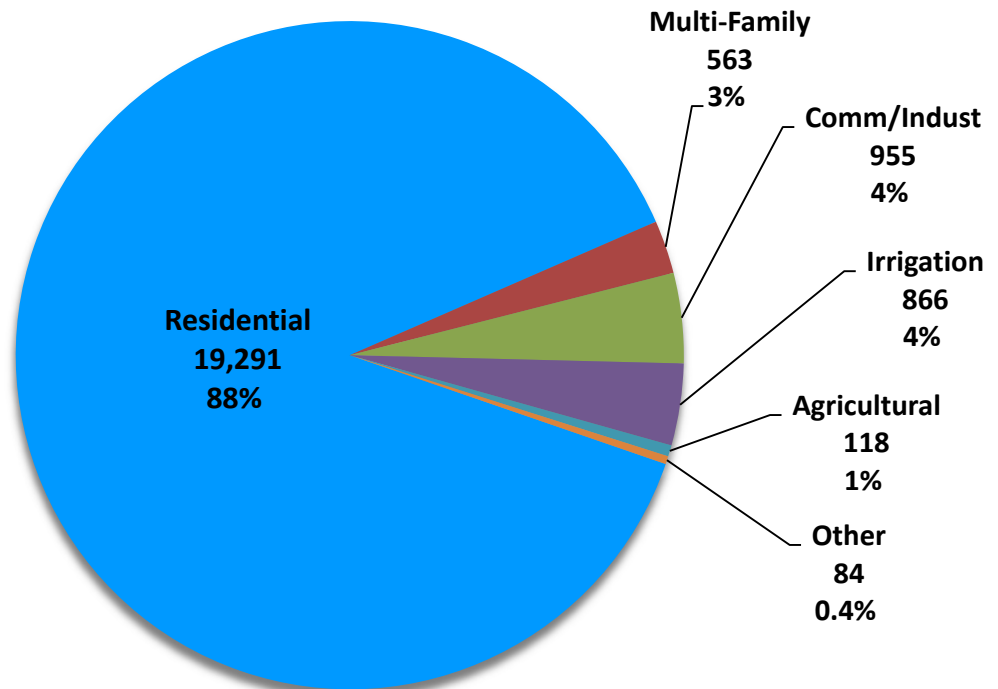
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Western A/V	Furniture -SCADA Control Room -MRF	118183	21,388.59
Aqua-Metric Sales Co	Meters - 102	118184	32,751.29
Burtech Pipeline Incorporated	Rock Springs Sewer Prj 90003	118185	111,329.65
Dell Computers	Monitor & Wireless Module SCADA Prj 20201-4	118186	594.14
Electrical Sales Inc	Hardware Supplies	118187	57.87
Gallade Chemical Inc.	Sodium Hypochlorite	118188	519.36
Golden Bell Products Inc	Roach Spraying - 208 Manholes	118189	4,576.00
Grainger Inc	Tools Veh 253, Cordless Saw, Drill, Hardware Supplies	118190	1,715.89
KB Home Coastal	Deposit Refund Prj 20141-687	118191	956.24
Mallory Safety & Supply, LLC	Gloves & Safety Supplies	118192	1,307.87
Morton Salt, Inc.	Industrial Salt	118193	7,553.01
Pacific Pipeline Supply	Couplings 6, Ball Valves 10	118194	4,596.80
Penco, Inc.	Sulfend RT	118195	10,127.93
Plumbers Depot Inc	Hardware Supplies	118196	201.54
Recycled Aggregate Materials Co Inc	Concrete Recycling	118197	250.00
State Water Resources Control	Water System Fees 19-20	118198	54,139.45
Steven Enterprises Inc	Paper - OCE Machine	118199	95.36
Sunbelt Rentals Inc	Manlift Rental	118200	546.96
Superior Ready Mix Concrete LP	Rock & Cold Mix	118201	655.95
T.S. Industrial Supply	Hardware Supplies	118202	33.94
Temecula Valley Pipe & Supply	Hardware Supplies	118203	84.19
Tony's Custom Upholstery	New Cover - Load Bank	118204	887.03
Traffic Supply Inc	LED Truck Lamp Prj 20201-31, Custom Signs - 3	118205	4,010.84
Unifirst Corporation	Uniform Delivery	118206	788.60
Univar USA Inc	Sodium Bisulfite	118207	1,847.91
Total Disbursements (92 Checks)			<u>531,465.29</u>
WIRES			
San Diego County Water Authority	November Water Bill	Wire	2,214,205.86
Public Employees Retirement System	Retirement Contribution - December 31, 2019 Payroll	Wire	75,835.75
Union Bank	Union Bank debt payment - Interest	Wire	26,260.30
Total Wires			<u>2,316,301.91</u>
PAYROLL			
Total direct deposits		Wire	250,364.66
VWD Employee Association		118113	578.00
Payroll & Garnishments		118115	1,001.06
IRS	Federal payroll tax deposits	Wire	94,275.24
Employment Development Department	California payroll tax deposit	Wire	18,158.28
CalPERS	Deferred compensation withheld	Wire	16,119.35
VOYA	Deferred compensation withheld	Wire	5,141.09
Total December 31, 2019 Payroll Disbursements			<u>385,637.68</u>
TOTAL DISBURSEMENTS			<u><u>3,233,404.88</u></u>

Vallecitos Water District
 Active Water Meters
 December 31, 2019

Active Meters by Size as of December 31, 2019

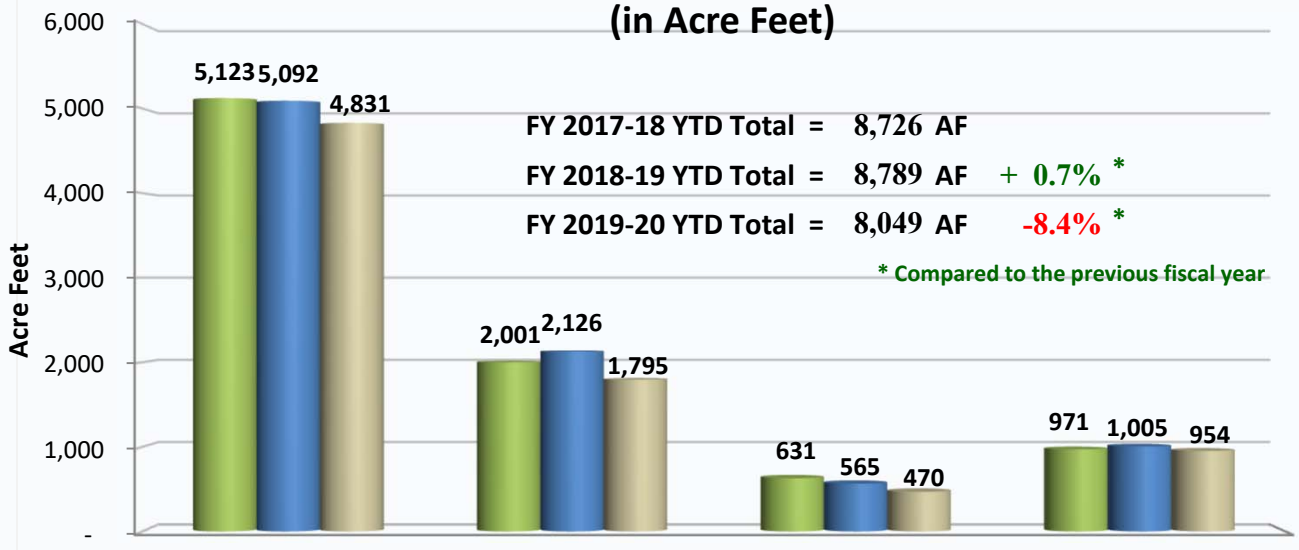


Active Meters by Type as of December 31, 2019



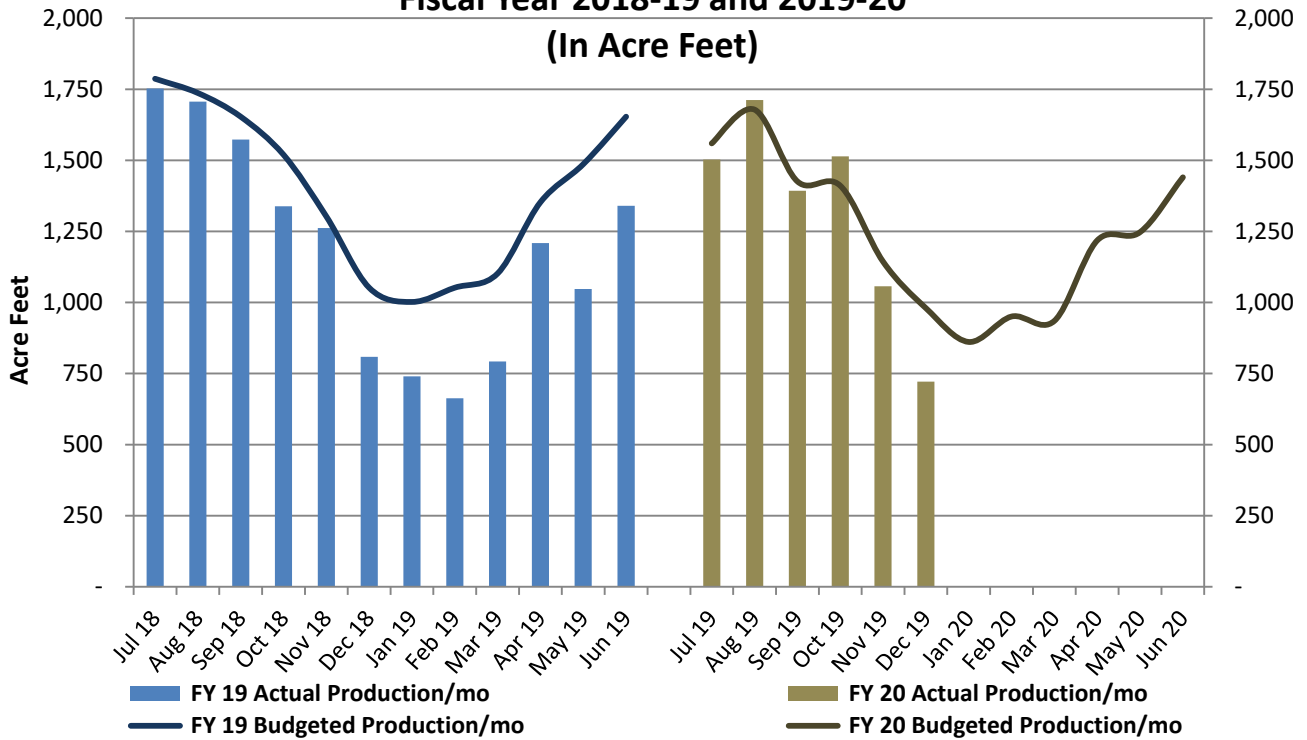
Vallejos Water District
 Water Production/Sales
 December 31, 2019

Water Sales FY 17-18, FY 18-19 and FY 19-20 (FYTD)
 (in Acre Feet)



	Residential	Irrigation	Agricultural	Commer/ Indust/ Construct/ Other
FY 2017-18	5,123	2,001	631	971
FY 2018-19	5,092	2,126	565	1,005
FY 2019-20	4,831	1,795	470	954

Water Production Budget vs. Actual
 Fiscal Year 2018-19 and 2019-20
 (In Acre Feet)



OVERVIEW

With the second quarter complete, the District's water fund had a net operating income of \$3.2 million (before depreciation) while the sewer fund had a net operating income of \$5.4 million (before depreciation). The District is cash funding capital projects and is current on all debt service payments.

WATER FUND

Overall, the water fund performed better than expected during the second quarter of Fiscal Year 2020.

Revenues: Water Sales were 55% of total budget as a result of high demand during the summer and fall months. Ready to Serve (RTS) performed as expected. Pumping Charges are high corresponding with Water Sales. Other revenue was high due to reimbursement for a portion of the cost of the District-wide Solar Project, as well as fees received from a water and sewer annexation.

Revenue	Budget	YTD Actual	Percent
Water Sales	\$ 31,850,000	\$ 17,545,307	55%
Ready to Serve	13,800,000	7,165,804	52%
Pumping Cost Rec	340,000	241,313	71%
Other	700,000	430,994	62%
Total	\$ 46,690,000	\$ 25,383,418	54%

Expenses: Water Purchases were 50% of total budget. Operating and Supporting expenses were 46% and 47% of total budget, respectively. General & Administration expenses were slightly high at 55% of total budget. This was due to higher than anticipated costs for outside services.

Expense	Budget	YTD Actual	Percent
Water Purchases	\$ 32,200,000	\$ 16,241,870	50%
Operating	4,841,000	2,244,381	46%
Supporting	4,279,000	2,026,473	47%
General & Admin	2,986,000	1,639,720	55%
Total	\$ 44,306,000	\$ 22,152,444	50%

SEWER FUND

The Sewer Fund performed better than expected through the second quarter of Fiscal Year 2020.

Revenues: Sewer Service charges performed as planned and Reclaimed Water Sales were high due to anticipated increases in capital recovery. Like the water fund, Other revenue was high from the solar project reimbursement and fees received from a water and sewer annexation.

Revenue	Budget	YTD Actual	Percent
Sewer Service	\$ 18,180,000	\$ 9,300,850	51%
Reclaimed	2,466,000	1,828,425	74%
Other	80,000	207,693	260%
Total	\$ 20,726,000	\$ 11,336,968	55%

SEWER FUND (continued)

Expenses: Treatment expenses were low due to timing of budgeted materials being purchased and outside services being performed. Supporting and General & Administration were low primarily as a result of lower outside service and staffing costs. Operating expenses performed as expected.

Expense	Budget	YTD Actual	Percent
Treatment	\$ 7,073,000	\$ 2,715,289	38%
Operating	2,953,000	1,415,690	48%
Supporting	2,775,000	1,176,631	42%
General & Admin	1,444,000	664,341	46%
Total	\$ 14,245,000	\$ 5,971,951	42%

RESERVES AND FUNDS:

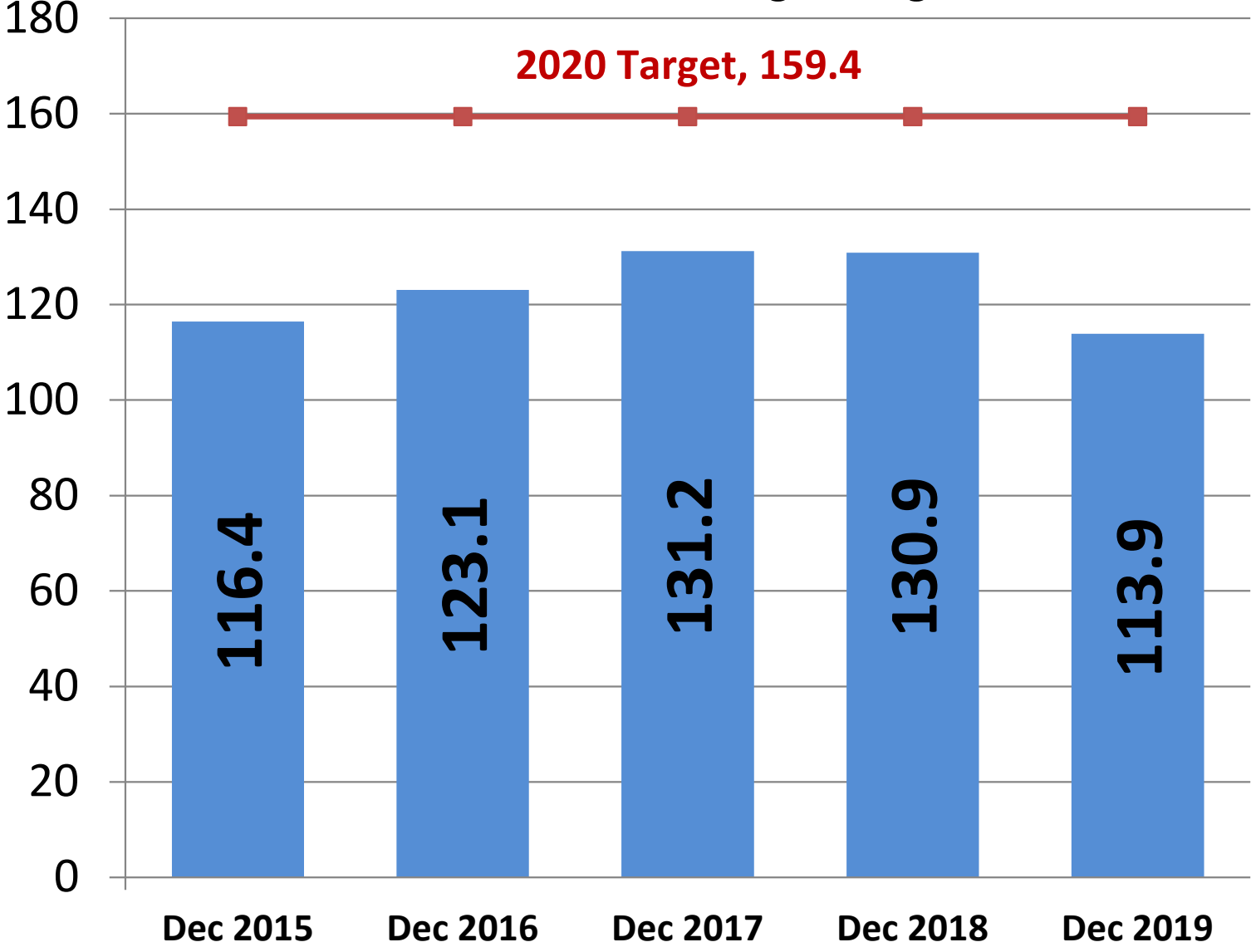
The following is a summary of the replacement reserves and capacity funds as of December 31, 2019.

Water:		
Revenues	Replacement	Capacity
FY 19/20 Operating Transfers	\$ 3,230,974	-
Capital Facility Fees	-	\$ 1,121,949
Property tax & Other	1,035,662	-
Total Revenue	4,266,636	1,121,949
Distributions		
Capital Projects	1,677,292	-
Fund PERS UAL	4,107,540	-
Debt Service	-	603,235
Total Distributions	5,784,832	603,235
Beginning Balance	37,641,145	(8,333,147)
Ending Balance	36,122,949	(7,814,432)
Less: Operating Reserves	5,970,100	-
Replacement Reserve Balance	\$ 30,152,849	\$ (7,814,432)
Replacement Reserve Floor	\$ 8,136,700	
Replacement Reserve Ceiling	\$ 34,640,500	

Wastewater:		
Revenues	Replacement	Capacity
FY 19/20 Operating Transfers	\$ 5,365,017	-
Capital Facility Fees	-	\$ 4,522,577
Property tax & Other	898,234	-
Total Revenue	6,263,251	4,522,577
Distributions		
Capital Projects	2,305,659	691,940
Fund PERS UAL	3,946,460	-
Debt Service	-	1,560,450
Total Distributions	6,252,119	2,252,390
Beginning Balance	58,689,994	(6,268,379)
Ending Balance	58,701,126	(3,998,192)
Less: Operating Reserves	7,024,900	-
Replacement Reserve Balance	\$ 51,676,226	\$ (3,998,192)
Replacement Reserve Floor	\$ 18,603,400	
Replacement Reserve Ceiling	\$ 54,762,600	

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: JANUARY 15, 2020
TO: BOARD OF DIRECTORS
SUBJECT: MONTHLY FINANCIAL REPORTS

BACKGROUND:

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

DISCUSSION:

The Monthly Revenue and Expense reports summarize revenues by service type and expenses by department over the 6-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 Six Months Ended December 31, 2019

	Current Year Actual	Prior Year Actual		Current Year Budget			
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Water Sales	\$17,545,307	\$18,864,156	\$ (1,318,849)	-7.0%	\$18,915,000	\$ (1,369,693)	-7.2%
Ready-to-serve	7,165,804	6,785,326	380,478	5.6%	6,902,000	263,804	3.8%
Pumping cost recovery	241,313	207,142	34,171	16.5%	203,000	38,313	18.9%
Late & lock charges	186,023	213,867	(27,844)	-13.0%	233,000	(46,977)	-20.2%
Backflow fees	48,616	46,619	1,997	4.3%	48,000	616	1.3%
Other revenue	196,355	70,448	125,907	178.7%	62,500	133,855	214.2%
Total Revenue	<u>25,383,418</u>	<u>26,187,558</u>	(804,140)	-3.1%	<u>26,363,500</u>	(980,082)	-3.7%
Expenses							
Water costs	16,241,870	16,099,530	142,340	0.9%	17,172,000	(930,130)	-5.4%
Pumping costs	432,680	443,704	(11,024)	-2.5%	541,000	(108,320)	-20.0%
Water quality	53,250	55,982	(2,732)	-4.9%	110,000	(56,750)	-51.6%
Water treatment	267,929	218,931	48,998	22.4%	244,000	23,929	9.8%
Tanks & reservoirs	186,559	180,263	6,296	3.5%	233,000	(46,441)	-19.9%
Trans & distribution	867,602	1,369,310	(501,708)	-36.6%	922,000	(54,398)	-5.9%
Services	32,253	41,268	(9,015)	-21.8%	45,000	(12,747)	-28.3%
Meters	373,472	309,069	64,403	20.8%	384,000	(10,528)	-2.7%
Backflow prevention	30,636	22,362	8,274	37.0%	33,000	(2,364)	-7.2%
Customer accounts	327,248	315,354	11,894	3.8%	335,000	(7,752)	-2.3%
Building & grounds	176,173	193,218	(17,045)	-8.8%	197,000	(20,827)	-10.6%
Equipment & vehicles	123,082	118,806	4,276	3.6%	166,000	(42,918)	-25.9%
Engineering	828,646	769,827	58,819	7.6%	810,000	18,646	2.3%
Safety & compliance	103,919	126,606	(22,687)	-17.9%	122,000	(18,081)	-14.8%
Information Technology	467,405	381,403	86,002	22.5%	519,000	(51,595)	-9.9%
General & administrative	1,639,720	1,445,995	193,725	13.4%	1,492,000	147,720	9.9%
Total Expenses	<u>22,152,444</u>	<u>22,091,628</u>	60,816	0.3%	<u>23,325,000</u>	(1,172,556)	-5.0%
Net Operating Income	<u>\$ 3,230,974</u>	<u>\$ 4,095,930</u>	(864,956)	-21.1%	<u>\$ 3,038,500</u>	192,474	6.3%

Explanation of Significant Variances

The favorable prior year and budget variance in **Other revenue** is due to reimbursement for a portion of the cost of the District-wide Solar Project, as well as fees received from a water and sewer annexation from the District.

The **Pumping costs** favorable budget variance is due to less than anticipated expenses for power so far this year.

Water quality has a favorable budget variance are a result of less than anticipated outside services being performed so far this year.

Transmission and distribution has a favorable prior year variance as a result of fewer main breaks during the year thus far.

The unfavorable prior year variance in **Meters** is related to anticipated increases in material and supply costs.

The **Information technology** unfavorable prior year variance is related to the timing of materials and outside services purchases. This should smooth over the coming months.

Vallecitos Water District
Sewer Revenue and Expense Report
For the Six Months Ended December 31, 2019

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Sewer service charges	\$9,300,850	\$9,244,695	\$ 56,155	0.6%	\$9,156,000	\$ 144,850	1.6%
Reclaimed water sales	1,828,425	987,000	841,425	85.3%	1,233,000	595,425	48.3%
Other revenue	207,693	673,556	(465,863)	-69.2%	39,000	168,693	432.5%
Total Revenue	<u>11,336,968</u>	<u>10,905,251</u>	431,717	4.0%	<u>10,428,000</u>	908,968	8.7%
Expenses							
Collection & conveyance	1,209,892	1,014,473	195,419	19.3%	1,202,000	7,892	0.7%
Lift stations	106,472	90,895	15,577	17.1%	170,000	(63,528)	-37.4%
Source Control	99,326	93,657	5,669	6.1%	101,000	(1,674)	-1.7%
Effluent disposal	1,430,370	1,264,777	165,593	13.1%	1,760,000	(329,630)	-18.7%
Meadowlark	1,284,919	1,476,405	(191,486)	-13.0%	1,782,000	(497,081)	-27.9%
Customer Accounts	213,749	225,062	(11,313)	-5.0%	252,000	(38,251)	-15.2%
Building & grounds	100,218	130,442	(30,224)	-23.2%	137,000	(36,782)	-26.8%
Equipment & vehicles	102,611	97,572	5,039	5.2%	126,000	(23,389)	-18.6%
Engineering	317,382	308,540	8,842	2.9%	359,000	(41,618)	-11.6%
Safety & compliance	73,967	83,229	(9,262)	-11.1%	95,000	(21,033)	-22.1%
Information technology	368,704	311,023	57,681	18.5%	416,000	(47,296)	-11.4%
General & administrative	664,341	603,982	60,359	10.0%	720,000	(55,659)	-7.7%
Total Expenses	<u>5,971,951</u>	<u>5,700,057</u>	271,894	4.8%	<u>7,120,000</u>	(1,148,049)	-16.1%
Net Operating Income	<u>\$5,365,017</u>	<u>\$5,205,194</u>	159,823	3.1%	<u>\$3,308,000</u>	2,057,017	62.2%

Explanation of Significant Variances

Reclaimed water sales are higher than prior year due to anticipated increases in capital recovery.

Other revenues are low compared to prior year because of the litigation settlement related to illegal dumping in the Encina disposal system in FY19. Further, **Other revenues** have a favorable budget variance due to reimbursement for a portion of the cost of the district-wide Solar Project, as well as fees received from a water and sewer annexation from the District..

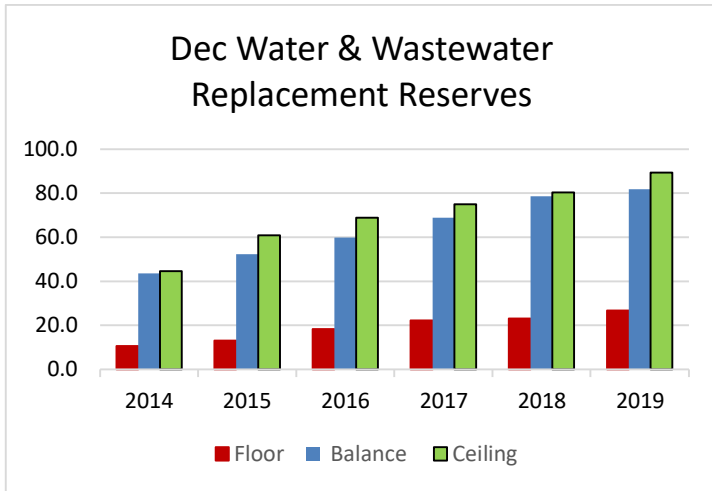
Lift stations has a favorable budget variance due to less than anticipated materials and supplies being used during the year thus far.

The **Meadowlark Plant** has a favorable budget variance as a result of less than anticipated outside services being performed thus far, as well as lower than anticipated materials and supplies, and chemical costs.

Variances are considered significant if they exceed \$50000 and 20%.

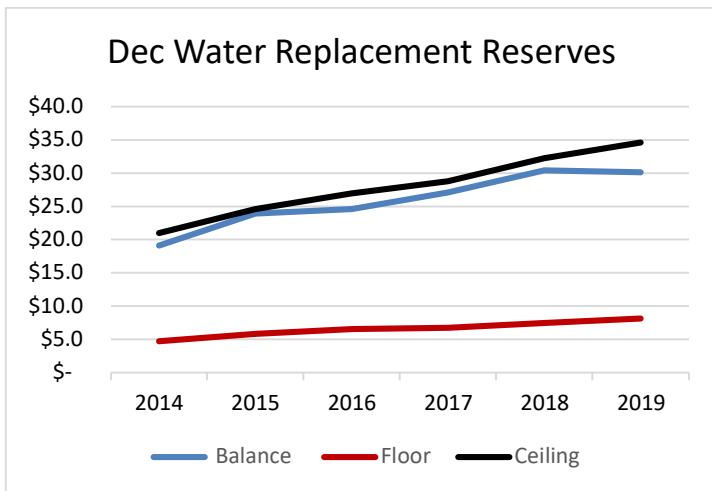
REPLACEMENT RESERVES

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 December 31, 2019, the total water and wastewater replacement reserve balance was \$81.8 million, 4 percent greater than December 31, 2018.



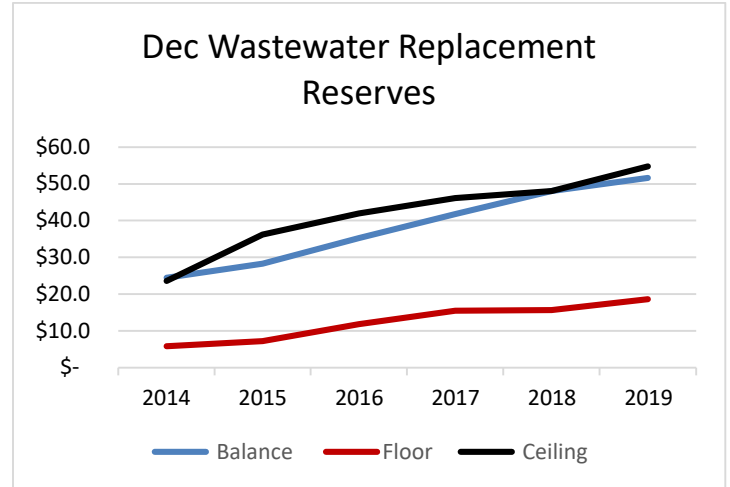
WATER REPLACEMENT RESERVE

As of December 31, 2019, the District’s water replacement reserve totaled \$30.2 million, a decrease of 1 percent, or \$0.3 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.



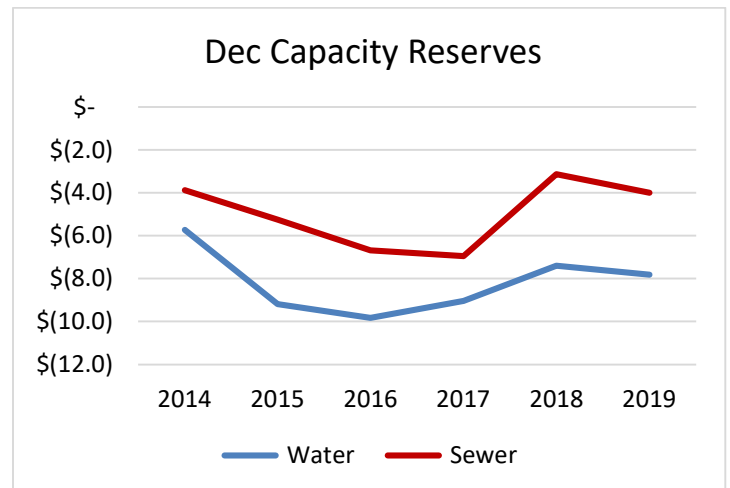
WASTEWATER REPLACEMENT RESERVE

As of December 31, 2019, the balance in the District’s wastewater replacement reserve totaled \$51.7 million, an increase of 7 percent, or \$3.6 million, from the same month of the prior year. The month-end balance is within the approved floor and ceiling.



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 December 31, 2019, the water capacity fund had a deficit of \$7.8 million and the sewer capacity fund had a deficit of \$4.0 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 DECEMBER 2019

	110 Water		120		210 Wastewater		220	Total
	Replacement	Capacity	Replacement	Capacity	Replacement	Capacity		
BEGINNING BALANCE	\$ 37,641,145	\$ (8,333,147)	\$ 58,689,994	\$ (6,268,379)	\$ 81,729,614			
REVENUES								
FY 19/20 Operating Transfers	3,230,974		5,365,017		8,595,991			
Capital Facility Fees	-	1,121,949	-	4,522,577	5,644,526			
Property Tax	524,195	-	421,470	-	945,665			
Investment Earnings	466,197	-	443,098	-	909,295			
RDA pass-through	43,514	-	33,666	-	77,179			
Annexation Fees	1,757	-	-	-	1,757			
TOTAL REVENUES	4,266,636	1,121,949	6,263,251	4,522,577	16,174,413			
LESS DISTRIBUTIONS								
Capital Projects								
Rock Springs Sewer Replacement	-	-	417,265	509,992	927,257			
Encina Wastewater Authority Five Year Plan	-	-	878,005	-	878,005			
Schoolhouse Tank Refurbishment	720,858	-	-	-	720,858			
Montiel Lift Station And Forcemain Replacement	-	-	209,061	85,391	294,452			
District-Wide SCADA Upgrade Project	134,900	-	129,610	-	264,510			
OSHA Compliant Ladder Systems	173,332	-	-	-	173,332			
San Marcos Interceptor Sewer	-	-	42,778	95,214	137,992			
Palos Vista Pump Station Generator	90,296	-	-	-	90,296			
MRF Biological Selector Improvements	-	-	89,885	-	89,885			
MRF - Influent Pumps & Motors	-	-	86,580	-	86,580			
Fire Services - Backflow Preventer Upgrades	75,328	-	-	-	75,328			
Sewer Bypass Repair	-	-	74,082	-	74,082			
District Wide Valve Replacement	63,158	-	-	-	63,158			
Technology Infrastructure Upgrades	29,790	-	28,622	-	58,412			
Lawrence Welk Court Water Line Replacement	57,878	-	-	-	57,878			
Asset Management Replacement Schedule	18,809	-	18,073	-	36,882			
Sewer Rehabilitation And Repairs	-	-	33,626	-	33,626			
Building A Kitchens	13,706	-	13,169	-	26,875			
Door Access System Expansion	11,079	-	10,645	-	21,724			
North Twin Oaks Tank 1 Refurbishment	17,085	-	-	-	17,085			
District Wide Solar Project	7,932	-	7,621	-	15,554			
Cal State San Marcos Meter Upgrade	15,093	-	-	-	15,093			
All other capital projects	9,877	-	14,554	1,344	25,775			
Capital Budget - Vehicles/Mobile Equipmnt	238,171	-	252,084	-	490,255			
Debt Service	-	526,737	-	1,511,813	2,038,550			
Fund PERS UAL	4,107,540	-	3,946,460	-	8,054,000			
Interest Expense	-	76,498	-	48,637	125,135			
TOTAL DISTRIBUTIONS	5,784,832	603,235	6,252,119	2,252,390	14,892,576			
ENDING BALANCE	\$ 36,122,949	\$ (7,814,432)	\$ 58,701,126	\$ (3,998,192)	\$ 83,011,450			
Less: Operating Reserves	5,970,100	-	7,024,900	-	12,995,000			
Replacement Reserves/Restricted Funds	\$ 30,152,849	\$ (7,814,432)	\$ 51,676,226	\$ (3,998,192)	\$ 70,016,450			
Replacement reserve floor	\$ 8,136,700		\$ 18,603,400					
Replacement reserve ceiling	\$ 34,640,500		\$ 54,762,600					

VALLECITOS WATER DISTRICT
INVESTMENT REPORT FOR DECEMBER 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.

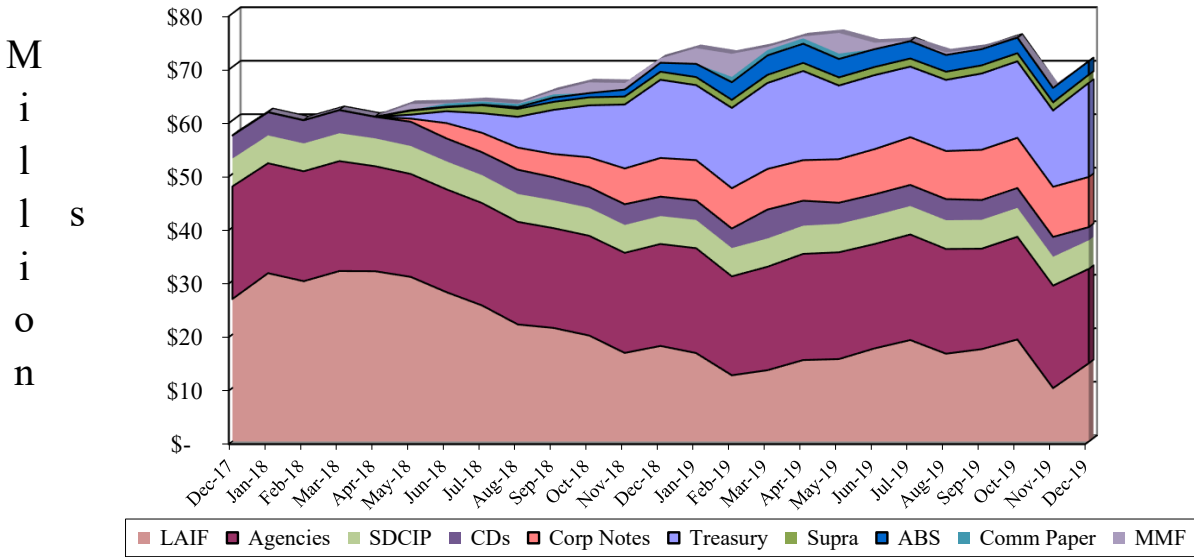
<u>Date</u>	<u>Activity</u>	<u>Investment</u>	<u>Amount</u>	<u>Maturity</u>	<u>Yield</u>
12/03/19	Deposit	LAIF	650,000	Open	2.05%
12/03/19	Full Call	FFCB	(750,000)	05/03/21	1.99%
12/04/19	Full Call	Wells Fargo CD	(243,000)	03/04/21	1.15%
12/05/19	Purchased	US Treasury	1,000,898	04/30/23	1.63%
12/06/19	Withdrawal	LAIF	650,000	Open	2.05%
12/10/19	Deposit	LAIF	850,000	Open	2.05%
12/12/19	Deposit	LAIF	1,500,000	Open	2.05%
12/16/19	Withdrawal	LAIF	(2,450,000)	Open	2.05%
12/16/19	Sold	JDOT 2017-B A3	(20,952)	10/15/21	1.82%
12/16/19	Sold	JDOT 2018-B A2	(19,445)	04/15/21	2.83%
12/16/19	Sold	JDOT 2019-A A2	(27,590)	12/15/21	2.85%
12/16/19	Sold	TAOT 2017-B CLA3	(24,799)	07/15/21	1.76%
12/16/19	Sold	TAOT 2019-A A2A	(28,252)	10/15/21	2.83%
12/17/19	Matured	BK Nova Scotia CD	(1,000,000)	12/17/19	2.61%
12/17/19	Purchased	US Treasury	1,021,211	01/31/24	2.25%
12/18/19	Sold	HAROT 2017-3 A3	(20,540)	09/20/21	1.79%
12/18/19	Sold	HAROT 2019-1 A2	(36,251)	09/20/21	2.75%
12/20/19	Deposit	LAIF	650,000	Open	2.05%
12/23/19	Full Call	FHLB	(275,000)	03/22/21	1.13%
12/26/19	Purchased	US Treasury	806,875	11/30/22	2.00%
12/30/19	Deposit	LAIF	1,400,000	Open	2.05%
12/30/19	Matured	FNMA	(500,000)	12/30/19	1.35%
12/31/19	Deposit	LAIF	1,400,000	Open	2.05%
12/31/19	Purchased	US Treasury	499,727	05/31/23	1.63%
Change in investments during the month			<u>\$ 5,032,881</u>		

	<u>Current</u>
Weighted average annual yield for total Vallecitos investments	2.260%
Weighted average days to maturity	467

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 September 30, 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 November 30, 2019. Fair values for federal agency obligations and corporate notes are provided by Union Bank trust account reporting

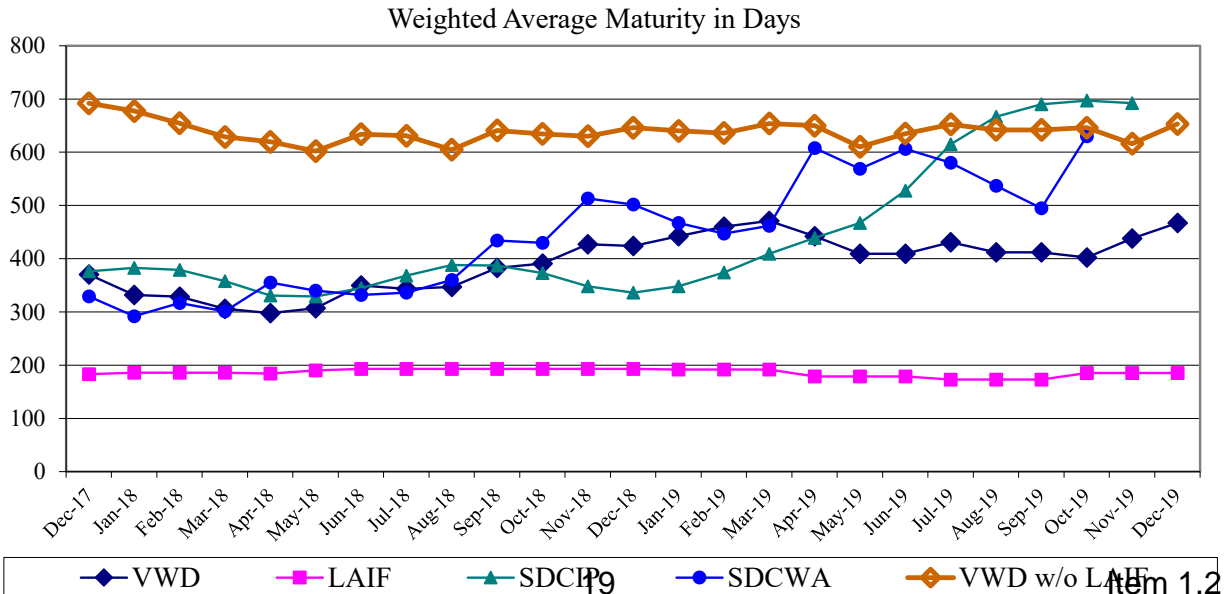
Safety

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.



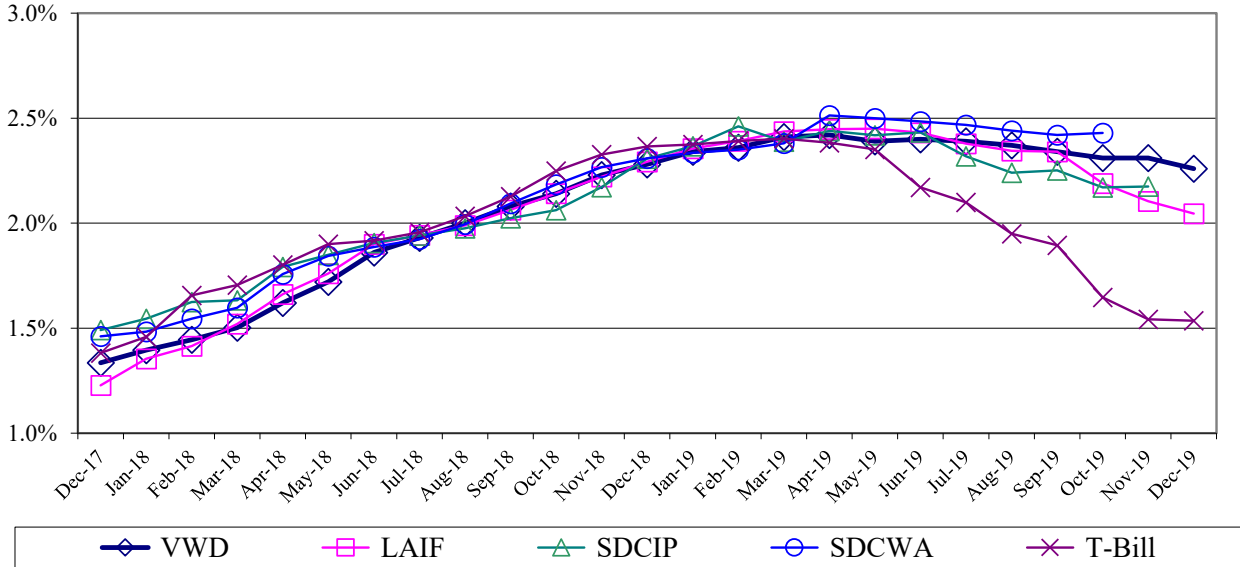
Liquidity

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 \$14.6 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	1.28
Average Coupon	2.08%
Average Purchase YTM	2.26%
Average Market YTM	1.83%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.42 yrs
Average Life	1.32 yrs

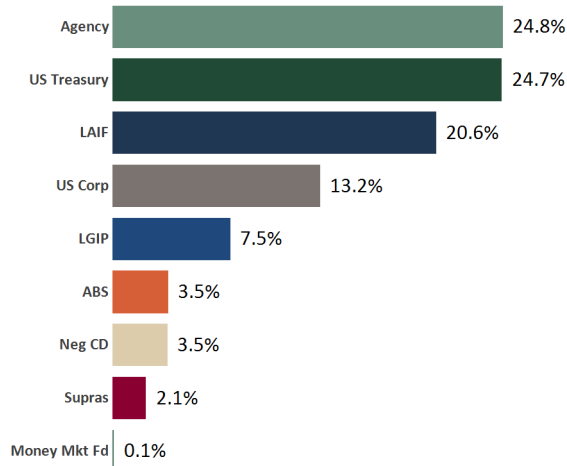
ACCOUNT SUMMARY

	Beg. Values as of 11/30/19	End Values as of 12/31/19
Market Value	66,433,650	71,143,177
Accrued Interest	329,659	332,963
Total Market Value	66,763,309	71,476,140
Income Earned	126,976	119,965
Cont/WD		
Par	66,044,031	70,714,443
Book Value	65,895,486	70,605,148
Cost Value	65,725,608	70,426,223

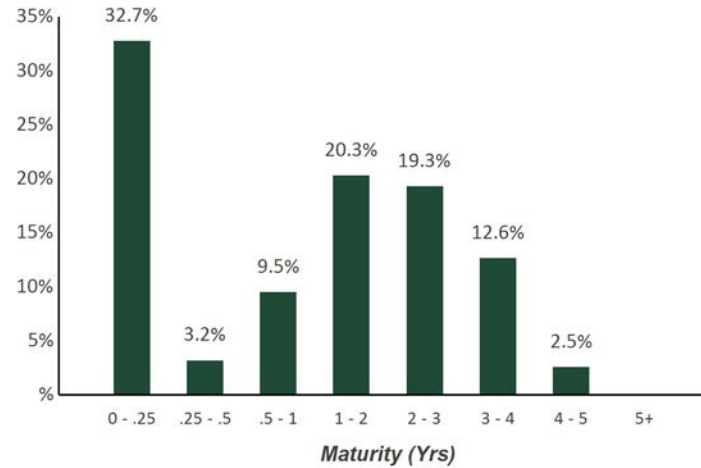
TOP ISSUERS

Government of United States	24.7%
Local Agency Investment Fund	20.6%
Federal Home Loan Bank	8.0%
County of San Diego Pooled Inve	7.5%
Federal Farm Credit Bank	7.3%
Federal National Mortgage Assoc	6.7%
Federal Home Loan Mortgage Corp	2.8%
Bank of Montreal Chicago	1.4%
Total	79.0%

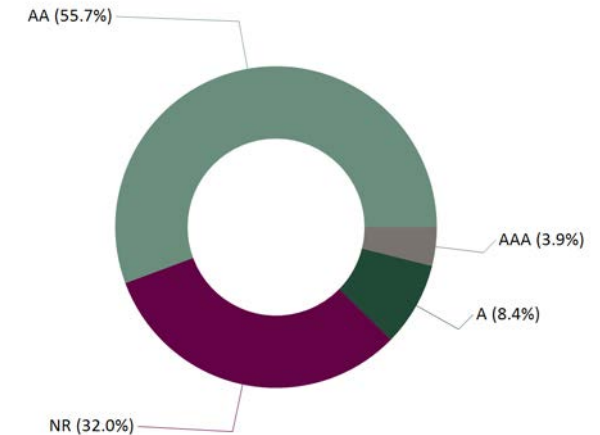
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of December 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
47788EAB4	John Deere Owner Trust 2018-B A2 2.83% Due 4/15/2021	90,913.62	01/29/2019 2.95%	90,835.49 90,896.93	100.09 1.99%	90,997.12 114.35	0.13% 100.19	Aaa / NR AAA	1.29 0.11
89190BAD0	Toyota Auto Receivables Trust 2017-B A3 1.76% Due 7/15/2021	195,397.28	09/26/2018 2.78%	193,115.10 194,143.31	99.94 1.95%	195,280.82 152.84	0.27% 1,137.51	Aaa / AAA NR	1.54 0.32
43814PAC4	Honda Auto Receivables Trust 2017-3 A3 1.79% Due 9/20/2021	200,417.34	12/11/2018 2.73%	197,818.17 198,804.42	99.95 1.90%	200,325.34 129.55	0.28% 1,520.92	NR / AAA AAA	1.72 0.44
43814WAB1	Honda Auto Receivables Trust 2019-1 A2 2.75% Due 9/20/2021	392,248.83	02/19/2019 2.77%	392,223.57 392,231.88	100.39 1.91%	393,772.29 389.52	0.55% 1,540.41	NR / AAA AAA	1.72 0.45
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	240,026.82	11/14/2018 3.14%	236,717.07 237,995.55	99.91 2.11%	239,812.82 194.16	0.34% 1,817.27	Aaa / NR AAA	1.79 0.31
89239AAB9	Toyota Auto Receivables Trust 2019-A A2A 2.83% Due 10/15/2021	285,855.03	02/05/2019 2.85%	285,829.08 285,837.65	100.35 1.94%	286,855.52 359.54	0.40% 1,017.87	Aaa / AAA NR	1.79 0.39
47789JAB2	John Deere Owner Trust 2019-A A2 2.85% Due 12/15/2021	304,942.01	03/05/2019 2.87%	304,928.10 304,932.16	100.33 2.03%	305,933.93 386.26	0.43% 1,001.77	Aaa / NR AAA	1.96 0.39
43814UAG4	Honda Auto Receivables Trust 2018-2 A3 3.01% Due 5/18/2022	105,000.00	05/22/2018 3.03%	104,997.71 104,998.63	100.92 1.90%	105,968.63 114.13	0.15% 970.00	NR / AAA AAA	2.38 0.82
43815HAC1	Honda Auto Receivables Trust 2018-3 A3 2.95% Due 8/22/2022	205,000.00	08/21/2018 2.98%	204,971.87 204,981.36	101.01 1.91%	207,065.99 167.99	0.29% 2,084.63	Aaa / NR AAA	2.64 0.95
65478WAE5	Nissan Auto Receivables Trust 2016-C A4 1.38% Due 1/17/2023	500,000.00	01/24/2019 2.95%	489,531.25 493,101.82	99.74 1.97%	498,719.00 306.67	0.70% 5,617.18	Aaa / NR AAA	3.05 0.44
Total ABS		2,519,800.93	2.89%	2,500,967.41 2,507,923.71	1.97%	2,524,731.46 2,315.01	3.54% 16,807.75	Aaa / AAA AAA	2.10 0.45
AGENCY									
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	99.86 1.84%	499,315.00 1,643.06	0.70% (685.00)	Aaa / AA+ AAA	0.25 0.25

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of December 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
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	100.00 1.66%	750,002.25 2,191.88	1.05% 2.25	Aaa / AA+ NR	0.33 0.32
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	99.94 1.64%	749,555.25 1,000.00	1.05% (444.75)	Aaa / AA+ AAA	0.41 0.41
3130A8M67	FHLB Callable Note Cont 7/13/2017 1.2% Due 7/13/2020	500,000.00	11/22/2016 1.60%	492,970.00 498,973.80	99.74 1.70%	498,686.00 2,800.00	0.70% (287.80)	Aaa / AA+ NR	0.53 0.28
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	99.82 1.67%	998,245.00 4,938.89	1.40% (1,755.00)	Aaa / AA+ AAA	0.65 0.64
3133EGC94	FFCB Callable Note Cont 2/2/2017 1.38% Due 11/2/2020	500,000.00	11/04/2016 1.40%	499,600.00 499,916.11	99.70 1.74%	498,494.50 1,130.83	0.70% (1,421.61)	Aaa / AA+ AAA	0.84 0.83
3133EGR49	FFCB Callable Note Cont 12/7/2017 1.77% Due 12/7/2020	250,000.00	12/07/2016 1.83%	249,437.50 249,868.71	99.97 1.80%	249,919.00 295.00	0.35% 50.29	Aaa / AA+ AAA	0.94 0.92
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	99.36 2.00%	496,817.50 2,975.00	0.70% (3,182.50)	Aaa / AA+ AAA	1.08 1.05
3133EFC54	FFCB Callable Note Cont 2/17/2017 1.62% Due 2/17/2021	150,000.00	11/18/2016 1.67%	149,667.00 149,911.39	99.92 1.69%	149,874.45 904.50	0.21% (36.94)	Aaa / AA+ AAA	1.13 1.11
3133EFZ91	FFCB Callable Note Cont 4/12/2017 1.62% Due 4/12/2021	750,000.00	04/12/2016 1.62%	749,925.00 749,980.82	99.47 2.03%	746,054.25 2,666.25	1.05% (3,926.57)	Aaa / AA+ AAA	1.28 1.26
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	99.37 1.91%	496,867.00 3,208.33	0.70% (3,133.00)	Aaa / AA+ AAA	1.57 1.54
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	99.46 1.93%	994,621.00 5,600.00	1.40% (5,379.00)	Aaa / AA+ AAA	1.65 1.61
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	99.90 1.68%	998,981.00 4,107.64	1.40% (1,019.00)	Aaa / AA+ NR	1.75 1.71
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	99.74 1.70%	997,350.00 2,712.50	1.40% (2,650.00)	Aaa / AA+ AAA	1.83 1.79
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	100.01 1.75%	1,000,145.00 1,822.92	1.40% 145.00	Aaa / AA+ AAA	1.91 0.15
3133EJ3B3	FFCB Note 2.8% Due 12/17/2021	1,000,000.00	12/26/2018 2.70%	1,002,780.00 1,001,832.85	102.36 1.57%	1,023,587.00 1,088.89	1.43% 21,754.15	Aaa / AA+ AAA	1.96 1.91
3135G0U92	FNMA Note 2.625% Due 1/11/2022	500,000.00	03/05/2019 2.60%	500,350.00 500,248.90	102.02 1.61%	510,117.00 6,197.92	0.72% 9,868.10	Aaa / AA+ AAA	2.03 1.95

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of December 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3133EKBV7	FFCB Note 2.55% Due 3/1/2022	750,000.00	02/27/2019 2.55%	750,075.00 750,054.06	102.02 1.60%	765,169.50 6,375.00	1.08% 15,115.44	Aaa / AA+ AAA	2.17 2.09
313378WG2	FHLB Note 2.5% Due 3/11/2022	500,000.00	04/08/2019 2.36%	501,945.00 501,458.29	101.88 1.63%	509,385.50 3,819.44	0.72% 7,927.21	Aaa / AA+ NR	2.19 2.12
313383WD9	FHLB Note 3.125% Due 9/9/2022	500,000.00	01/30/2019 2.68%	507,580.00 505,651.91	104.00 1.60%	519,991.50 4,861.11	0.73% 14,339.59	Aaa / AA+ AAA	2.69 2.56
3130AFE78	FHLB Note 3% Due 12/9/2022	1,000,000.00	01/25/2019 2.71%	1,010,700.00 1,008,136.85	103.97 1.61%	1,039,657.00 1,833.33	1.46% 31,520.15	Aaa / AA+ AAA	2.94 2.81
3133834G3	FHLB Note 2.125% Due 6/9/2023	650,000.00	10/30/2019 1.66%	660,432.50 659,941.37	101.62 1.64%	660,521.55 844.10	0.93% 580.18	Aaa / AA+ NR	3.44 3.30
3133EKZK5	FFCB Note 1.6% Due 8/14/2023	1,000,000.00	08/28/2019 1.48%	1,004,700.00 1,004,293.71	99.88 1.64%	998,751.00 6,088.89	1.41% (5,542.71)	Aaa / AA+ AAA	3.62 3.48
3130A3DL5	FHLB Note 2.375% Due 9/8/2023	700,000.00	10/09/2019 1.44%	724,864.00 723,419.83	102.55 1.66%	717,859.80 5,218.40	1.01% (5,560.03)	Aaa / AA+ NR	3.69 3.50
3133EKMx1	FFCB Note 2.23% Due 2/23/2024	750,000.00	07/30/2019 1.91%	760,425.00 759,462.50	102.01 1.72%	765,099.00 5,946.67	1.08% 5,636.50	Aaa / AA+ AAA	4.15 3.92
Total Agency		17,500,000.00	1.83%	17,565,451.00 17,563,151.10	1.71%	17,635,066.05 80,270.55	24.78% 71,914.95	Aaa / AA+ AAA	1.92 1.75
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	14,612,593.02	Various 2.02%	14,612,593.02 14,612,593.02	1.00 2.02%	14,612,593.02 81,977.60	20.56% 0.00	NR / NR NR	0.00 0.00
Total LAIF		14,612,593.02	2.02%	14,612,593.02 14,612,593.02	2.02%	14,612,593.02 81,977.60	20.56% 0.00	NR / NR NR	0.00 0.00
LOCAL GOV INVESTMENT POOL									
90SDCP\$00	County of San Diego Pooled Investment Pool	5,349,000.00	Various 2.14%	5,349,000.00 5,349,000.00	1.00 2.14%	5,349,000.00 0.00	7.48% 0.00	NR / NR AAA	0.00 0.00
Total Local Gov Investment Pool		5,349,000.00	2.14%	5,349,000.00 5,349,000.00	2.14%	5,349,000.00 0.00	7.48% 0.00	NR / NR AAA	0.00 0.00

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of December 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND FI									
261908206	Dreyfus Treasury Money Market Fund	73,049.47	Various 1.24%	73,049.47 73,049.47	1.00 1.24%	73,049.47 0.00	0.10% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		73,049.47	1.24%	73,049.47	1.24%	73,049.47 0.00	0.10% 0.00	Aaa / AAA NR	0.00 0.00

NEGOTIABLE CD									
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 22,491.39	1.43% 0.00	P-1 / A-1 F-1+	0.18 0.18
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	100.01 1.64%	245,027.20 1,312.26	0.34% 27.20	NR / NR NR	0.19 0.19
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%	244,510.00 244,933.42	99.85 1.69%	244,634.71 1,663.32	0.34% (298.71)	NR / NR NR	0.52 0.51
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	99.68 1.89%	244,216.74 674.59	0.34% (783.26)	NR / NR NR	0.82 0.81
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	100.05 1.65%	245,121.52 37.25	0.34% 121.52	NR / NR NR	1.00 0.24
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	99.87 1.74%	244,689.10 22.15	0.34% (310.90)	NR / NR NR	1.50 1.48
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	99.63 1.88%	244,089.09 509.47	0.34% (910.91)	NR / NR NR	1.63 1.60
Total Negotiable CD		2,470,000.00	2.06%	2,469,510.00 2,469,933.42	2.13%	2,467,778.36 26,710.43	3.49% (2,155.06)	Aaa / AA AAA	0.63 0.55

SUPRANATIONAL									
4581X0CD8	Inter-American Dev Bank Note 2.125% Due 11/9/2020	750,000.00	05/22/2018 2.81%	737,865.00 745,779.72	100.33 1.73%	752,502.00 2,302.08	1.06% 6,722.28	Aaa / AAA AAA	0.86 0.84

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of December 31, 2019



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
SUPRANATIONAL									
459058GH0	Intl. Bank Recon & Development Note 2.75% Due 7/23/2021	750,000.00	07/24/2018 2.86%	747,607.50 748,754.50	101.66 1.67%	762,468.75 9,052.08	1.08% 13,714.25	Aaa / AAA NR	1.56 1.51
Total Supranational		1,500,000.00	2.84%	1,485,472.50 1,494,534.22	1.70%	1,514,970.75 11,354.16	2.14% 20,436.53	Aaa / AAA AAA	1.21 1.18
US CORPORATE									
40428HPV8	HSBC USA Inc Note 2.75% Due 8/7/2020	250,000.00	10/10/2018 3.26%	247,772.50 249,266.43	100.43 2.02%	251,077.75 2,750.00	0.36% 1,811.32	A2 / A A+	0.60 0.59
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%	490,920.00 496,351.36	100.35 1.82%	501,771.00 1,852.78	0.70% 5,419.64	A3 / A A	0.84 0.75
459200JF9	IBM Corp Note 2.25% Due 2/19/2021	500,000.00	06/26/2018 3.07%	489,640.00 495,553.88	100.36 1.92%	501,821.00 4,125.00	0.71% 6,267.12	A2 / A NR	1.14 1.11
69371RN93	Paccar Financial Corp Note 2.8% Due 3/1/2021	300,000.00	07/23/2018 3.12%	297,585.00 298,919.61	101.18 1.77%	303,533.10 2,800.00	0.43% 4,613.49	A1 / A+ NR	1.17 1.14
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%	493,125.00 496,637.62	100.69 1.91%	503,457.50 2,638.89	0.71% 6,819.88	A1 / A AA-	1.29 1.18
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	350,000.00	06/28/2018 3.08%	349,247.50 349,643.51	101.68 1.74%	355,890.15 1,458.33	0.50% 6,246.64	A2 / A+ NR	1.36 1.33
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	500,000.00	10/12/2018 3.30%	483,360.00 491,134.71	100.21 1.80%	501,036.50 1,137.50	0.70% 9,901.79	A1 / A AA-	1.38 1.36
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.25% Due 5/21/2021	320,000.00	Various 3.09%	321,372.10 320,618.45	101.95 1.73%	326,242.56 1,155.56	0.46% 5,624.11	A2 / A A	1.39 1.28
931142EJ8	Wal-Mart Stores Note 3.125% Due 6/23/2021	290,000.00	06/20/2018 3.13%	289,985.50 289,992.84	102.14 1.65%	296,200.78 201.39	0.41% 6,207.94	Aa2 / AA AA	1.48 1.44
02665WBG5	American Honda Finance Note 1.7% Due 9/9/2021	500,000.00	07/20/2018 3.19%	478,045.00 488,148.53	99.84 1.79%	499,211.50 2,644.44	0.70% 11,062.97	A2 / A NR	1.69 1.65



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									
89233P5F9	Toyota Motor Credit Corp Note 3.4% Due 9/15/2021	500,000.00	05/31/2018 3.03%	505,785.00 503,005.88	102.60 1.85%	512,977.50 5,005.56	0.72% 9,971.62	Aa3 / AA- A+	1.71 1.64
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	500,000.00	Various 3.29%	489,627.50 493,945.21	101.68 1.80%	508,384.50 6,440.98	0.72% 14,439.29	A2 / A A	2.02 1.93
74005PBA1	Praxair Callable Note Cont 11/15/2021 2.45% Due 2/15/2022	300,000.00	06/27/2018 3.15%	292,848.00 295,817.67	101.21 1.79%	303,635.10 2,776.67	0.43% 7,817.43	A2 / A NR	2.13 1.81
037833CQ1	Apple Inc Callable Note Cont 4/11/22 2.3% Due 5/11/2022	500,000.00	10/30/2018 3.30%	483,395.00 488,891.29	101.20 1.76%	506,003.00 1,597.22	0.71% 17,111.71	Aa1 / AA+ NR	2.36 2.21
68389XBB0	Oracle Corp Callable Note Cont 3/15/2022 2.5% Due 5/15/2022	500,000.00	Various 3.28%	486,304.00 491,418.08	101.31 1.89%	506,565.00 1,597.23	0.71% 15,146.92	A1 / A+ A	2.37 2.14
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	500,000.00	12/11/2018 3.31%	495,015.00 496,547.62	102.74 1.81%	513,701.00 1,916.67	0.72% 17,153.38	Aa2 / AA A+	2.37 2.28
09247XAJ0	Blackrock Inc Note 3.375% Due 6/1/2022	500,000.00	11/28/2018 3.36%	500,215.00 500,148.26	103.65 1.82%	518,240.50 1,406.25	0.73% 18,092.24	Aa3 / AA- NR	2.42 2.32
06051GEU9	Bank of America Corp Note 3.3% Due 1/11/2023	400,000.00	09/05/2019 2.13%	414,984.00 413,583.86	103.39 2.14%	413,552.80 6,233.33	0.59% (31.06)	A2 / A- A+	3.03 2.84
90331HNL3	US Bank NA Callable Note Cont 12/23/22 2.85% Due 1/23/2023	480,000.00	07/22/2019 2.24%	489,580.80 488,344.82	102.41 2.01%	491,589.12 6,004.00	0.70% 3,244.30	A1 / AA- AA-	3.07 2.82
69353RFL7	PNC Bank Callable Note Cont 5/9/2023 3.5% Due 6/8/2023	500,000.00	06/11/2019 2.44%	519,580.00 516,806.40	104.91 1.98%	524,534.00 1,118.06	0.74% 7,727.60	A2 / A NR	3.44 3.16
931142EK5	Wal-Mart Stores Callable Note Cont 5/26/2023 3.4% Due 6/26/2023	500,000.00	05/21/2019 2.65%	514,115.00 511,964.97	105.15 1.83%	525,749.50 236.11	0.74% 13,784.53	Aa2 / AA AA	3.49 3.22
Total US Corporate		9,190,000.00	3.02%	9,132,501.90 9,176,741.00	1.85%	9,365,173.86 55,095.97	13.18% 188,432.86	A1 / A+ A+	2.02 1.89
US TREASURY									
9128283S7	US Treasury Note 2% Due 1/31/2020	750,000.00	08/24/2018 2.57%	744,082.03 749,659.89	100.03 1.67%	750,198.75 6,277.17	1.06% 538.86	Aaa / AA+ AAA	0.08 0.08
9128283Y4	US Treasury Note 2.25% Due 2/29/2020	750,000.00	06/25/2018 2.51%	746,835.94 749,695.47	100.09 1.68%	750,687.75 5,702.27	1.06% 992.28	Aaa / AA+ AAA	0.16 0.16



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									
912828XH8	US Treasury Note 1.625% Due 6/30/2020	750,000.00	05/31/2018 2.43%	737,753.91 747,087.33	100.00 1.63%	750,000.00 33.48	1.05% 2,912.67	Aaa / AA+ AAA	0.50 0.50
912828L65	US Treasury Note 1.375% Due 9/30/2020	750,000.00	06/27/2018 2.53%	731,044.92 743,727.59	99.80 1.65%	748,476.75 2,620.39	1.05% 4,749.16	Aaa / AA+ AAA	0.75 0.74
912828WCO	US Treasury Note 1.75% Due 10/31/2020	750,000.00	07/20/2018 2.64%	735,292.97 744,619.81	100.08 1.65%	750,615.00 2,235.58	1.05% 5,995.19	Aaa / AA+ AAA	0.84 0.82
912828A42	US Treasury Note 2% Due 11/30/2020	750,000.00	11/28/2018 2.85%	737,695.31 744,385.56	100.32 1.64%	752,431.50 1,311.48	1.05% 8,045.94	Aaa / AA+ AAA	0.92 0.90
912828N89	US Treasury Note 1.375% Due 1/31/2021	750,000.00	10/30/2018 2.86%	725,859.38 738,384.34	99.72 1.63%	747,920.25 4,315.56	1.05% 9,535.91	Aaa / AA+ AAA	1.09 1.07
912828U81	US Treasury Note 2% Due 12/31/2021	750,000.00	11/08/2018 3.05%	726,650.39 735,152.25	100.80 1.59%	756,006.00 41.21	1.06% 20,853.75	Aaa / AA+ AAA	2.00 1.96
912828W55	US Treasury Note 1.875% Due 2/28/2022	1,000,000.00	01/30/2019 2.56%	979,921.88 985,906.02	100.61 1.59%	1,006,133.00 6,335.85	1.42% 20,226.98	Aaa / AA+ AAA	2.16 2.10
912828W89	US Treasury Note 1.875% Due 3/31/2022	750,000.00	09/27/2018 2.92%	724,013.67 733,352.51	100.64 1.59%	754,775.25 3,573.26	1.06% 21,422.74	Aaa / AA+ AAA	2.25 2.19
912828XR6	US Treasury Note 1.75% Due 5/31/2022	750,000.00	09/24/2018 2.93%	719,208.98 729,816.30	100.39 1.58%	752,929.50 1,147.54	1.06% 23,113.20	Aaa / AA+ AAA	2.42 2.35
912828XW5	US Treasury Note 1.75% Due 6/30/2022	350,000.00	09/07/2018 2.80%	336,792.97 341,337.94	100.41 1.58%	351,449.35 16.83	0.49% 10,111.41	Aaa / AA+ AAA	2.50 2.44
9128282P4	US Treasury Note 1.875% Due 7/31/2022	1,000,000.00	12/28/2018 2.53%	977,617.19 983,880.27	100.71 1.59%	1,007,070.00 7,846.47	1.42% 23,189.73	Aaa / AA+ AAA	2.58 2.50
912828L24	US Treasury Note 1.875% Due 8/31/2022	750,000.00	09/20/2018 2.94%	720,439.45 730,026.10	100.73 1.59%	755,508.00 4,751.89	1.06% 25,481.90	Aaa / AA+ AAA	2.67 2.58
9128282W9	US Treasury Note 1.875% Due 9/30/2022	1,000,000.00	03/19/2019 2.43%	981,406.25 985,543.00	100.76 1.59%	1,007,617.00 4,764.34	1.42% 22,074.00	Aaa / AA+ AAA	2.75 2.66
912828M80	US Treasury Note 2% Due 11/30/2022	800,000.00	12/24/2019 1.70%	806,875.00 806,836.45	101.13 1.60%	809,031.20 1,398.91	1.13% 2,194.75	Aaa / AA+ AAA	2.92 2.82
9128284D9	US Treasury Note 2.5% Due 3/31/2023	1,000,000.00	02/21/2019 2.51%	999,414.06 999,536.49	102.77 1.62%	1,027,734.00 6,352.46	1.45% 28,197.51	Aaa / AA+ AAA	3.25 3.10
912828R28	US Treasury Note 1.625% Due 4/30/2023	1,000,000.00	12/04/2019 1.60%	1,000,898.44 1,000,878.91	99.99 1.63%	999,922.00 2,767.86	1.40% (956.91)	Aaa / AA+ AAA	3.33 3.22



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828R69	US Treasury Note 1.625% Due 5/31/2023	1,100,000.00	Various 2.00%	1,083,765.62 1,086,556.36	100.00 1.62%	1,100,042.90 1,562.84	1.54% 13,486.54	Aaa / AA+ AAA	3.42 3.30
912828T91	US Treasury Note 1.625% Due 10/31/2023	1,000,000.00	09/25/2019 1.60%	1,000,898.44 1,000,840.19	99.91 1.65%	999,102.00 2,767.86	1.40% (1,738.19)	Aaa / AA+ AAA	3.84 3.69
912828V80	US Treasury Note 2.25% Due 1/31/2024	1,000,000.00	12/16/2019 1.71%	1,021,210.94 1,020,999.68	102.32 1.66%	1,023,164.00 9,415.76	1.44% 2,164.32	Aaa / AA+ AAA	4.09 3.86
Total US Treasury		17,500,000.00	2.41%	17,237,677.74 17,358,222.46	1.62%	17,600,814.20 75,239.01	24.73% 242,591.74	Aaa / AA+ AAA	2.25 2.17
TOTAL PORTFOLIO		70,714,443.42	2.26%	70,426,223.04 70,605,148.40	1.83%	71,143,177.17 332,962.73	100.00% 538,028.77	Aa1 / AA+ AAA	1.42 1.28
TOTAL MARKET VALUE PLUS ACCRUED						71,476,139.90			

**VALLECITOS WATER DISTRICT
SUMMARY OF LEGAL FEES**

Matter Description	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total
General Counsel Services	\$6,416	\$7,639	\$8,896	\$7,886	\$3,422	\$9,177	\$10,914	\$5,557	\$9,183	\$5,284	\$2,215	\$12,391	\$6,930	\$95,910
Labor/Employment	493	3,770	6,409	852	-	2,610	5,577	21,718	14,492	5,447	2,135	3,679	3,948	\$71,128
Engineering - Construction/Contracting	1,947	1,404	260	858	2,938	2,840	2,647	3,172	1,693	546	1,641	1,968	2,878	\$24,792
Fees and Taxes	1,040	-	78	988	364	-	-	-	728	-	2,744	7,241	5,491	\$18,673
Environmental	-	-	-	-	-	-	-	7,935	116	-	-	1,800	2,910	\$12,761
VWD v. Brian Thomas Boyd	3,375	494	2,718	130	104	-	-	-	-	-	-	-	-	\$6,821
Adv. Butler	-	-	-	-	-	-	2,302	302	136	-	30	417	-	\$3,187
Total	\$13,271	\$13,308	\$18,361	\$10,714	\$6,828	\$14,628	\$21,439	\$38,684	\$26,348	\$11,277	\$8,764	\$27,495	\$22,157	\$233,273

DATE: JANUARY 15, 2020
TO: BOARD OF DIRECTORS
SUBJECT: ADOPTION OF RESOLUTION RECOGNIZING ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS THE "ORCHARD HILLS ANNEXATION", APN 218-220-10 & 17, AND ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 5 & 6 (WARMINGTON RESIDENTIAL CALIFORNIA, INC.)

BACKGROUND:

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

DISCUSSION:

Warmington Residential requested annexation into the District's water and sewer service areas in March 2019. The conditions for annexation into the District's water and sewer service area were approved at the April 17, 2019 Board of Directors meeting.

The developer has paid \$59,113.56 in water annexation fees and \$110,740.74 in sewer annexation fees in accordance with District Ordinance No. 200. They have also paid \$800.00 in State Board of Equalization fees and completed the detachment from Vista Irrigation District per the conditions of annexation listed in the April 17, 2019 staff report. An application was made to LAFCO on September 17, 2018. LAFCO approved the application on March 4, 2019.

FISCAL IMPACT:

The Developer has paid \$199,260.00 in Wastewater Capital Facility Fees. They will pay Water Capital Facility Fees prior to occupancy per District Ordinance No. 175 and Resolution No. 1441. Capital Facility Fees must be paid at the rate in effect at the time of payment.

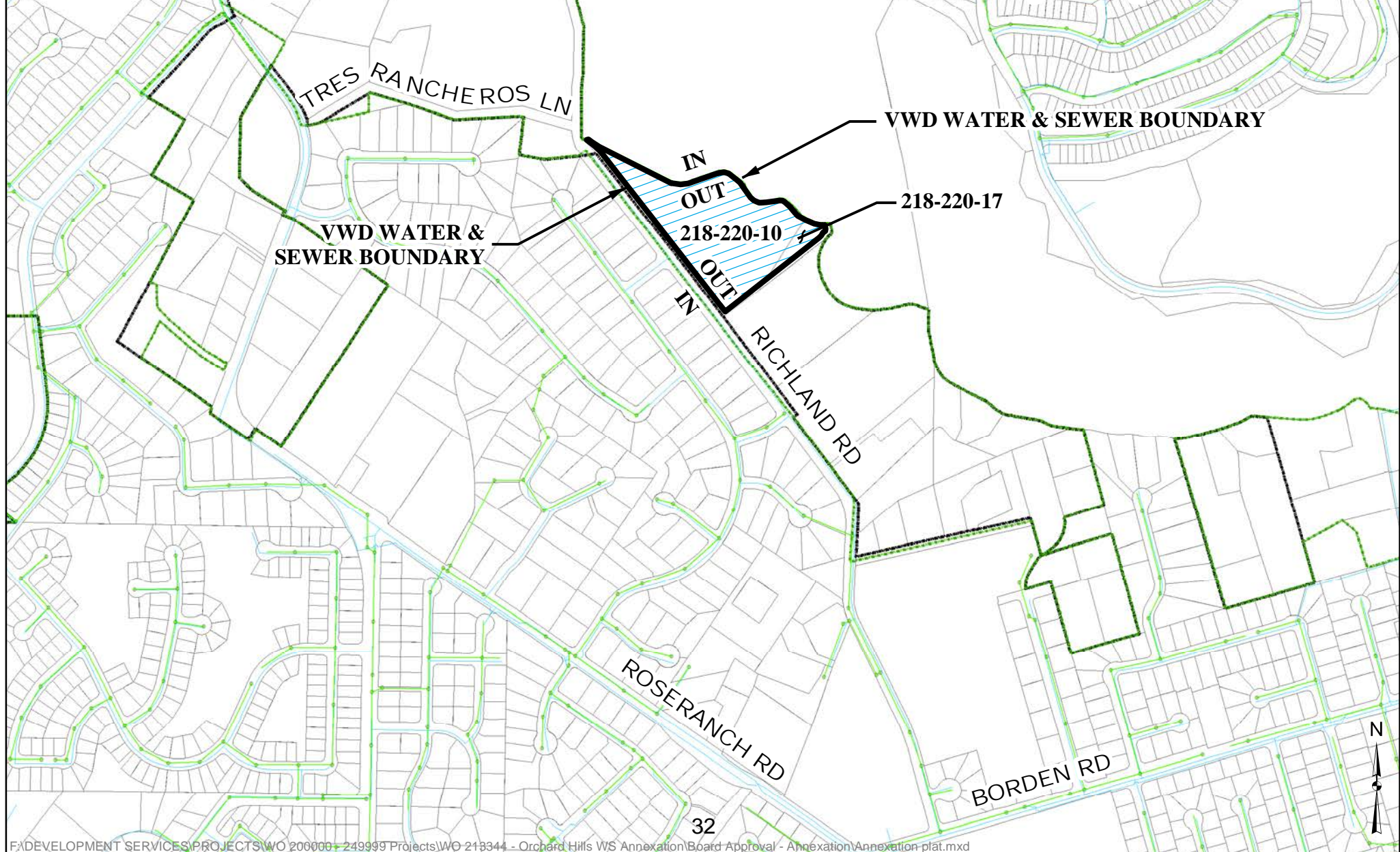
RECOMMENDATION:

Adopt the resolution recognizing the annexation of the Orchard Hills property into the Vallecitos Water District and ordering the annexation into Sewer Improvement Districts 5 & 6.

ATTACHMENTS:

2 Map Exhibits: 1-Plat & 1-Aerial
Resolution Recognizing the Annexation of APN 218-220-10 & 17 into the Vallecitos Water District and ordering the annexation into Sewer Improvement Districts 5 & 6.

ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS THE "ORCHARD HILLS ANNEXATION" APN 218-220-10 & 17 AND ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 5 & 6 (WARMINGTON RESIDENTIAL CALIFORNIA, INC.)



ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS THE "ORCHARD HILLS ANNEXATION" APN 218-220-10 & 17 AND ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 5 & 6 (WARMINGTON RESIDENTIAL CALIFORNIA, INC.)



RESOLUTION NO.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS THE "ORCHARD HILLS ANNEXATION," APN 218-220-10 & 17 AND ORDERING ANNEXATION INTO SEWER IMPROVEMENT DISTRICTS 5 & 6

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

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

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

Section 1.2: That the owners of the land described in this resolution, consisting of approximately 1.59 acres, and also referred to as APN 218-220-10 & 17, have given their written consent to the annexation of said lands to the Sewer Improvement Districts hereinafter designated and have, in writing, requested the annexation of said lands to said Sewer Improvement Districts.

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

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

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

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

Section 1.7: That the land herein described was previously not within the boundaries of the Vallecitos Water District and said lands are not a part of an Improvement District constituted for a purpose similar to the purpose of Improvement Districts 5 & 6 of the Vallecitos Water District.

Section 1.8: For annexations into the Sewer Improvement District, the Board requires as a condition of the annexation that the property also be annexed into the Vallecitos Water District.

Section 1.9: That the San Diego Local Agency Formation Commission has approved and ordered the proposed annexation to Vallecitos Water District and detachment from Vista Irrigation District as the "Orchard Hills Reorganization" per Certificate of Completion LAFCO File No. RO19-06 and recorded with the San Diego County Recorder on November 8, 2019 as document number 2019-0516833.

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

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

Section 3.1: Payment by petitioners of the sum of \$4,714.00 per acre or fraction thereof for annexation of the territory into the Vallecitos Water District and \$8,831.00 per acre or fraction thereof for annexation of the territory into Sewer Improvement Districts 5 & 6 (together not individually) for the use or right of use of the existing property in the Improvement Districts.

Section 3.2: Payment by the petitioners of the sum of \$2,000.00 to cover costs of annexation, which includes attorney fees, publication, filing fees and miscellaneous costs of annexation.

Section 3.3: The lands annexed to an Vallecitos Water District and Sewer Improvement Districts 5 & 6 shall be subject to existing bond issues and indebtedness of the Improvement District from and after the filing with the San Diego County Assessor of a certified copy of this resolution as set forth in Section 32553 of the Water Code of the State of California.

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

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 15th day of January 2020, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT

Betty Evans, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruijm, Secretary
Board of Directors
Vallecitos Water District

DATE: JANUARY 15, 2020
TO: BOARD OF DIRECTORS
SUBJECT: CONTRACT AWARD FOR DISTRIBUTION WATER MAIN FLUSHING SERVICES

BACKGROUND:

Over time, suspended minerals and fine sediment particles can settle out of drinking water and collect on the bottom of water mains. The State Water Resources Control Board – Division of Drinking Water (SWRCB – DDW) requires the Vallecitos Water District (VWD) to develop and implement a distribution water main flushing program in order to maintain acceptable water quality for our customers. VWD Water Operations staff routinely flush distribution water mains at a high velocity as a part of this maintenance program. Although effective at removing sediment, several thousand gallons of water are typically flushed from each line as a part of this process.

As a result of SB 555 passing in 2015, California Water Code Section 10608.34 now requires all urban retail water suppliers to conduct and submit validated water loss audit reports to the Department of Water Resources on October 1, annually. The water code also requires the State Water Board to develop water loss performance standards for urban retail water suppliers between January 2019 and July 2020. The goal of these standards will be to force urban retail water suppliers to reduce water loss and potentially fine agencies that do not meet their goals.

VWD staff has researched ways to reduce water loss while still maintaining water quality and meeting regulatory requirements. One method of achieving this goal is to use a truck mounted filtration system to clean the water as it is being flushed from the mains and then pump it back into the water main instead of wasting it.

District staff prepared a scope of work and determined which water lines should be flushed as a part of this pilot program. Approximately 20 miles of water mains in the Lake San Marcos area will be flushed and cleaned using this technology. An estimated one million gallons of water will be saved. Funds for this project were included in the 2019/2020 Materials & Services budget.

Reliable Water Solutions, LLC is currently the only company approved by the SWRCB – DDW to perform these services.

<u>Bidder</u>	<u>Amount</u>
Reliable Water Solutions, LLC	\$ 73,000

DISCUSSION:

Staff and Counsel completed the contract services agreement and obtained all required insurance documents from the contractor.

This is not a capital project, therefore no staff time or overhead will be charged.

FISCAL IMPACT:

The total estimated cost and budget summary are as follows:

Budget	\$ 85,000
<u>Water Main Flushing Services</u>	<u>\$ 73,000</u>
Total	\$ 73,000
Budget Surplus	\$ 12,000

RECOMMENDATION:

Authorize the General Manager to execute a contract services agreement with Reliable Water Solutions, LLC in the amount of \$73,000 subject to provisions of the contract.

CONTRACT SERVICES AGREEMENT

This Contract Services Agreement ("Agreement") is made and entered into this 22 day of October, 2019, by and between Vallecitos Water District (the "District") and Reliable Water Solutions, LLC (the "Contractor"), for performance of the Distribution Water Main Flushing Services (the "Project"), which shall be performed in accordance with the terms and conditions set forth herein.

1. **Scope.** Contractor shall furnish all labor, materials, tools, equipment, services, and/or any other act or thing necessary to fully perform and complete the Scope of Services set forth in in Exhibit "B" ("Services").

2. **Compensation.** Contractor shall receive compensation for all Services rendered under this Agreement in accordance with the schedule set forth in Exhibit "B" attached hereto and incorporated herein by reference. The total compensation shall not exceed \$73,000.00 without written approval of the District. Invoices shall be submitted to the District on a monthly basis. The District shall review and pay the approved charges on such invoices in a timely manner.

3. **Time.** The term of this Agreement shall be from October 22, 2019 to June 30, 2020 unless earlier terminated as provided herein (the "Contract Time"). Contractor shall complete the Project within the term of this Agreement, and shall meet any other established schedules and deadlines.

Contractor shall work with the District to schedule the required work. District shall provide a list of locations for the Services to be performed. Contractor shall coordinate its work with others and shall not cause unnecessary delay or disruption to District operations and/or other contractors.

4. **Standard of Care.** Contractor shall perform the work in a skillful and competent manner, consistent with the standards generally recognized as being employed by contractors and/or professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the discipline necessary to perform the Work. Contractor warrants that all employees shall have sufficient skill and experience to perform the Work assigned to them. Finally, Contractor represents that it and its employees have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Work, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from the District, any services necessary to correct errors or omissions which are caused by the Contractor's failure to comply with the standard of care provided for herein.

5. **Warranty.** Contractor warrants to the District that all materials and equipment furnished shall be new, free from faults and defects and of good quality and conform to the requirements of this Agreement. Contractor hereby warrants its work against all deficiencies and defects for the period required by this Agreement or the longest period permitted by California law, whichever is greater. Unless otherwise stated in this Agreement, warranty periods shall begin upon the completion of the Services and shall be for one year. This section shall not limit the District's rights under this Agreement or with respect to latent defects, gross mistakes, or fraud. The District specifically reserves all rights related to defective work, including but not limited to defect claims pursuant to California Code of Civil Procedure section 337.15.

6. **Changes.** Contractor shall make no changes in the Services without written direction from the District. Contractor shall not be compensated for any change made without the District's written direction. If the District directs the Contractor in writing to make changes in the Work that

materially affect the time required to perform the Work, the District will make a reasonable adjustment to the contract time.

7. Indemnification. To the fullest extent allowed by law, Contractor shall defend (with counsel of the District's choosing), indemnify and hold the District, its officials, officers, directors, agents, employees, and representatives free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, arising out of or in connection with the performance of the Work or this Agreement, including claims made by subcontractors for nonpayment, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses. To the fullest extent permitted by law, Contractor shall defend, at Contractor's own cost, expense and risk, with the District's choosing, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District, its officials, officers, directors, agents, employees and representatives. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against the District, its officials, officers, employees, directors, agents, employees and representatives, in any such suit, action or other legal proceeding. Contractor shall reimburse the District, its officials, officers, directors, agents, employees and representatives for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

8. Insurance. Contractor shall obtain, at its sole cost and expense, all insurance required by Exhibit A. Certificates of such insurance and copies of the insurance policies and endorsements shall be delivered to the District within fifteen (15) working days after being notified of the award of the contract, and before execution of this Agreement by the District.

9. Inspection and Protection Of Work. Responsibility for, and security of, all work and materials is the responsibility of the Contractor until final acceptance of the Project by the District. Contractor shall make the work accessible at all reasonable times for inspection by the District. Contractor shall, at the first opportunity, inspect all material and equipment delivered to the jobsite by others to be used or incorporated in the Contractor's work and give prompt notice of any defect therein. Contractor assumes full responsibility to protect the work done hereunder until final acceptance by the District.

10. Termination

10.1 Should Contractor fail within seven (7) calendar days from receipt of the District's written notice to correct any default, including but not limited to failure perform the Services in accordance with this Agreement, failure to comply with the directions of the District, or failure pay its creditors, the District may terminate this Agreement. Following a termination for default, the District shall have the right to take whatever steps it deems necessary to correct Contractor's deficiencies and charge the cost thereof to Contractor, who shall be liable for the full cost of the District's corrective action, including reasonable overhead, profit and attorneys' fees.

10.2 The District may at any time terminate the Agreement at the District's convenience upon five (5) calendar days written notice to Contractor; in the event of termination for convenience, Contractor shall recover only the actual cost of work completed to the date of termination, which costs are documented to the District's satisfaction, plus a reasonable amount not to exceed fifteen percent (15%) of the actual cost of the Work performed for overhead and profit. Contractor shall not be entitled to any claim or lien against the District for any additional compensation or damages in the event of such termination.

10.3 If the District terminates Contractor for cause, and if it is later determined that the termination was wrongful, such default termination shall automatically be converted to and treated as a termination for convenience. In such event, Contractor shall be entitled to receive only the amounts payable under this section, and Contractor specifically waives any claim for any other amounts or damages, including, but not limited to, any claim for consequential damages or lost profits.

11. Labor.

11.1 Prevailing Wage Rates. Contractor is aware of the requirements of California Labor Code sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, section 16000, et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" and "maintenance" projects. If the services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. A copy of the prevailing rates of per diem wages are available at the District upon request. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the District, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Contractor and all subcontractors to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.

11.2 Registration. If the services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, Contractor and all subcontractors must be registered with the Department of Industrial Relations ("DIR"). Contractor shall maintain registration for the duration of the project and require the same of any subcontractors. This project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

11.3 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

11.4 Hours of Work. If the services are being performed as part of an applicable "public works" or "maintenance" project, eight (8) hours of work shall constitute a legal day's work. The Contractor shall perform all work during the hours of 7:00 a.m. to 3:30 p.m., Monday through Friday unless otherwise authorized by the District in writing. If the Contractor wishes to work during any other hours or on weekends, written permission must be received from the District. No work will be allowed on the District Holidays except in the case of an emergency.

12. Miscellaneous

12.1 Contractor and its subcontractors shall establish and maintain records pertaining to this contract. Contractor's and subcontractors' accounting systems shall conform to generally accepted accounting principles and all records shall provide a breakdown of all costs charged under this contract, including properly executed payrolls, time records, invoices and vouchers. Contractor shall permit the District and its authorized representatives to inspect, examine and make copies of Contractor's books, records, accounts, and any and all data relevant to this Agreement at any reasonable time for the purpose of auditing and verifying statements, invoices, or bills submitted by Contractor pursuant to this contract and shall provide such assistance as may be reasonably required in the course of such inspection. The District further reserves the right to examine and re-examine said books, records, accounts, and data during the four (4)-year period following the termination of this Agreement; and Contractor shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatever for three (3) years after the termination of this Agreement.

12.2 Contractor shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the District, which may be withheld for any reason. This Agreement may not be modified or altered except in writing signed by both parties. There are no intended third party beneficiaries of any right or obligation of the Parties.

12.3 The Contractor shall provide competent supervision and staffing of the Work as approved by the District. The Contractor or designated representative shall be present at the site at all times while work is actually in progress. Superintendent must be able to proficiently speak, read and write in English.


12.4 If any subcontractor or person employed by the Contractor shall appear to the District to be incompetent or to act in a disorderly or improper manner, he shall be discharged immediately on the request of the District, and such person shall not again be employed on the Work.

12.5 This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in San Diego County, State of California. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Contractor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the District. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Contractor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Contractor shall be barred from bringing and maintaining a valid lawsuit against the District.

12.6 This Agreement represents the entire agreement between the District and Contractor and supersedes any prior written or oral representations. No oral order, objection, direction, claim or notice by any party or person shall affect or modify any of the terms or obligations contained in the Agreement.

IN WITNESS WHEREOF, this Agreement has been duly executed by the above-named parties, effective the day and year above written.

Reliable Water Solutions

By  _____

Name and Title:
EDMUNDO KOSTANG / MANAGING DIRECTOR

License No.

DIR Registration No. 1000043486

Date: 10/22/19

VALLECITOS WATER DISTRICT

By _____
Glenn Pruim
General Manager

Date:

EXHIBIT "A"
TO
CONTRACT SERVICES AGREEMENT
DISTRICT INSURANCE REQUIREMENTS

1. TIME FOR COMPLIANCE.

Contractor shall not commence Work under this Agreement until it has provided evidence satisfactory to the District that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the District that the subcontractor has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for the District to terminate this Agreement for cause.

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. Such insurance shall meet at least the following minimum levels of coverage:

A. Commercial General Liability.

Coverage for commercial general liability insurance shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001). Contractor shall maintain limits no less than \$2,000,000 per occurrence, or the full per occurrence limits of the policies available, whichever is greater, for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit or product-completed operations 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. The general liability policy shall include or be endorsed (amended) to state that: (1) the District, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work using as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37; and (2) the insurance coverage shall be primary insurance as respects the District, its directors, officials, officers, employees, agents, and volunteers using as broad a form as CG 20 01 04 13, 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 the 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.

Coverage shall be at least as broad as the latest version of the Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto). Contractor shall maintain limits no less than \$1,000,000 per accident for bodily injury and property damage. The automobile liability policy shall include or be endorsed (amended) to state that: (1) the 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 the 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 insurance or self-insurance maintained by the 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. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

C. Workers' Compensation and Employer's Liability Insurance.

Contractor shall maintain Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance in an amount no less than \$1,000,000 per accident for bodily injury or disease. The insurer shall agree to waive all rights of subrogation against the District, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

D. Excess Liability (if necessary).

The limits of Insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess coverage shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the District (if agreed to in a written contract or agreement) before the District's own primary or self-insurance shall be called upon to protect it as a named insured. The policy shall be endorsed to state that the District, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured at least as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37. The coverage shall contain no special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents, and volunteers.

E. All Coverages.

The Contractor is required by this Agreement to state that: (i) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District; If any of the required coverages expire or cancel during the term of this agreement, the Contractor shall deliver the renewal certificate(s) including the general liability additional insured endorsement to District at least ten (10) days prior to the cancellation or expiration date. and (ii) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the District, its directors, officials, officers, employees, agents, and volunteers.

F. Separation of Insureds; No Special Limitations.

All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the District, its directors, officials, officers, employees, agents, and volunteers.

G. Deductibles and Self-Insurance Retentions.

Any deductibles or self-insured retentions must be declared to and approved by the District. Contractor shall guarantee that, at the option of the District, either: (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its directors, officials, officers, employees, agents, and volunteers; and insurer shall provide or be endorsed to provide that the deductibles or SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured or (ii) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

3. ACCEPTABILITY OF INSURERS.

Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-:VIII or equivalent, or as otherwise approved by the District.

4. VERIFICATION OF COVERAGE.

Contractor shall furnish the District with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the 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, and shall be on forms provided by the District if requested. All certificates and endorsements must be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time. In the event that the Contractor employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the Contractor's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

5. REPORTING OF CLAIMS.

Contractor shall report to the District, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Services under this Agreement.

EXHIBIT "B"
TO
CONTRACT SERVICES AGREEMENT

SCOPE OF WORK & COMPENSATION

Reliable Water Solutions, LLC
 22421 Barton Rd. #526
 Grand Terrace, CA 92313 US
 (855) 797-2016
 sales@reliablewatersolutions.com
 www.reliablewatersolutions.com



Quote

ADDRESS

Ed Pedrazzi
 Vallecitos Water District
 201 Vallecitos De Oro
 San Marcos, CA 920691453
 USA

SHIP TO

Ed Pedrazzi
 Vallecitos Water District
 201 Vallecitos De Oro
 San Marcos, CA 920691453
 USA

QUOTE # 1198

DATE 10/16/2019

EXPIRATION DATE 11/15/2019

SALES REP

OK

ACTIVITY	QTY	RATE	AMOUNT
NO-DES Flushing NO-DES Water Main Flushing Services	20	3,500.00	70,000.00
NO-DES Burndown NO-DES Burndown (Disinfection of the NO-DES System)	1	1,500.00	1,500.00
NO-DES Mobilization Mobilization/Demobilization - One time fee per contract	1	1,500.00	1,500.00
NO-DES Filters Filter Elements will be invoiced separately. Filter costs are \$15.00/Bag Quantities will be dependent on the flushing environment.	1	0.00	0.00

Please see your attached estimate. We appreciate the opportunity to earn your business. Please review and let us know if you questions.

TOTAL

\$73,000.00

Best Regards,
 Reliable Water Solutions, LLC
 "Keeping You Reliable"

Accepted By

Accepted Date

DATE: JANUARY 15, 2020
TO: BOARD OF DIRECTORS
SUBJECT: CONSTRUCTION CONTRACT AWARD FOR SEWER LINING AND REHABILITATION

BACKGROUND:

Operational maintenance and structural deficiencies were identified in existing segments of 8” vitrified clay pipe (VCP) and ductile iron pipe (DIP) sanitary sewer throughout the District in 59 different locations. The identified sewer segments need rehabilitation to restore pipeline integrity.

Pipeline integrity can be lost due to any combination of operational and maintenance issues or structural cracking, displaced joints and associated voids, pinholes, offsets at joints, root intrusion, and encrustation. Rehabilitation of these pipe sections will be accomplished using a Cured-in-Place-Pipe (CIPP) Liner. CIPP Liners employ trenchless technology to make fully structural repairs from inside of the host pipe, increasing the efficiency and service life of the pipe, while reducing replacement, paving, and traffic control costs. Installing CIPP Liners is effective in difficult access areas, such as easements, and reduces disruptive impact to the communities and the environment where pipes are located in the street.

Summary of rehabilitation:

- 54 Full section repairs (11,960 - linear feet)
 - 35 Full sections in Lake San Marcos Area (7,170 – linear feet)
- 5 Point repairs

The 2019 Sewer Lining and Rehabilitation and North West (NW) Lake San Marcos Sewer Replacement and Lining are two (2) separate Capital Improvement Projects (CIPs) which were budgeted for planning, design and construction throughout the 2019/20, 2020/21, and 2021/22 Fiscal Year Budgets. The 2019 Sewer Lining and Rehabilitation CIP was originally budgeted for construction during FY 2019/20 while the NW Lake San Marcos Sewer Replacement and Lining CIP was originally budgeted for construction during FY 2021/22. Staff proposes combining both CIPs under one contract to take advantage of a shared mobilization cost for similar work and to capture lower overall construction pricing through economy of scale.

On January 07, 2020 at 2:00 p.m., District staff received and opened bids from three contractors with bid results as follows:

<u>Bidder</u>	<u>Amount</u>
Insituform Technologies, LLC	\$ 631,472.00
Nuline Technologies	\$ 824,000.00
Downstream Services	\$ 963,114.00

DISCUSSION:

The Engineer's Estimate was \$860,000. Staff and Counsel completed the evaluation of qualifications and determined Insituform Technologies was the lowest responsive, responsible bidder.

Staff prepared the design, specifications and prepared the bid package. Staff will perform construction management and inspection.

FISCAL IMPACT:

The combined total estimated cost and budget summary for both projects are as follows:

2019/20 – 2019 Sewer Lining and Rehabilitation Budget	\$ 812,000
<u>2021/22 – NW Lake San Marcos Sewer Replacement and Lining</u>	<u>\$ 605,000</u>
Combined Budget	\$ 1,417,000
Construction	\$ 631,472
10% Contingency	\$ 63,147
Staff (Construction)	\$ 60,000
Staff Overhead (Construction)	\$ 134,000
Staff (Design)	\$ 25,000
Staff Overhead (Design)	<u>\$ 50,000</u>
Total	\$ 963,619
Projected Budget Surplus	\$ 453,381

RECOMMENDATION:

Staff recommends increasing the 2019/20 Sewer Lining and Rehabilitation Fiscal Budget \$150,000 to accommodate the current fiscal year budget deficiency and awarding the construction contract to Insituform Technologies in the amount of \$631,472 which includes both the 2019 Sewer Lining and Rehabilitation and NW Lake San Marcos Sewer Replacement and Lining CIPs. The Project will ultimately provide the District with a \$453,381 total budget surplus beyond FY 2021/22.

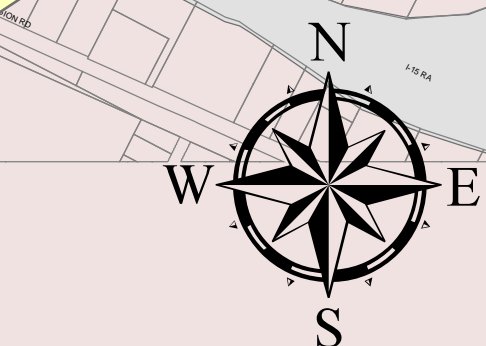
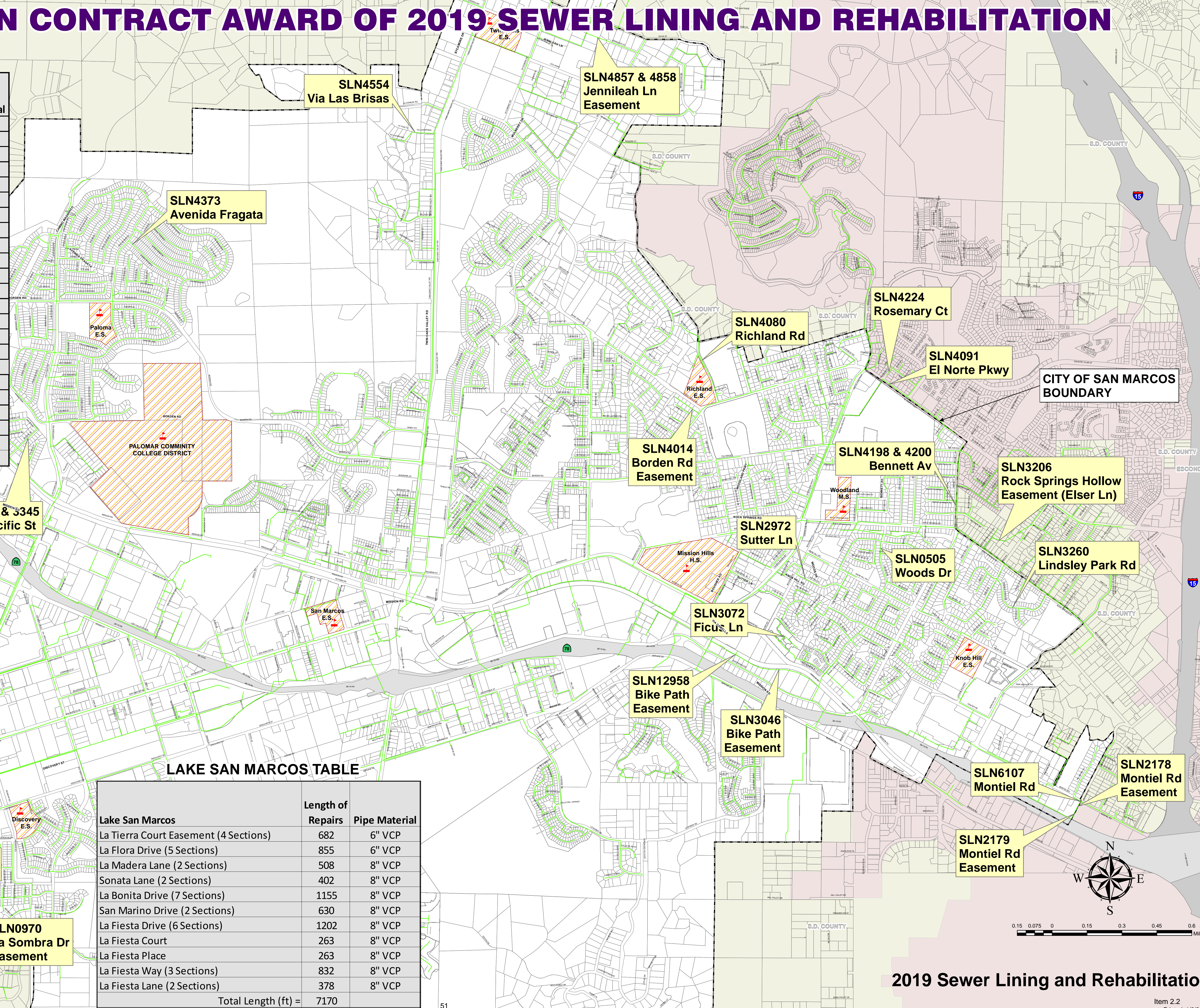
CONSTRUCTION CONTRACT AWARD OF 2019 SEWER LINING AND REHABILITATION

VARIOUS LOCATIONS TABLE

Location	Length of Repairs (ft)	Pipe Material
San Pablo Drive	314	8" VCP
Jennileah Lane Easement (2 Sections)	514	8" DIP
Bennett Avenue (2 Sections)	271	8" VCP
Ficus Lane	62	8" VCP
North Pacific Street (2 Sections)	700	8" VCP
Sutter Lane	327	8" VCP
La Sombra Drive Easement	395	8" DIP
Montiel Road	29.5	8" DIP
Montiel Road Easement (2 Sections)	437	10" DIP
Bike Path Easement	335	8" VCP
Rosemary Court	220	8" VCP/DIP
El Norte Parkway	341	8" VCP
Borden Road Easement	347	8" VCP
Rock Springs Hollow Easement (Elser Lane)	328	8" VCP
Lindsley Park Road	231	8" VCP
Total Length (ft) =	2271.5	
Spot Repair		
Avenida Fragata	3	8" VCP
Woods Drive	4	8" VCP
Bike Path Easement	5	8" VCP
Richland Road	5	8" VCP
Via Las Brisas	3	8" VCP

LAKE SAN MARCOS TABLE

Lake San Marcos	Length of Repairs	Pipe Material
La Tierra Court Easement (4 Sections)	682	6" VCP
La Flora Drive (5 Sections)	855	6" VCP
La Madera Lane (2 Sections)	508	8" VCP
Sonata Lane (2 Sections)	402	8" VCP
La Bonita Drive (7 Sections)	1155	8" VCP
San Marino Drive (2 Sections)	630	8" VCP
La Fiesta Drive (6 Sections)	1202	8" VCP
La Fiesta Court	263	8" VCP
La Fiesta Place	263	8" VCP
La Fiesta Way (3 Sections)	832	8" VCP
La Fiesta Lane (2 Sections)	378	8" VCP
Total Length (ft) =	7170	



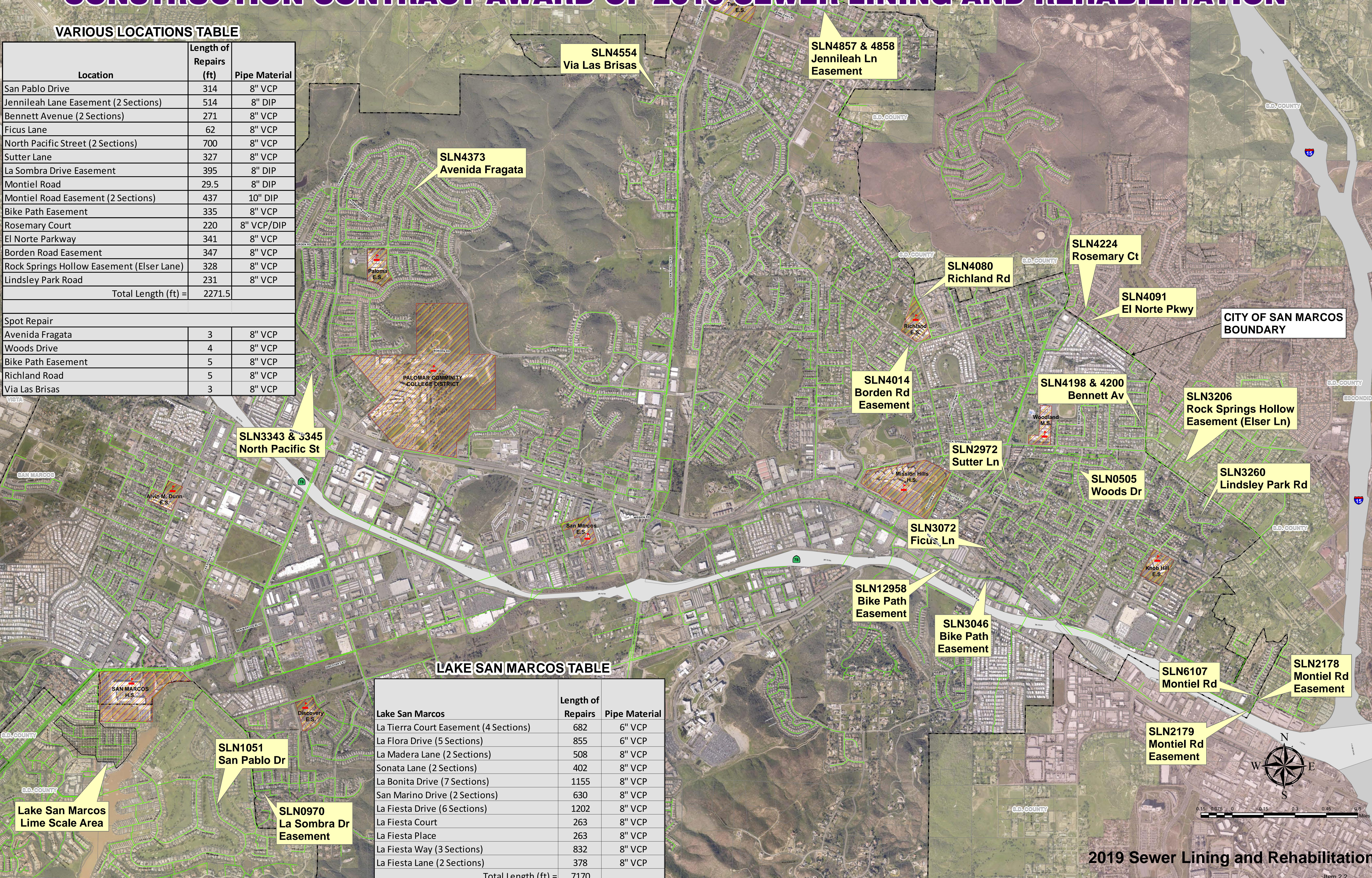
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Lindsley Park Road	231	8" VCP
Total Length (ft) =	2271.5	
Spot Repair		
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La Fiesta Way (3 Sections)	832	8" VCP
La Fiesta Lane (2 Sections)	378	8" VCP
Total Length (ft) =	7170	



DATE: JANUARY 15, 2020
TO: BOARD OF DIRECTORS
SUBJECT: ADOPT ORDINANCE TO COMPLY WITH SENATE BILL 998 REGARDING DISCONTINUATION OF WATER SERVICE FOR NON-PAYMENT

BACKGROUND:

SB 998 was signed by then Governor Brown in 2018, revising Health & Safety Code § 116900, et seq., which establishes additional requirements for policies and procedures related to discontinuance of water service for non-payment. Vallecitos must comply with the new requirements by February 1, 2020. The District’s current water service shutoff requirements are contained in Ordinance 186.

DISCUSSION:

The new requirements are listed below along with any changes to existing procedures staff has identified as necessary to comply with the requirements.

1. Adoption and posting of a written policy on discontinuation of water service for nonpayment.
2. Provide at least sixty days of delinquency before disconnection.
3. Provide at least seven business days’ notice prior to disconnection via telephone or in writing.
4. Good faith effort to post disconnection notice at the residence if unsuccessful providing notice via telephone or mailed notice.
5. No disconnection of service if (a) disconnection of water would pose a health threat to the customer, (b) the customer demonstrates an inability to pay, AND (c) the customer is willing to enter into a payment arrangement plan.
6. Limits on reconnection fees for low-income customers.
7. Annual reporting to SWRCB of the number of disconnections for non-payment and posting on VWD’s website.

Table 1: Example Comparison of Current and post-SB 998 notice dates

	Current Lock 45 days	Post-SB 998 lock 60 days
Bill issued and due	December 01, 2019	December 01, 2019
Payment late	December 21, 2019	December 21, 2019
Notice 1 – Past due notice (BILL with	January 01, 2020	January 01, 2020
Notice 2 – Auto-phone call to avoid shut-off notice \$25.00 fee.	January 01, 2020	January 09, 2020
Notice 3 – FedEx shut-off notice	January 07, 2020	January 16, 2020
Notice 4 – Auto-phone call of impending lock	January 14, 2020	January 29, 2020
Disconnection for non-payment	January 16, 2020	January 31, 2020

FISCAL IMPACT:

To comply with SB 998, staff expects to incur as-yet unknown expenses to configure billing software to revise disconnection notice procedures, bill statements, past due notices, and disconnection notices. Additionally, staff will need to enlist third-party services for translating the disconnection policy into additional languages, as required by SB 998.

SB 998 will extend the delinquency period from current practice, thus affecting VWD's ability to promptly recover on past due amounts. Given the small number of accounts that have typically been disconnected for non-payment, as well as staff's persistent pursuit of unpaid balances, staff does not anticipate a significant increase in balances that are ultimately uncollectable.

The state-mandated cost for non-compliance with SB 998 is \$1,000 for each day an agency is in violation, as enforced by the State Water Resources Control Board.

RECOMMENDATIONS:

Adopt Ordinance 214 repealing Ordinance 186

ATTACHMENTS:

- Proposed Ordinance 214
- Redlined Ordinance 186

ORDINANCE NO. 214

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT REPEALING ORDINANCE NO. 186 AND
ESTABLISHING RULES, REGULATIONS, AND MISCELLANEOUS FEES FOR
WATER AND WASTEWATER SERVICE**

WHEREAS, the Board of Directors of the Vallecitos Water District (the "District") wishes to establish rules and regulations for water and wastewater service activation, deposits, delinquent accounts, reconnection, and miscellaneous charges.

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT:

SECTION 1, SERVICE ACTIVATION:

Service may be established for any water meter or fire service that has been accepted for service by the District in accordance with all rules and regulations of the District.

Section 1.1, Service Signup: By establishing service, the customer understands and agrees that they are responsible for prompt payment of costs associated with the services provided by the District. When signing up for service, customer shall designate whether they are property owners or tenants/renters. Termination of service may result from non-payment regardless of the occupant's status as a tenant/renter or an owner.

Section 1.1.1, Service Activation Fee: A service activation fee of \$10 will be added to the first billing statement for all new services established.

Section 1.2, Electronic Billing/Payment: Customers may choose to receive monthly billing statements through the mail or may elect to sign up for electronic billing and payment.

Section 1.3, Service Deposit: Deposits are required at the time services are established as follows:

Section 1.3.1, Tenants/Renters: A deposit of \$150 shall be provided for all rental units prior to the establishment of service. The deposit shall be held by the District and be returned upon termination of service by the tenant/renter if the account is satisfied in full upon termination of service. Any outstanding balance shall be deducted from the deposit up to the full amount of \$150 and any balance remaining returned.

Section 1.3.2, Owners: A deposit of \$150 shall be provided for all owner units prior to the establishment of service. The deposit shall be held by the District for a period of one year and returned upon a successful one year history of

timely payments. If service is terminated prior to the return of the deposit, any outstanding balance shall be deducted from the deposit up to the full amount of \$150 and any balance remaining returned.

Section 1.4, Owner Service Required: In the event of multiple unpaid balances incurred by tenants/renters of a particular service address, the District may, per Water Code Section 31007.5, require that service for subsequent tenants/renters at the affected location be established and maintained through an account directly with the property owner. The District will notify the property owner in writing of this condition and service will not be provided until arrangements have been made for service in accordance with this policy.

Section 1.5, Additional Deposits: An additional deposit, determined by the General Manager or his designated representative, may be required for repeat delinquent accounts prior to service being restored.

SECTION 2, ACCOUNT PAYMENT AND DELINQUENCY PROCESS:

Service is considered due and payable upon presentation of the monthly billing statement. If full payment is not made within twenty (20) calendar days after the date of the monthly billing statement, the payment is delinquent and late fees will be added.

Section 2.1, Discontinuation of Non-Residential Service for Nonpayment. If a non-residential service account is delinquent for 60 days or more, service to the customer may be discontinued after delivery of the following notifications:

Section 2.1.1, Courtesy Notice: Ten (10) days after the statement is delinquent, the District will deliver a 48-hour courtesy notice to the customer at the service address. Payment in full including any additional charges or deposits that may be required in accordance with this policy must be received within 48 hours of delivery of the courtesy notice or service will be terminated.

Section 2.1.2, Courtesy Call: After issuance of a 48-hour courtesy notice, the District may provide the customer with a 24-hour courtesy call to the contact number on file that service will be terminated if payment is not received in full within 24 hours.

Section 2.2, Discontinuation of Residential Service for Nonpayment. If a residential service account is delinquent for 60 days or more, the District may discontinue water service after delivery of the following notifications:

Section 2.2.1, Mailed Notice to Customer: The District will provide a mailed notice to the customer of record at least fifteen (15) days before discontinuation of water service. The notice will contain the information required by law.

Section 2.2.2, Notice to Occupants: If the customer of record's mailing address is not the same as the service address, or if the customer of record is the owner, manager, or operator of the dwelling or residential structure, the District will send a notice to the actual occupants living at the service address at least ten (10) days before discontinuation of service. If service is provided through a master meter, and it is impracticable or infeasible to provide the notice to each unit by mail, the District will make a good faith, reasonable effort to provide written notice to the occupants. The notices will be addressed to "Occupant," will notify the occupants that the account is past-due and subject to discontinuation, and will inform the occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account.

The District will make service available to the occupants if each occupant agrees to the terms and conditions of service and meets the requirements of this Ordinance. Notwithstanding, if one or more occupants are willing and able to assume responsibility for the subsequent charges to the satisfaction of the District, or if there is a physical means, legally available, of selectively discontinuing service to those occupants who have not met the requirements of this Ordinance, the District shall make service available to the occupants who have met those requirements. To be eligible to become a customer without paying the amount due on the delinquent account, the occupant must verify that the delinquent account customer of record is or was the landlord, manager, or operator. Verification may include a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or other information at the discretion of the District.

Section 2.2.3, Telephonic Notice: The District will make a reasonable, good faith effort to contact the customer of record or an adult person living with the customer by telephone at least seven (7) business days before discontinuation of service. The District will offer to provide a written copy of its discontinuation of service policy and to discuss options to avert discontinuation of water service, including the possibility of an extension or other payment arrangement.

Section 2.2.4, Posted Notice: If the District is unable to make contact with the customer or an adult person living with the customer by telephone, the District will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of its discontinuation of service policy in a conspicuous place at the service address at least forty-eight (48) hours before discontinuation of service. The notice shall contain the information required by law.

Section 2.3, Requests for Payment Arrangement: A customer may request a payment arrangement to avoid discontinuation of service. If the customer submits his or her request within 13 days after mailing of a written notice of discontinuation of service, the request will be reviewed by a manager of the District. The District will consider all circumstances surrounding the request and make a determination as to whether the payment arrangement is warranted. The District will choose which arrangement, if any, is available and set the repayment terms. Payment arrangements

may include an extension, amortization of the unpaid balance, or an alternative payment schedule. The District can be contacted by telephone at (760) 744-0460 to discuss options for avoiding discontinuation of water service.

The customer must comply with the terms of the payment arrangement and remain current in each subsequent billing period while participating in the payment arrangement. Failure to comply with the payment arrangement or to pay current charges will result in discontinuation of service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

Section 2.4, Medical and Financial Hardship: For customers that satisfy all of the following requirements, the District will not disconnect water service: (1) the customer provides a certification from a licensed primary care provider that discontinuation of water service will be life threatening or pose a serious health and safety threat to a resident of the premises; (2) the customer is financially unable to pay within the normal billing cycle; and (3) the customer is willing to enter into a payment arrangement for repayment of the delinquent charges. The customer is responsible for demonstrating that these conditions have been met. For customers who meet these requirements, the District will offer the customer a payment arrangement. The District will choose which arrangement will be offered and set the repayment terms. Payment arrangements may include an extension, amortization of the unpaid balance, or an alternative payment schedule.

The District will deem a customer financially unable to pay within the normal billing cycle if: (a) a member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

The customer must comply with the terms of the payment arrangement and remain current in each subsequent billing period while participating in the payment arrangement. Failure to comply with the payment arrangement or to pay current charges for 60 days or more will result in discontinuation of service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

Section 2.5, Disconnection and Reconnection: The District will not discontinue residential water service due to nonpayment on a Saturday, Sunday, legal holiday, or at any time during which the District's office is not open to the public. Customers whose water service has been discontinued may contact the District by

telephone or in person regarding restoration of service. Restoration shall be subject to payment of past-due amounts, late fees, noticing fees, disconnection and reconnection fees, and a security deposit, if required by the District.

SECTION 3, DELINQUENT SERVICE AND RELATED CHARGES:

The following charges and fees may be imposed and collected by the District for each occurrence. The charges are in addition to the outstanding or delinquent water bill, including all late charges, and all charges must be paid in full prior to service being restored.

Section 3.1, Late Fee: A charge of 10% of the outstanding statement balance including miscellaneous charges, not to exceed \$78, will be charged for all delinquent accounts.

Section 3.2, Notification of Pending Lock Charge: A charge of \$25 will be imposed and collected for delivery of the 48-hour notice (door hanger) of pending discontinuance of service.

Section 3.3: Lock and Unlock Charge (Reconnection Fee): A charge of \$150 will be imposed and collected for each occasion. The fee will be imposed and collected prior to restoring service. For customers who demonstrate to the District that the household income is below 200 percent of the federal poverty line, the reconnection fee of \$50.00 shall be charged each time service has to be re-established following discontinuation of water service for any reason. The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

Section 3.4, Cut Lock Charge: A charge of \$35 will be imposed and collected to replace cut or missing locks.

Section 3.5, Meter Removal and Replacement: A charge of \$200 will be imposed and collected to re-install a removed meter.

Section 3.6, Insufficient Funds: A charge of \$25 will be imposed and collected for the first instance of a returned check or insufficient ACH funds, and \$35 for each subsequent instance, per CA Civil Code 1719(a)(1). Any returned check or insufficient ACH funds will be considered nonpayment under this Ordinance.

Section 3.7. After Hours Reconnection: Service will only be restored during normal business hours. At the District's discretion, if service is restored by unlocking a meter after normal business hours, a \$75 charge, in addition to the \$150 or

\$50.00 reconnection charge, will be imposed and collected prior to restoring service.

SECTION 4, DISPUTING OR APPEALING A BILL:

Section 4.1, Disputing the Amount of a Bill: A customer may dispute or request an investigation regarding the amount of a bill by contacting the District in writing or by telephone within ten (10) days of the billing statement date. A timely complaint or request for investigation will be reviewed and the District will provide a written determination to the customer. The review will include consideration of whether the customer may receive a payment arrangement. The District may review untimely complaints or requests for investigation but such complaints or requests are not subject to appeal or delay of the discontinuation process.

Section 4.2, Appeal: Any customer who disagrees with the District's determination on a disputed bill may appeal to the Board of Directors by filing a written appeal within ten (10) days of mailing of the District's determination. Upon receiving the appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the meeting at least ten (10) days before the meeting. The decision of the Board is final. The District will not discontinue water service for nonpayment while a timely dispute or appeal is pending.

SECTION 5, INACTIVE ACCOUNTS:

A customer may request that their service be turned off and considered inactive. Although inactive, the District must verify this status and still incurs monthly expenses to maintain the service. A monthly inactive fee of \$12.50 shall be charged for all inactive accounts and is due and payable on a monthly basis.

Section 3 fees and charges will not apply to outstanding inactive fees. However, any outstanding balance must be paid in full prior to service reactivation.

SECTION 6, OUTSTANDING BALANCE COLLECTION:

In accordance with Water Code Section 31007.5, the District may not recover past outstanding balances incurred by prior renters/tenants from new customers; however the District will pursue payment in full for outstanding balances as follows:

Section 6.1, Rental/Tenant: Outstanding balances may be paid in full through the deposit provided by the customer and any balance returned to the customer. In the event the balance exceeds the deposit, the District may elect to recover the balance through a collection agency.

Section 6.2, Owner: Outstanding balances may be recovered in full through the deposit provided by the customer and any balance returned to the

customer. In the event the balance exceeds the deposit, the District may elect to recover the balance by placing a lien against the property in accordance with Government Code Section 31032, et al, or the District may elect to recover the balance through a collection agency.

SECTION 7, FIRE SERVICE CONNECTIONS:

In the event a dedicated fire service account is delinquent in accordance with Section 2 of this Ordinance, all appropriate charges in Section 3 will be applied. The District will not terminate service until the following actions have been taken:

Section 7.1. Owner Notification: The District will notify the owner of the property that the account is overdue in accordance with Section 2, and termination of service is pending. An additional notice will be sent to the owner and site address by certified or registered return receipt mail notifying them of the pending service termination.

Section 7.2. Fire Department Notification: Prior to termination of service, the District will notify the Fire Department with jurisdiction that the fire service may be terminated.

SECTION 8, CROSS CONNECTION CONTROL (BACKFLOW) ADMINISTRATION:

Section 8.1. Monthly Administration Charge: A monthly charge of \$2.50 per backflow device will be added to each account required to maintain a backflow device. The charge will be subject to the provisions of Sections 2 and 3 of this Ordinance.

Section 8.2, Charge for Notification Letters of Noncompliance: A charge of \$10 will be assessed and subject to the provisions of Sections 2 and 3 of this Ordinance for each of the third and fourth non-compliance notification letters prepared and sent.

Section 8.3, Charge for Hand Delivered Courtesy Notice: A charge of \$25 will be assessed and subject to the provisions of Sections 2 and 3 of this Ordinance for hand delivered notifications of non-compliance.

SECTION 9, TEMPORARY METERS:

Section 9.1. Construction Meter: Upon application to the District and the payment of applicable fees as noted under "deposit" below, a construction meter may be installed to provide water service for construction purposes. Construction meters shall be available to the applicant for 90 days; however, this time may be extended at the discretion of the General Manager.

Section 9.2, Deposit: A deposit of \$1,100 for any size construction meter is required at the time application is made. This deposit, less any outstanding accrued

charges, will be refunded when the meter is returned to the District in good working order.

Section 9.3, Installation: A fee of \$150 is charged for the installation and removal of the fire hydrant construction meter.

Section 9.4, Change of Location: A fee of \$150 is charged for the relocation of a fire hydrant construction meter. Only duly authorized employees or agents of the District will be permitted to move a construction meter.

SECTION 10, METER TESTS:

If a customer desires to have the meter serving the customer's premises tested, the customer shall pay a \$100 fee plus the actual cost of the contractor providing the test. Should the meter not register within American Water Works Association (AWWA) standards, the \$100 fee plus meter test contractor costs paid by the customer will be refunded, but should the meter register within AWWA standards, the \$100 fee and amount paid for the meter test contractor will be retained by the District.

SECTION 11, ONE-DAY PERMITS:

One-day permits may be issued as a convenience to the applicant in lieu of a construction water meter. The fee for a one-day permit is \$65 per day. The applicant shall not use more than 10,000 gallons per day; shall keep their permit on the person using the fire hydrant during working hours; and shall provide adequate traffic fire hose protection when applicable.

SECTION 12, GENERAL PROVISIONS:

Section 12.1, Policy on Discontinuation of Residential Water Service: Relevant sections of this Ordinance shall constitute the District's "Policy on Discontinuation of Residential Water Service for Nonpayment" pursuant to California Health & Safety Code section 116906. The General Manager is hereby authorized and directed to make the policy available to customers as required by law.

Section 12.2, Prior Ordinances: Ordinance No. 186 and all other ordinances, articles, sections, or amendments of ordinances in conflict herewith are hereby repealed.

Section 12.3, Inconsistency with Other Fees and Charges: To the extent that the charges established by this Ordinance are inconsistent with any rates, fees or charges previously adopted by the District, it is the explicit intention of the Board of Directors that the charges adopted in this Ordinance shall prevail.

Section 12.4, Severability: If any section, subsection, clause or phrase in this Ordinance or the application thereof to any person or circumstances is for any

reason held invalid, the validity of the remainder of this Ordinance or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

Section 12.5, Effective Date: This Ordinance shall become effective on February 1, 2020.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 15th day of January, 2020 by the following roll call vote:

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

Betty Evans, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruijm, Secretary
Board of Directors
Vallecitos Water District

ORDINANCE NO. XXX

**AN ORDINANCE OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT REPEALING ORDINANCE NO. 186 AND
ESTABLISHING RULES, REGULATIONS, AND MISCELLANEOUS FEES FOR
WATER AND WASTEWATER SERVICE**

WHEREAS, the Board of Directors of the Vallecitos Water District (the "District") wishes to establish rules and regulations for water and wastewater service activation, deposits, delinquent accounts, reconnection, and miscellaneous charges.

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT:

SECTION 1, SERVICE ACTIVATION.

Service may be established for any water meter or fire service that has been accepted for service by the District in accordance with all rules and regulations of the District.

Section 1.1, Service Signup: By establishing service, the customer understands and agrees that they are responsible for prompt payment of costs associated with the services provided by the District. When signing up for service, customer shall designate whether they are property owners or tenants/renters. Termination of service may result from non-payment regardless of the occupant's status as a tenant/renter or an owner.

Section 1.1.1, Service Activation Fee: A service activation fee of \$10 will be added to the first billing statement for all new services established.

Section 1.2, Electronic Billing/Payment: Customers may choose to receive monthly billing statements through the mail or may elect to sign up for electronic billing and payment.

Section 1.3, Service Deposit: Deposits are required at the time services are established as follows:

Section 1.3.1, Tenants/Renters: A deposit of \$150 shall be provided for all rental units prior to the establishment of service. The deposit shall be held by the District and be returned upon termination of service by the tenant/renter if the account is satisfied in full upon termination of service. Any outstanding balance shall be deducted from the deposit up to the full amount of \$150 and any balance remaining returned.

Section 1.3.2, Owners: A deposit of \$150 shall be provided for all owner units prior to the establishment of service. The deposit shall be held by the District for a period of one year and returned upon a successful one year history of

timely payments. If service is terminated prior to the return of the deposit, any outstanding balance shall be deducted from the deposit up to the full amount of \$150 and any balance remaining returned.

Section 1.4, Owner Service Required: In the event of multiple unpaid balances incurred by tenants/renters of a particular service address, the District may, per Water Code Section 31007.5, require that service for subsequent tenants/renters at the affected location be established and maintained through an account directly with the property owner. The District will notify the property owner in writing of this condition and service will not be provided until arrangements have been made for service in accordance with this policy.

Section 1.5, Additional Deposits: An additional deposit, determined by the General Manager or his designated representative, may be required for repeat delinquent accounts prior to service being restored.

SECTION 2, ACCOUNT PAYMENT AND DELINQUENCY SERVICE PROCESS NOTIFICATION:

Service is considered due and payable upon presentation of the monthly billing statement. If full payment is not made within ~~and fees added~~ twenty (20) calendar days after the date of the monthly billing statement, the payment is delinquent and late fees will be added.

Section 2.1, Discontinuation of Non-Residential Service for Nonpayment. If a non-residential service account is delinquent for 60 days or more, Service service to the customer may be discontinued ~~immediately, with no further notice,~~ after delivery of the following notifications:

Section 2.1.1, Courtesy Notice: Ten ~~(10)~~ days after the statement is delinquent, the District will deliver a 48-hour courtesy notice to the customer at the service address. Payment in full including any additional charges or deposits that may be required in accordance with this policy must be received within 48 hours of delivery of the courtesy notice or service will be terminated.

Section 2.12.2, Courtesy Call: After issuance of a 48 hour courtesy notice, the District may provide the customer with a 24-hour courtesy call to the contact number on file that service will be terminated if payment is not received in full within 24 hours.

Section 2.2, Discontinuation of Residential Service for Nonpayment. If a residential service account is delinquent for 60 days or more, the District may discontinue water service after delivery of the following notifications:

Section 2.2.1, Mailed Notice to Customer: The District will provide a mailed notice to the customer of record at least fifteen (15) days before discontinuation

of water service. The notice will contain the information required by law.

Section 2.2.2, Notice to Occupants: If the customer of record's mailing address is not the same as the service address, or if the customer of record is the owner, manager, or operator of the dwelling or residential structure, the District will send a notice to the actual occupants living at the service address at least ten (10) days before discontinuation of service. If service is provided through a master meter, and it is impracticable or infeasible to provide the notice to each unit by mail, the District will make a good faith, reasonable effort to provide written notice to the occupants. The notices will be addressed to "Occupant," will notify the occupants that the account is past-due and subject to discontinuation, and will inform the occupants that they have the right to become customers of the District without being required to pay the amount due on the delinquent account.

The District will make service available to the occupants if each occupant agrees to the terms and conditions of service and meets the requirements of this Ordinance. Notwithstanding, if one or more occupants are willing and able to assume responsibility for the subsequent charges to the satisfaction of the District, or if there is a physical means, legally available, of selectively discontinuing service to those occupants who have not met the requirements of this Ordinance, the District shall make service available to the occupants who have met those requirements. To be eligible to become a customer without paying the amount due on the delinquent account, the occupant must verify that the delinquent account customer of record is or was the landlord, manager, or operator. Verification may include a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or other information at the discretion of the District.

Section 2.2.3, Telephonic Notice: The District will make a reasonable, good faith effort to contact the customer of record or an adult person living with the customer by telephone at least seven (7) business days before discontinuation of service. The District will offer to provide a written copy of its discontinuation of service policy and to discuss options to avert discontinuation of water service, including the possibility of an extension or other payment arrangement.

Section 2.2.4, Posted Notice: If the District is unable to make contact with the customer or an adult person living with the customer by telephone, the District will make a good faith effort to leave a notice of imminent discontinuation of residential service and a copy of its discontinuation of service policy in a conspicuous place at the service address at least forty-eight (48) hours before discontinuation of service. The notice shall contain the information required by law.

Section 2.32, Requests for Payment Arrangement: A customer may request a payment arrangement to avoid ~~a late fee or~~ discontinuation of service. If the customer submits his or her request within 13 days after mailing of a written notice of discontinuation of service, the request will be reviewed by a manager of the District. The District will consider all circumstances surrounding the request and make a

determination as to whether the payment arrangement is warranted. The District will choose which arrangement, if any, is available and set the repayment terms. Payment arrangements may include an extension, amortization of the unpaid balance, or an alternative payment schedule. The District can be contacted by telephone at (760) 744-0460 to discuss options for avoiding discontinuation of water service.

The customer must comply with the terms of the payment arrangement and remain current in each subsequent billing period while participating in the payment arrangement. Failure to comply with the payment arrangement or to pay current charges will result in discontinuation of service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

Section 2.43, Medical and Financial Hardship: For customers that satisfy all of the following requirements, the District will not disconnect water service: (1) the customer provides a certification from a licensed primary care provider that discontinuation of water service will be life threatening or pose a serious health and safety threat to a resident of the premises; (2) the customer is financially unable to pay within the normal billing cycle; and (3) the customer is willing to enter into a payment arrangement for repayment of the delinquent charges. The customer is responsible for demonstrating that these conditions have been met. For customers who meet these requirements, the District will offer the customer a payment arrangement. The District will choose which arrangement will be offered and set the repayment terms. Payment arrangements may include an extension, amortization of the unpaid balance, or an alternative payment schedule.

The District will deem a customer financially unable to pay within the normal billing cycle if: (a) a member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

The customer must comply with the terms of the payment arrangement and remain current in each subsequent billing period while participating in the payment arrangement. Failure to comply with the payment arrangement or to pay current charges for 60 days or more will result in discontinuation of service. The District will post a final notice of intent to disconnect service in a prominent and conspicuous location at the service address at least five (5) business days before discontinuation of service. The final notice will not entitle the customer to any investigation or review by the District.

Section 2.54, Disconnection and Reconnection: The District will not discontinue residential water service due to nonpayment on a Saturday, Sunday, legal

holiday, or at any time during which the District's office is not open to the public. Customers whose water service has been discontinued may contact the District by telephone or in person regarding restoration of service. Restoration shall be subject to payment of past-due amounts, late fees, noticing fees, disconnection and reconnection fees, and a security deposit, if required by the District.

SECTION 3, DELINQUENT SERVICE AND RELATED CHARGES:

The following charges and fees may be imposed and collected by the District for each occurrence. The charges are in addition to the outstanding or delinquent water bill, including all late charges, and all charges must be paid in full prior to service being restored.

Section 3.1, Late Fee: A charge of 10% of the outstanding statement balance including miscellaneous charges, not to exceed \$78, will be charged for all delinquent accounts.

Section 3.2, Notification of Pending Lock Charge: A charge of \$25 will be imposed and collected for delivery of the 48-hour ~~courtesy~~ notice (door hanger) of pending discontinuance of service.

Section 3.3: Lock and Unlock Charge (Reconnection Fee): A charge of \$150 will be imposed and collected for each occasion. The fee will be imposed and collected prior to restoring service. For customers ~~that have who~~ demonstrated to the District ~~prior to disconnection~~ that the household income is below 200 percent of the federal poverty line, the reconnection fee of \$50.00 shall be charged each time service has to be re-established following discontinuation of water service for any reason. The District will deem a residential customer to have a household income below 200 percent of the federal poverty line if: (a) any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (b) the customer declares under penalty of perjury that the household's annual income is less than 200 percent of the federal poverty level.

Section 3.4, Cut Lock Charge: A charge of \$35 will be imposed and collected to replace cut or missing locks.

Section 3.5, Meter Removal and Replacement: A charge of \$200 will be imposed and collected to re-install a removed meter.

Section 3.6, Insufficient Funds: A charge of \$25 will be imposed and collected for the first instance of a returned check or insufficient ACH funds, and \$35 for each subsequent instance, per CA Civil Code 1719(a)(1). Any returned check or insufficient ACH funds will be considered nonpayment under this Ordinance.

Section 3.7. After Hours Reconnection: Service will only be restored during normal business hours. At the District's discretion, if service is restored by unlocking a meter after normal business hours, a \$75 charge, in addition to the \$150 or \$50.00 reconnection charge, will be imposed and collected prior to restoring service.

SECTION 4, DISPUTING OR APPEALING A BILL:

Section 4.1, Disputing the Amount of a Bill: A customer may dispute or request an investigation regarding the amount of a bill by contacting the District in writing or by telephone within ten (10) days of the billing statement date. A timely complaint or request for investigation will be reviewed ~~by a manager of the District, who and the District~~ will provide a written determination to the customer. The review will include consideration of whether the customer may receive a payment arrangement. The District may review untimely complaints or requests for investigation but such complaints or requests are not subject to appeal or delay of the discontinuation process.

Section 4.2, Appeal: Any customer who disagrees with the District's determination on a disputed bill may appeal to the Board of Directors by filing a written appeal within ten (10) days of mailing of the District's determination. Upon receiving the appeal, the District Secretary will set the matter to be heard at an upcoming Board meeting and mail the customer written notice of the time and place of the meeting at least ten (10) days before the meeting. The decision of the Board is final. The District will not discontinue water service for nonpayment while a timely dispute or appeal is pending.

SECTION 54, INACTIVE ACCOUNTS:

A customer may request that their service be turned off and considered inactive. Although inactive, the District must verify this status and still incurs monthly expenses to maintain the service. A monthly inactive fee of \$12.50 shall be charged for all inactive accounts and is due and payable on a monthly basis.

Section 3 fees and charges will not apply to outstanding inactive fees. However, any outstanding balance must be paid in full prior to service reactivation.

SECTION 65, OUTSTANDING BALANCE COLLECTION:

In accordance with Water Code Section 31007.5, the District may not recover past outstanding balances, incurred by prior renters/tenants, from new customers; however the District will pursue payment in full for outstanding balances as follows:

Section 65.1, Rental/Tenant: Outstanding balances may be paid in full through the deposit provided by the customer and any balance returned to the customer. In the event the balance exceeds the deposit, the District may elect to recover the balance through a collection agency.

Section 56.2. Owner: Outstanding balances may be recovered in full through the deposit provided by the customer and any balance returned to the customer. In the event the balance exceeds the deposit, the District may elect to recover the balance by placing a lien against the property in accordance with Government Code Section 31032, et al, or the District may elect to recover the balance through a collection agency.

SECTION 7, FIRE SERVICE CONNECTIONS

In the event a dedicated fire service account is delinquent in accordance with Section 2 of this Ordinance, all appropriate charges in Section 3 will be applied. The District will not terminate service until the following actions have been taken:

Section 7.1. Owner Notification: The District will notify the owner of the property that the account is overdue in accordance with Section 2, and termination of service is pending. An additional notice will be sent to the owner and site address by certified or registered return receipt mail notifying them of the pending service termination.

Section 7.2. Fire Department Notification: Prior to termination of service, the District will notify the Fire Department with jurisdiction that the fire service may be terminated.

SECTION 8, CROSS CONNECTION CONTROL (BACKFLOW) ADMINISTRATION:

Section 8.1. Monthly Administration Charge: A monthly charge of \$2.50 per backflow device will be added to each account required to maintain a backflow device. The charge will be subject to the provisions of Sections 2 and 3 of this Ordinance.

Section 8.2. Charge for Notification Letters of Noncompliance: A charge of \$10 will be assessed and subject to the provisions of Sections 2 and 3 of this Ordinance for each of the third and fourth non-compliance notification letters prepared and sent.

Section 8.3. Charge for Hand Delivered Courtesy Notice: A charge of \$25 will be assessed and subject to the provisions of Sections 2 and 3 of this Ordinance for hand delivered notifications of non-compliance.

SECTION 9, TEMPORARY METERS

Section 9.1. Construction Meter: Upon application to the District and the payment of applicable fees as noted under "deposit" below, a construction meter may be installed to provide water service for construction purposes. Construction meters shall be available to the applicant for 90 days; however, this time may be extended at the discretion of the General Manager.

Section 9.2, Deposit: A deposit of \$1,100 for any size construction meter is required at the time application is made. This deposit, less any outstanding accrued charges, will be refunded when the meter is returned to the District in good working order.

Section 9.3, Installation: A fee of \$150 is charged for the installation and removal of the fire hydrant construction meter.

Section 9.4, Change of Location: A fee of \$150 is charged for the relocation of a fire hydrant construction meter. Only duly authorized employees or agents of the District will be permitted to move a construction meter.

SECTION 10, METER TESTS:

If a customer desires to have the meter serving the customer's premises tested, the customer shall pay a \$100 fee plus the actual cost of the contractor providing the test. Should the meter not register within American Water Works Association (AWWA) standards, the \$100 fee plus meter test contractor costs paid by the customer will be refunded, but should the meter register within AWWA standards, the \$100 fee and amount paid for the meter test contractor will be retained by the District.

SECTION 11, ONE-DAY PERMITS:

One-day permits may be issued as a convenience to the applicant in lieu of a construction water meter. The fee for a one-day permit is \$65 per day. The applicant shall not use more than 10,000 gallons per day; shall keep their permit on the person using the fire hydrant during working hours; and shall provide adequate traffic fire hose protection when applicable.

SECTION 12, GENERAL PROVISIONS:

[Section 12.1, Policy on Discontinuation of Residential Water Service: Relevant sections of this Ordinance shall constitute the District's "Policy on Discontinuation of Residential Water Service for Nonpayment" pursuant to California Health & Safety Code section 116906. The General Manager is hereby authorized and directed to make the policy available to customers as required by law.](#)

Section 12.2, Prior Ordinances: Ordinance No. 186 and all other ordinances, articles, sections, or amendments of ordinances in conflict herewith are hereby repealed.

Section 12.3, Inconsistency with Other Fees and Charges: To the extent that the charges established by this Ordinance are inconsistent with any rates, fees or charges previously adopted by the District, it is the explicit intention of the Board of Directors that the charges adopted in this Ordinance shall prevail.

Section 12.4, Severability: If any section, subsection, clause or phrase in this Ordinance or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Ordinance or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

Section 12.5, Effective Date: This Ordinance shall become effective on February 1, 2020.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this _____ day of January, 2020 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Betty Evans, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruiam, Secretary
Board of Directors
Vallecitos Water District

DATE: JANUARY 15, 2020
TO: BOARD OF DIRECTORS
SUBJECT: REVIEW OF DISTRICT ORDINANCES, POLICIES AND CONTRACTS

BACKGROUND:

At the December 18, 2019, Board meeting, Director Sannella requested that staff conduct a comprehensive review of District ordinances, policies and contracts. Although there appeared to be general support from the remainder of the Board to do so, the item was not on the agenda and, therefore, did not allow the Directors to engage in a detailed discussion on the matter. This item has been placed on the Board agenda to allow the Board to discuss the issue and provide direction to staff.

DISCUSSION:

In order to provide proper guidance to staff, the District has adopted many ordinances. The District does not have many formal Board policies, as it has relied primarily on ordinances. These documents, which are amended from time to time as needed, ensure that the direction of the Board is memorialized. Staff then rely on these documents to guide future actions. To date, the Board has adopted 213 ordinances. Of those, ninety-eight of them are considered current. The remainder have been replaced by subsequent ordinances or have been rescinded.

The District relies heavily on contracts to carry out its mission. Contracts can be for constructing capital facilities, procuring materials and supplies and for procuring professional services when the District does not have sufficient staffing resources or expertise. Most of the contracts are for a limited term, many of which have already expired. Current contracts are bound by the terms contained within the contracts. District staff have been working extensively with our legal counsel, Best Best & Krieger (BB&K), to revise the contracting templates and to ensure that all future contracts are scrutinized to maximize the benefit to the District.

The suggestion made at the December 18 Board meeting has potentially significant cost and resource impacts. Depending on the breadth and depth of the review of the cited documents, this could be a significant undertaking.

Before staff initiates any effort on this task, it would be helpful to get Board direction regarding what level of review is requested and on which documents in particular. In addition, staff would request direction regarding what standing committees may be involved in the review. Depending on the review required, it is conceivable that all four standing committees, Legal/Legislative; Engineering/Equipment; Finance/Investment; and Public Awareness/Policy/Personnel; may be involved.

In addition to staff resources, a comprehensive review of the requested documents would require significant legal review. The District's agreement with BB&K for general counsel services did not anticipate this level of legal review.

FISCAL IMPACT:

There is no fiscal impact associated with the discussion regarding the review of the District's ordinances, policies and contracts. Depending upon the direction provided, staff would develop an estimated cost to perform the analysis.

RECOMMENDATION:

Request Board direction regarding the extent of the review of the District's ordinances, policies and contracts. Additionally, identify the role of the various standing committees in this process.



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2020 Schedule at a Glance

Sunday, March 15, 2020

9:00am – 2:00pm	Exhibitor Set Up
11:00am – 4:30pm	San Jose Tour
12:00pm – 3:00pm	CA Board Meeting
1:00pm – 3:00pm	San Francisco Tours
12:00pm – 3:00pm	CA Board Meeting
12:00pm – 5:00pm	Registration Open
1:00pm – 5:00pm	Technical Sessions
3:00pm – 3:30pm	Networking Break
3:00pm – 6:30pm	Exhibit Area Open
5:00pm – 6:30pm	Welcome Reception

Monday, March 16, 2020

7:30am – 3:30pm	Registration Open
7:30am – 3:30pm	Exhibit Area Open
7:30am – 8:30am	Continental Breakfast
8:30am – 9:30am	Opening General Session
9:30am – 10:00am	Networking Break
9:30am – 10:00am	Poster Sessions
10:00am – 12:00pm	Technical Sessions
12:00pm – 1:30pm	Awards Luncheon and Annual Membership Meeting
1:30pm – 3:00pm	Technical Sessions
3:00pm – 3:30pm	Networking Break
3:00pm – 3:30pm	Poster Sessions
3:30pm – 5:00pm	Technical Sessions
5:30pm – 7:30pm	President’s Reception

Tuesday, March 17, 2020

8:00am – 12:00pm	Registration Open
8:00am – 9:30am	Gordon Cologne Breakfast
9:30am – 12:00pm	Exhibit Area Open
9:30am – 10:00am	Networking Break
10:00am – 12:00pm	Technical Sessions
12:00pm – 2:00pm	Town Hall Session and Lunch
2:00pm – 2:30pm	Networking Break
2:00pm – 2:30pm	Poster Sessions
2:30pm – 4:00pm	Technical Sessions
2:30pm – 4:30pm	Exhibitor Breakdown