

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 16, 2022, AT 5:00 P.M.
MEETING VIA TELECONFERENCE

CALL TO ORDER – PRESIDENT ELITHARP

NOTICE TO THE PUBLIC

Pursuant to Section 54953 of the California Government Code, in the interest of public health and safety during the proclaimed State of Emergency and due to the fact that State or local officials have imposed or recommended measures to promote social distancing, the Board of Directors of the Vallecitos Water District will be meeting by teleconferencing. During this period of time, Vallecitos Water District will not be making any physical location available for members of the public to observe the meeting or offer in-person public comment.

Means By Which Members of the Public May Access the Teleconferenced Meeting –

Members of the public may access the teleconferenced meeting via computer, smart device, or by dialing in (audio only). If you would like to join the meeting via computer or smart device, go to the District’s website: <https://www.vwd.org/departments/board-of-directors/meetings-minutes> and click on the “Watch Live” icon. If you would like to listen to the meeting live on your phone, dial (888) 788-0099 (Toll Free) or (877) 853-5247 (Toll Free). When prompted, enter the meeting ID and Passcode displayed on the District’s website.

Means By Which Members of the Public May Offer Public Comment During the Teleconferenced Meeting –

Members of the public are **not** required to submit public comments in advance of the meeting and will be given an opportunity to address the Board of Directors and offer comments in real time. Written public comments or questions may be submitted at least 90 minutes before the Meeting to the following email address: PublicComment@vwd.org.

Members of the public attending the meeting via the Zoom videoconferencing platform can express their desire to offer public comment or provide input on an agenda item at the appropriate time by utilizing the “Raise Hand” function. Persons who have dialed into the meeting and would like to make a comment can enter *9 on their phone and will be identified by their phone number when it is their turn to speak. Additional instructions for online participation will be posted on the District’s website: www.vwd.org/meetings.

PLEDGE OF ALLEGIANCE

ROLL CALL

ADDITIONS TO THE AGENDA

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code upon a determination by a majority vote of the Vallecitos Board that an emergency situation exists, as defined in Section 54956.5, or upon a determination by a two-thirds vote of the Board present at the meeting, or, if less than two-thirds of the Board are present, a unanimous vote of Board members present, that there is a need to take immediate action and that the need for action came to the attention of the Vallecitos Water District subsequent to the agenda being posted.

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 16, 2022

PUBLIC COMMENT

Persons wishing to address a matter not on the Agenda may be heard at this time by utilizing the “Raise Hand” feature of the Zoom videoconferencing platform. Public comment should start by stating name, address and topic. No action or discussion may be undertaken on any item not appearing on the Agenda, except that the Board or staff may briefly respond to statements made or questions posed during public comment. Public comments are limited to three minutes. Public comment on items appearing on the Agenda should be raised at the time the item is discussed.

CONSENT CALENDAR

All matters listed under the Consent Calendar are expected to be routine and non-controversial, to be acted upon by the Board 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.

1.1 APPROVAL OF MINUTES (pp. 5-13)

- A. REGULAR BOARD MEETING – MARCH 2, 2022
- B. PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE MEETING – MARCH 7, 2022

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH MARCH 16, 2022 - \$1,221,472.27 (pp. 14-16)

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS (pp. 17-37)

- A. WATER METER COUNT – FEBRUARY 28, 2022
- B. WATER PRODUCTION/SALES REPORT – 2021/2022
- C. PER CAPITA WATER CONSUMPTION – FEBRUARY 28, 2022
- D. WATER REVENUE AND EXPENSE REPORT – FEBRUARY 28, 2022
- E. SEWER REVENUE AND EXPENSE REPORT – FEBRUARY 28, 2022
- F. RESERVE FUNDS ACTIVITY – FEBRUARY 28, 2022
- G. INVESTMENT REPORT – FEBRUARY 28, 2022
- H. LEGAL FEES SUMMARY – FEBRUARY 28, 2022

1.4 APPROVAL OF CONSTRUCTION AGREEMENT FOR SAN MARCOS HIGHLANDS PHASE 5 IMPROVEMENTS (KB HOME CALIFORNIA, LLC.) (pp. 38-56)

The project is located on North Las Posas Road, north of Borden Road.

Recommendation: Approve Construction Agreement

- 1.5 APPROVAL OF TEMPORARY OFFSITE WATER AND SEWER SERVICE AGREEMENTS FOR KB HOME CALIFORNIA, LLC. SAN MARCOS HIGHLANDS PHASE 5 (LOTS 186 and 187) (pp. 57-75)

The properties are located within the District's water and sewer service boundary.

Recommendation: Approve Temporary Offsite Water and Sewer Service Agreements with Conditions

- 1.6 RESOLUTION ADOPTING THE ANNUAL PAY SCHEDULE WITH CORRECTION FOR FINANCE MANAGER (pp. 76-79)

Revisions to the District's Annual Pay Schedule require Board approval.

Recommendation: Adopt Resolution Adopting the Revised Annual Pay Schedule

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

PUBLIC HEARING

- 2.1 VOTING DIVISIONS REDISTRICTING PUBLIC HEARING (pp. 80-86)

As part of the redistricting process, a public hearing is held to provide an opportunity for the public to provide input on the potential division boundary adjustment.

Recommendation: 1) Hold Public Hearing; and 2) Adopt the Resolution Changing the Board of Directors Division Boundaries

ACTION ITEM(S)

- 3.1 WATER SUPPLY CONDITIONS UPDATE (pp. 87)

Recommendation: For Information Only

- 3.2 DISCUSSION REGARDING IN-PERSON PUBLIC MEETINGS (pp. 88-89)

At their March 2, 2022, meeting, the Board made findings required to conduct its meetings virtually.

Recommendation: Request Board Direction

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

REPORTS

- 4.1 GENERAL MANAGER

4.2 DISTRICT LEGAL COUNSEL

4.3 SAN DIEGO COUNTY WATER AUTHORITY

4.4 ENCINA WASTEWATER AUTHORITY

- *Board of Directors Meeting*
- *Capital Improvement Committee*
- *Policy and Finance Committee*

4.5 STANDING COMMITTEES

4.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS ATTENDED

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

OTHER BUSINESS

5.1 MEETINGS

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

6.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

7.1 ADJOURNMENT

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

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

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

AFFIDAVIT OF POSTING

I, Ann Johnson, Executive Assistant 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, March 11, 2022.

Ann Johnson

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, MARCH 2, 2022, AT 5:00 PM, VIA TELECONFERENCE

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

Present: Director Boyd-Hodgson
Director Elitharp
Director Hernandez
Director Pennock
Director Sannella

Staff Present: General Manager Pruim
Assistant General Manager Gumpel
Legal Counsel Gilpin
Administrative Services Manager Emmanuel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Public Information/Conservation Supervisor Robbins
Principal Financial Analyst Arthur
Information Technology Technician Todd
Administrative Secretary Johnson

General Manager Pruim led the pledge of allegiance.

ADDITIONS TO THE AGENDA

None.

ADOPT AGENDA FOR THE REGULAR MEETING OF MARCH 2, 2022

22-03-01 MOTION WAS MADE by Director Sannella, seconded by Director Pennock, and carried unanimously, to adopt the agenda for the Regular Board Meeting of March 2, 2022.

PUBLIC COMMENT

None.

CONSENT CALENDAR

22-03-02 MOTION WAS MADE by Director Sannella, seconded by Director Hernandez, and carried unanimously, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Public Awareness/Personnel/Policy Committee Meeting – February 7, 2022
- B. Finance/Investment Committee Meeting – February 15, 2022
- C. Regular Board Meeting – February 16, 2022

- 1.2 Warrant List through March 2, 2022 - \$3,312,550.80
- 1.3 General Counsel Services Agreement Extension
- 1.4 Job Classification Retitles and Pay Adjustments for Executive Secretary and Administrative Secretary

ACTION ITEM(S)

DISCUSSION REGARDING IN-PERSON PUBLIC MEETINGS

General Manager Pruim stated a series of Executive Orders by Governor Newsom allowed public meetings to be conducted virtually due to the COVID-19 pandemic. As the COVID-19 situation has progressed, the Executive Orders have been mostly rescinded and replaced by other legislation, most recently Assembly Bill (AB) 361. AB 361 still allows for virtual meetings, but in order to do so, the Board must make certain findings every 30 days. On October 20, 2021, the Board did not make findings to continue virtual public meetings, causing the return to in-person public meetings briefly. On January 12, 2022, the Board elected to return to virtual meetings due to a surge in COVID-19 cases. On February 2, 2022, the Board made the findings required to continue conducting meetings virtually. If the Board wishes to continue virtual meetings, it must make findings at this meeting that a state of emergency continues to exist that poses a threat to human health. If the Board does not make the required findings, in-person Board and committee meetings would resume on Friday, March 4.

General Manager Pruim further stated that San Diego County is still considered a high transmission area based on local case rates. The Center for Disease Control and the California Department of Public Health still recommend everyone wear masks indoors in high transmission areas. If the Board decides to return to in-person meetings, staff will provide the most up-to-date information regarding safety protocols prior to scheduled meetings.

General discussion took place during which General Manager Pruim recommended continuing conducting virtual meetings for another two weeks and reconsideration of this item at the March 16, Board meeting to comply with the 30-day findings requirement.

22-03-03 MOTION WAS MADE by Director Boyd-Hodgson, seconded by Director Sannella, and carried 4 – 1, with Director Hernandez voting no, to approve staff's recommendation to continue conducting virtual public meetings for at least two more weeks and reconsider the return to in-person meetings at the March 16, Board meeting.

FISCAL YEAR 21/22 TACTICAL PLAN INITIATIVES

General Manager Pruim stated that at their December 15, 2021, meeting, the Board approved Strategic Plan 2022, which provides high level strategic direction for the District over the next five years. He briefly reviewed the plan's six Strategic Focus Areas and their Supporting Strategies. Staff will be assembling a Tactical Plan for each fiscal year of the Strategic Plan. The Tactical Plan will outline the strategic initiatives needed to fulfill the objectives of the Strategic Plan. The strategic initiatives must be specific, measurable, attainable, relevant and time-bound (SMART).

General Manager Pruim further stated Tactical Plan 2022 covers the remaining four months of Fiscal Year (FY) 2021/2022, and contains 37 initiatives. At the conclusion of FY 2021/2022, staff will provide a report to demonstrate the level of performance of Tactical Plan 2022 and present Tactical Plan 2023.

Staff recommended the Board adopt Tactical Plan 2022.

General discussion took place.

22-03-04 MOTION WAS MADE by Director Hernandez, seconded by Director Sannella, and carried unanimously, to adopt Tactical Plan 2022.

RECOMMENDATIONS FROM THE PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE REGARDING ORDINANCE NO. 216

General Manager Pruim stated the Public Awareness/Personnel/Policy (P3) Committee has been tasked with reviewing District ordinances, resolutions and policies. The P3 Committee recently reviewed Ordinance No. 216 which establishes the general provisions for conducting the business of the Board.

Public Information/Conservation Supervisor Robbins stated the P3 Committee reviewed Ordinance No. 216 in its entirety at their February 7, 2022, meeting. He reviewed the P3 Committee's recommendations for three sections of the ordinance for the Board to consider, which included:

- Section 1.9B: Board Reorganization – keep existing language and add that the President shall appoint the Vice President.
- Section 1.9C: Board Reorganization – remove this section.
- Section 2.3: Reimbursement of Expenses and Reporting – leave as is for now and review again when travel guidelines are reviewed in the Employee Handbook.

General discussion took place. Clarification of the selection process for the President, committee members and agency representatives was requested.

The P3 Committee recommended further Board level discussion on the following sections of the ordinance:

- Section 1.5: Agenda – is a second needed when requesting an item be placed on an agenda?
- Section 1.8B: Standing Advisory Committees – need criteria for formation of an Ad Hoc Committee and clarify the appointment process for members of the public.
- Section 1.8C: Standing Advisory Committees – should the Board vote to approve minutes of committee meetings or should committees approve their own minutes?

Further discussion took place.

The Board directed the P3 Committee to further review Ordinance No. 216 taking into consideration the Board's concerns regarding the sections discussed at this meeting.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) BOARD OF DIRECTORS
CALL FOR NOMINATIONS – SEAT B

General Manager Pruim stated the CSDA Elections and Bylaws Committee is seeking nominations from the southern network for Seat B on their Board of Directors. He briefly reviewed the eligibility requirements, commitments and expectations of the CSDA Board. The District is allowed one nomination which would require a resolution of support, and completion of the Candidate Information Sheet and Nomination Form. Nominations are due by March 31. CSDA will develop a slate of candidates based on the nominations received.

General discussion took place.

No action was taken.

REPORTS

GENERAL MANAGER

General Manager Pruim reported the following:

- Staff is finalizing the interactive maps for the redistricting process. The interactive maps are expected to be available to the public next week, well ahead of the Board meeting scheduled for March 16, at which the redistricting will be discussed.
- Staff recently opened up the approved scholarship program for interested students. The closing date for applications is April 29.
- Funds from the water arrearages program are in the process of being refunded in the upcoming billing cycle. Customers are being notified as to what to expect. The total amount to be credited to eligible customers is approximately \$229,000. Staff is preparing the District's submittal for the wastewater arrearages program.
- Staff met with City of San Marcos staff earlier this week to work out final details of the South Lake agreement. The agreement will allow residents and the District's customers access to a recreational trail around South Lake. It is anticipated the agreement will come before the Board for approval before the end of this fiscal year.

- The San Diego County Water Authority started its shutdown of Pipeline 4 for repairs. District staff has been closely monitoring reservoir levels that serve that area and are confident there will not be any water supply issues during the anticipated 10-day shutdown.
- The City of San Marcos recently issued a proclamation for “Fix a Leak Week” supporting the Environmental Protection Agency’s Water Sense program. “Fix a Leak Week” in San Marcos is March 14-20, 2022. The District was provided with a copy of the proclamation.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated the filing deadline for the Form 700 Statement of Economic Interests is April 1.

Legal Counsel Gilpin commented on a proposed Proposition 218 initiative that has just been cleared for circulation. The initiative limits the abilities of voters and state and local governments to raise revenue for government services. If approved, it would impose new restrictions on agencies’ ability to raise revenue fees or taxes under the Proposition 218 process.

SAN DIEGO COUNTY WATER AUTHORITY

Director Elitharp briefly summarized actions the SDCWA Board took at its regular meeting on February 24, including award of a professional services contract with Black & Veatch in an amount not to exceed \$2.85 million to provide planning services to prepare the 2023 Water Facilities Master Plan.

ENCINA WASTEWATER AUTHORITY

Director Hernandez reported the EWA Board, at its meeting on February 23, took action to continue conducting public meetings via teleconference for at least another month and received an update on the CALPers pension plan.

STANDING COMMITTEES

Director Hernandez stated the Hillside Property Development Ad Hoc Committee met on February 23. The Committee has received proposals from four developers to entitle and develop the property, and several engineering and environmental firms to assist with the entitlement process. The Committee will interview all firms this month to determine which direction to go, and will bring their recommendations to the Board for discussion.

Gayle Martin, member of the public, asked when the Hillside Property Development Ad Hoc Committee meets. The Committee does not have a standing meeting date, and under the Brown Act rules, does not conduct open public meetings.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Director Sannella stated he and Director Pennock attended the San Marcos City Council meeting last week at which the District received a proclamation for its partnership with the City to install hydration stations at five of the City's parks.

OTHER BUSINESS

QUARTERLY BOARD EXPENSES

This item was presented per Ordinance No. 216; no action required.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, President Elitharp adjourned the Regular Meeting of the Board of Directors at the hour of 6:44 p.m.

A Regular Meeting of the Vallecitos Board of Directors has been scheduled for Wednesday, March 16, 2022, at 5:00 p.m., via teleconference.

Craig Elitharp, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A MEETING OF THE
PUBLIC AWARENESS/PERSONNEL/POLICY COMMITTEE
OF THE VALLECITOS WATER DISTRICT
MONDAY, MARCH 7, 2022, AT 10:00 A.M.
VIA TELECONFERENCE

Director Boyd-Hodgson called the meeting to order at the hour of 10:01 a.m.

Present: Director Boyd-Hodgson
Director Pennock
General Manager Pruim
Assistant General Manager Gumpel
Finance Manager Owen
Development Services Senior Engineer Lopez
Executive Assistant Johnson

PUBLIC COMMENT

None.

ITEMS FOR DISCUSSION

PERSONNEL

None.

PUBLIC AWARENESS

(OLD BUSINESS) UPDATE ON BILL CONSOLIDATION FOR LARGE CUSTOMERS (SAN ELIJO HOMEOWNERS ASSOCIATION)

Finance Manager Owen provided an update on the San Elijo Hills Homeowners Association's (SEHHOA) request for modifications to consolidate their bills. He explained how information is sent from the District's Northstar system to the billing vendor, InfoSend. Over 23,000 customers receive their bills in a standard format; only four customers receive a consolidated bill. Modifying the consolidated bill format has proven to be challenging for several reasons, including additional fields would have to be created and there is a cost to do this. Staff has not forgotten about the SEHHOAs' request, but staff is managing several other priorities.

Finance Manager Owen stated staff has communicated with representatives of the SEHHOA, letting them know that staff is happy to put them on a consolidated bill format. The consolidated bill will combine all 43 of the SEHHOA's accounts onto one bill showing total water usage by account. The SEHHOA has requested the usage be shown by tier. Staff has offered to send the bill electronically which would allow data to be imported to a spreadsheet that the SEHHOA's data analyst could use to obtain the information they are requesting.

Elliott Herman, representing the SEHHOA, expressed his frustration that this process is taking so long. The SEHHOA has spent a considerable amount of money over the past year and a half making changes to their irrigation systems. They would like to see the water usage per tier so that they can make changes to reduce their tier three usage.

Director Boyd-Hodgson suggested representatives from the SEHHOA, herself, Director Pennock, and staff meet to discuss this issue further. Finance Manager Owen stated the first step is to receive the SEHHOA's approval to transition their bills to the consolidated bill format. A virtual meeting separate from this Committee will be set up ideally for next week or as soon as possible.

Mr. Glickman, also representing the SEHHOA, echoed Mr. Elliott's frustration about how long it's taking to resolve this issue.

POLICY

(OLD BUSINESS) ORDINANCES/RESOLUTIONS/POLICIES RECOMMENDED FOR REVIEW:

ORDINANCE NO. 216 (BUSINESS OF THE BOARD) REIMBURSEMENT AGREEMENT POLICY BACKFLOW DEVICE UPGRADES

Due to time constraints, Director Boyd-Hodgson suggested the Committee delay their review of Ordinance No. 216 until the next Committee meeting.

Reimbursement Agreement Policy, Ordinance No. 180

Development Services Senior Engineer Lopez facilitated a presentation on the Reimbursement Agreement Policy, Ordinance No. 180, as follows:

- Agreement Purpose
- Current Reimbursement Term (Section 1.5, Term of Agreement)
- Proposed Reimbursement Term (Change Current Ordinance)

Development Services Senior Engineer Lopez stated the current terms of the reimbursement agreement stipulate the proportionate share of eligible construction costs plus an escalator based on the increase in the Engineering News Record-LA (ENR-LA) Construction Cost Index from the effective date of the agreement and 5% of the reimbursement fee is retained by the District for administrative costs. Rather than tying the escalator cost to the ENR-LA Construction Cost Index, staff proposed to just include a 5% escalation cost for each year of the agreement. In addition, instead of the District retaining 5% of the reimbursement for administrative costs, staff proposed a flat fee (to be determined).

General discussion took place about how the flat fee for administrative costs would be calculated.

The Committee supports staff's proposed changes to Ordinance No. 180 as discussed and indicated they did not need to further discuss the flat fee calculation for administrative costs. Staff will develop the flat fee and make the revisions to the ordinance and will present it to the Board for consideration at a later date.

Backflow Device Upgrades, Ordinance No. 204

Assistant General Manager Gumpel stated Ordinance No. 204 is complicated as the State requires backflow devices to protect the public system. The State and local Health Department requirements place enforcement on the retail water agencies.

Development Services Senior Engineer Lopez facilitated a presentation on the Cross Control Connection (Backflows), Ordinance No. 204, as follows:

- Why Are Backflows Required?
- Where Are Backflows Required?

Development Services Senior Engineer Lopez stated the main issue is that older backflow devices cannot be tested and certified that they are still functioning properly. There are a total of 496 fire service backflows within the District. Of that number, 202 are older, non-compliant devices that must be updated by the owner or the District, depending on when they were installed. The current policy states that property owners of privately-owned backflow devices are responsible to upgrade non-compliant backflows. The District has budgeted to upgrade four non-compliant District-maintained backflow devices per year at a cost between \$30,000 and \$50,000 each. Staff is in the process of determining how many of the 202 non-compliant backflows are the District's responsibility and will bring this information back to the Committee in the future. Staff would then start budgeting to replace more District-maintained backflows each year and begin contacting customers to request they upgrade their backflows. Staff believes Ordinance No. 204 is consistent with current state health requirements and wants the Board's support in case they receive calls from customers.

General discussion took place. Director Pennock stated that some property owners may have loss assessment coverage on their insurance that may cover upgrading their backflow device. Staff will review the non-compliant backflows to determine who is responsible for upgrading them and will present this information to the Committee at a future meeting.

The Committee will review Ordinance No. 216 as well as responsibility after the meter, and possibly water/sewer capacity issues at their next meeting.

NEXT MEETING DATE – APRIL 4, 2022

The next Committee meeting is scheduled for 10:00 a.m. on Monday, April 4, 2022.

ADJOURNMENT

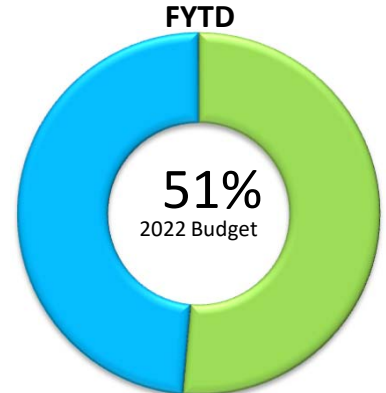
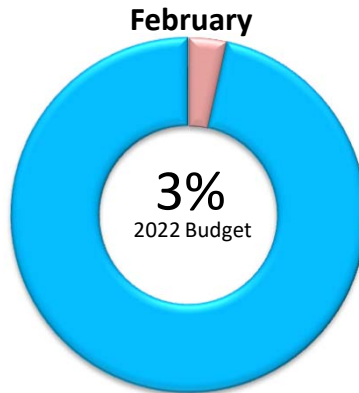
There being no further business to discuss, the meeting adjourned at the hour of 11:07 a.m.

**VALLECITOS WATER DISTRICT
DISBURSEMENTS SUMMARY
February 28, 2022**

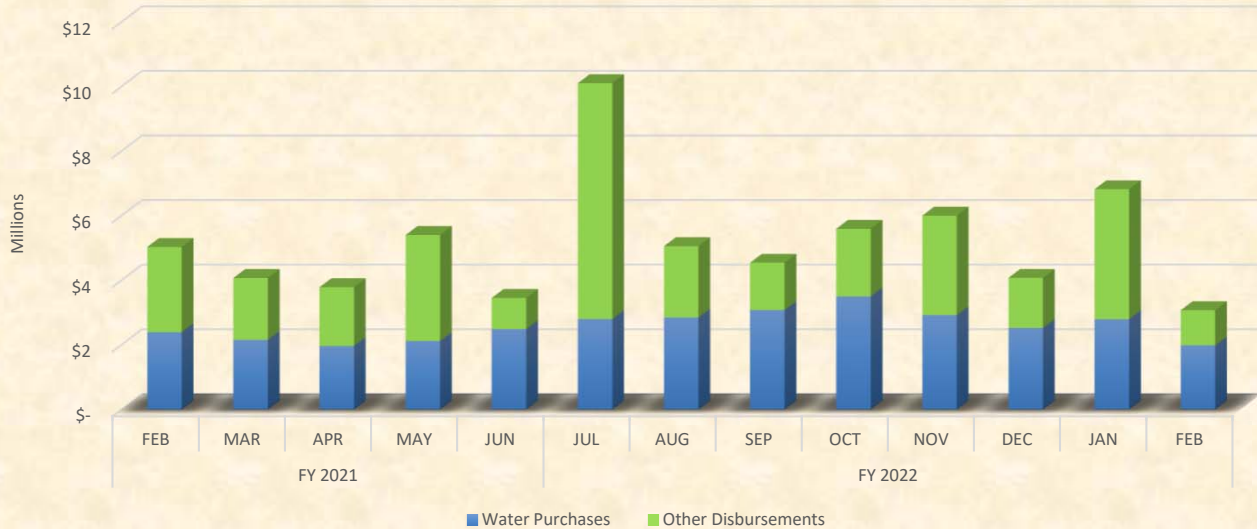
Summary

February Disbursements	\$	3,073,031 *
YTD Disbursements	\$	45,268,246 *
■ FY2022 Budget	\$	88,064,000

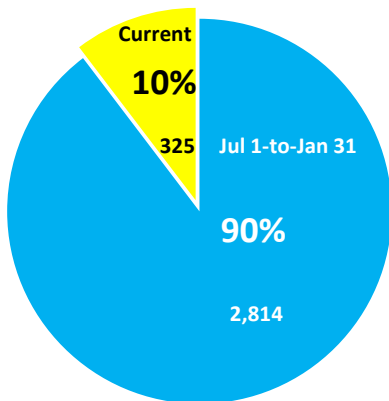
* Excludes Debt Service



Disbursements by Month



Invoices Processed



Top 10 Vendors - FYTD

SAN DIEGO COUNTY WATER AUTH.	\$22.4M
ENCINA WASTEWATER AUTHORITY	\$7.3M
ACWA/JOINT POWERS INSURANCE	\$2.4M
PUBLIC EMPLOYEES RETIRE SYSTEM	\$2.1M
TC CONSTRUCTION CO INC	\$1.7M
SAN DIEGO GAS & ELECTRIC	\$801.6K
SS MECHANICAL CONSTRUCTION CORP.	\$563.6K
OLIVENHAIN MWD	\$548.9K
HAAKER EQUIPMENT CO.	\$456.1K
JAMISON ENGINEERING...	\$424.2K

VALLECITOS WATER DISTRICT
WARRANTS LIST
March 16, 2022

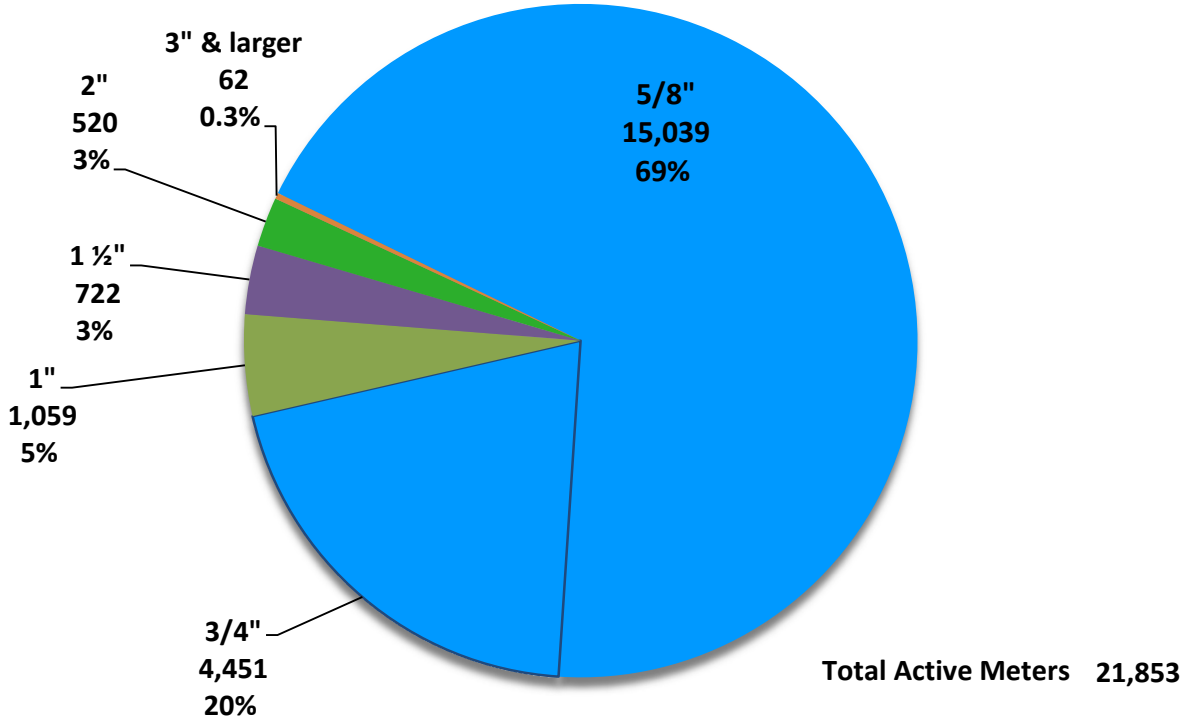
PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
California River Watch	River Watch Settlement	123671	45,000.00
ACWA/Joint Powers Insurance	Medical Insurance - Apr	123672	224,963.23
Airgas USA LLC	Cylinder Rental	123673	202.34
Airwave Mechanical	Trouble Shoot HVAC Chiller - Bldg A	123674	500.00
AT&T	Phone Svc - Feb	123675	22.51
Audio Associates of San Diego	Monitor Addition In Board Room	123676	973.35
James D Austin	CWEA Membership & Cert Renewal Reimbursement	123677	298.00
Diamond Environmental Services	Pumping Svcs - Montiel Wet Well Cleaning	123678	3,150.00
DirecTV Inc	Satellite Svc - Feb	123679	131.99
Craig Durban	Ops Crew Meal Reimbursement	123680	41.38
EDCO	Trash Svc - Feb	123681	942.30
Electrical Sales Inc	UPS - Mahr Reservoir	123682	755.21
Extreme Safety Inc.	Annual Safety Harness Inspection - MRF	123683	466.05
Fedex	Shipping Svcs - Feb	123684	44.72
Grainger Inc	Hardware & Cleaning Supplies	123685	1,296.93
James Gumpel	ACWA/JPIA Leadership Program 2-2-22	123686	74.88
Hach Company	Water Quality Testing Supplies & NTU Meter Parts - MRF	123687	1,025.98
Harris	Gems Software & Maintenance 22-23	123688	40,158.35
Infosend Inc	Support Fee, Postage, & Printing - Jan & Feb	123689	8,995.02
Interstate Batteries	UPS Batteries - 18	123690	365.40
Jack Henry & Assoc Inc	Remit Plus Support Fee - Feb	123691	157.24
JCI Jones Chemicals Inc	Chlorine	123692	11,894.67
Justin Shutt	SWRCB Exam Fee Reimbursement	123693	100.00
MBN Group, Inc.	Bldg C Office Improvements Prj 20221-9	123694	12,240.00
Michael Rathsam	Mileage Reimbursement to SDCWA	123695	32.76
Mitchell Repair Information Co LLC	Diagnostic Software Subscription - Mechanical/Electric 22-23	123696	2,448.00
Pacific Pipeline Supply	Air Vac Can	123697	596.86
Patriot Portable Restroom Inc	Portable Restroom Rental - Feb	123698	268.40
Pitney Bowes	Postage Meter Refill	123699	11.01
Quality Hoist & Electric	Emergency Crane Repair - Chlorine Room - MRF	123700	475.00
Ray White Cement	Concrete Work: Walkway, Concrete Pad - Wellness Area, Concrete Walkway - Behind Bldg	123701	18,952.75
Richard W. Gittings	Hillside Development - Feb	123702	1,400.00
Rick Post Welding	Repair of 8" Steel Waterline	123703	1,226.31
SDG&E	Power - Jan	123704	6,219.27
Scada Integrations	Programming & Configuration of Power Monitors, Data Retrieval, Alarm Troubleshooting -	123705	11,390.00
Smart & Final	Office Supplies - Feb	123706	61.59
Southern Counties Lubricants, LLC	Diesel Fuel	123707	22,882.11
Specialty Seals & Accessories	Mechanical Seal Rebuild P4- MRF	123708	1,343.19
SSA Solar of CA 5, LLC	District Solar Project Svcs - Feb	123709	1,797.94
Standard Insurance Company	LIFE, LTD, & ADD Insurance - Mar	123710	6,168.25
Stericycle, Inc.	Shredding Svcs - Feb	123711	480.46
Uline Inc	55 Gallon Fiber Drums - 12	123712	897.58
Unifirst Corporation	Uniform Delivery	123713	2.63
United Rentals (North America) Inc	Boom Lift Rental - Yard LED Lighting Upgrade	123714	1,956.13
Univar USA Inc	Sodium Bisulfite	123715	1,943.81
UPS	Shipping Svcs - Feb	123716	106.66
Verizon Wireless	Ipad Svc - Feb	123717	380.22
Airwave Mechanical	Removal & Replacements of Thermostats - 6 & HVAC Chiller Maintenance - Bldg A	123718	1,798.51
Bill Howe Plumbing	Pressure Regulator & Water Heater Replacement - Bldg A	123719	3,272.29
Carbon Activated Corp.	Carbon	123720	3,437.39
CCI	Water Treatment - Feb	123721	220.00
CDW Government Inc	Dell Monitors - 2	123722	1,119.76
Ferguson Enterprises, Inc	Water Testing Stations - 3	123723	1,285.66
Harper & Associates Inc	North Twin Oaks Warranty Inspection of Reservoir Repairs	123724	1,900.00
Kaman Industrial Technologies	Electric Motor Oil Changes - 4 Pump Stations, Oil For Grinder - LS1	123725	1,675.46
Lloyd Pest Control	Pest Control Svcs - Feb	123726	563.00
Mallory Safety & Supply, LLC	Nitrile Glove Stock Order, Rain Suit Sets - 25	123727	2,510.58
Recycled Aggregate Materials Co Inc	Concrete Recycling	123728	300.00
Recon Environmental Inc	Land Outfall Easement Maintenance Plan Prj 20201-9	123729	5,997.00
Underground Service Alert	Dig Alert Svc & CA State Regulatory Fees - Mar	123730	570.44
Unifirst Corporation	Uniform Delivery	123731	997.21
Vector Resources, Inc.	Ocularis Licenses Support & Maintenance 22-23	123732	1,397.91
Versatile Systems Inc.	Safety Nets & Climbing System Bond Cost	123733	1,851.49
Vortex Industries Inc	Emergency Repair of HQ Back Gate	123734	784.00
Xylem Water Solutions USA, Inc.	Standby Pump - Chlorine Injection Basin - MRF	123735	14,479.55
Garnishments	Payroll Garnishments	123736 through	-
Total Disbursements (65 Checks)			479,000.73

VALLECITOS WATER DISTRICT
WARRANTS LIST
March 16, 2022

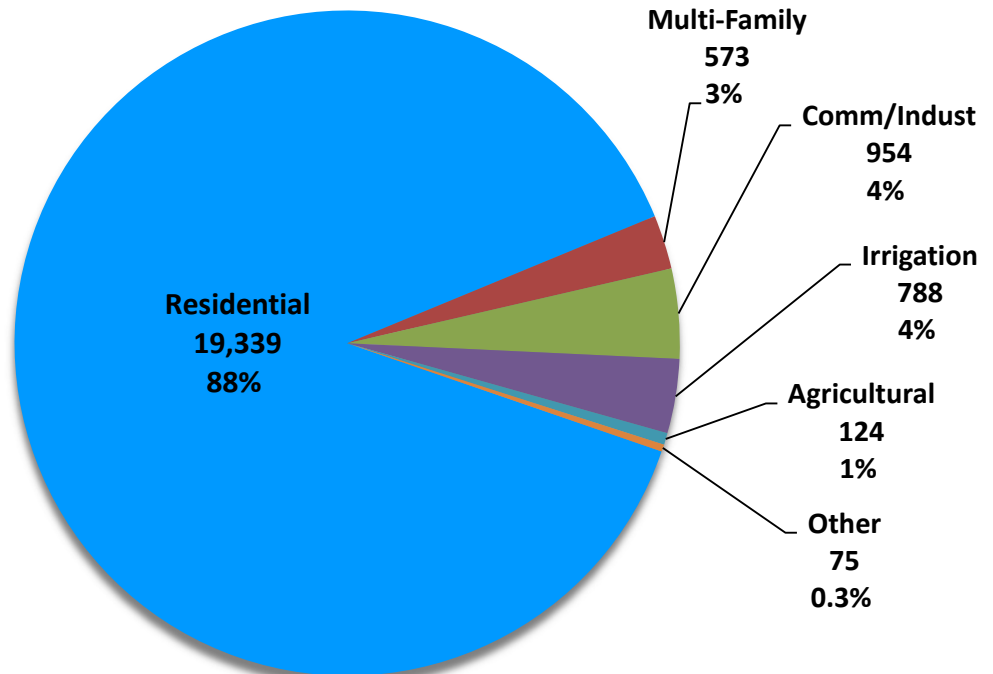
PAYEE	DESCRIPTION	CHECK#	AMOUNT
WIRES			
Public Employees Retirement System	Retirement Contribution - March 08, 2022 Payroll	Wire	75,714.58
Bank of America	Bank of America loan payment - Interest	Wire	7,642.80
Union Bank	Union Bank debt payment - Principal	Wire	200,000.00
Union Bank	Union Bank debt payment - Interest	Wire	6,823.13
Total Wires			<u>290,180.51</u>
PAYROLL			
Total direct deposits		Wire	277,861.54
VWD Employee Association		123736	566.00
Payroll & Garnishments	123737 through	123738	1,223.98
IRS	Federal payroll tax deposits	Wire	112,123.73
Employment Development Department	California payroll tax deposit	Wire	22,664.01
CalPERS	Deferred compensation withheld	Wire	29,466.24
VOYA	Deferred compensation withheld	Wire	8,385.53
Total March 08, 2022 Payroll Disbursements			<u>452,291.03</u>
TOTAL DISBURSEMENTS			<u><u>1,221,472.27</u></u>

Vallecito Water District
 Active Water Meters
 February 28, 2022

Active Meters by Size as of February 28, 2022

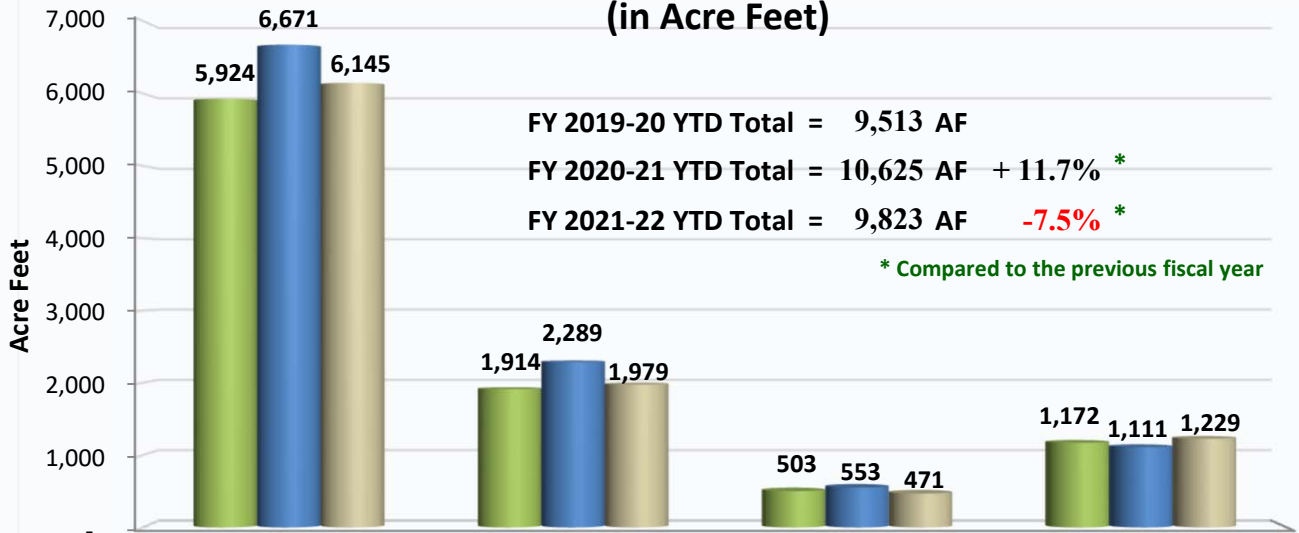


Active Meters by Type as of February 28, 2022



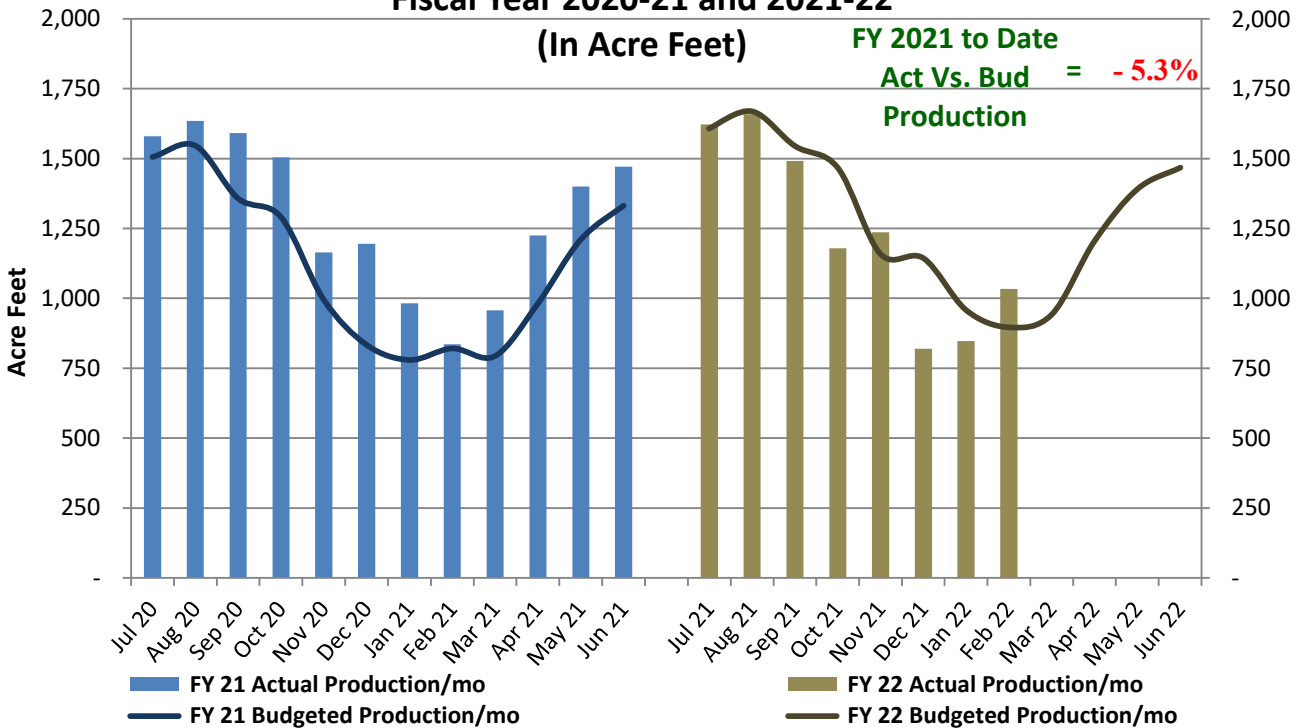
Vallejos Water District
 Water Production/Sales
 February 28, 2022

Water Sales FY 19-20, FY 20-21 and FY 21-22 (FYTD)
(in Acre Feet)

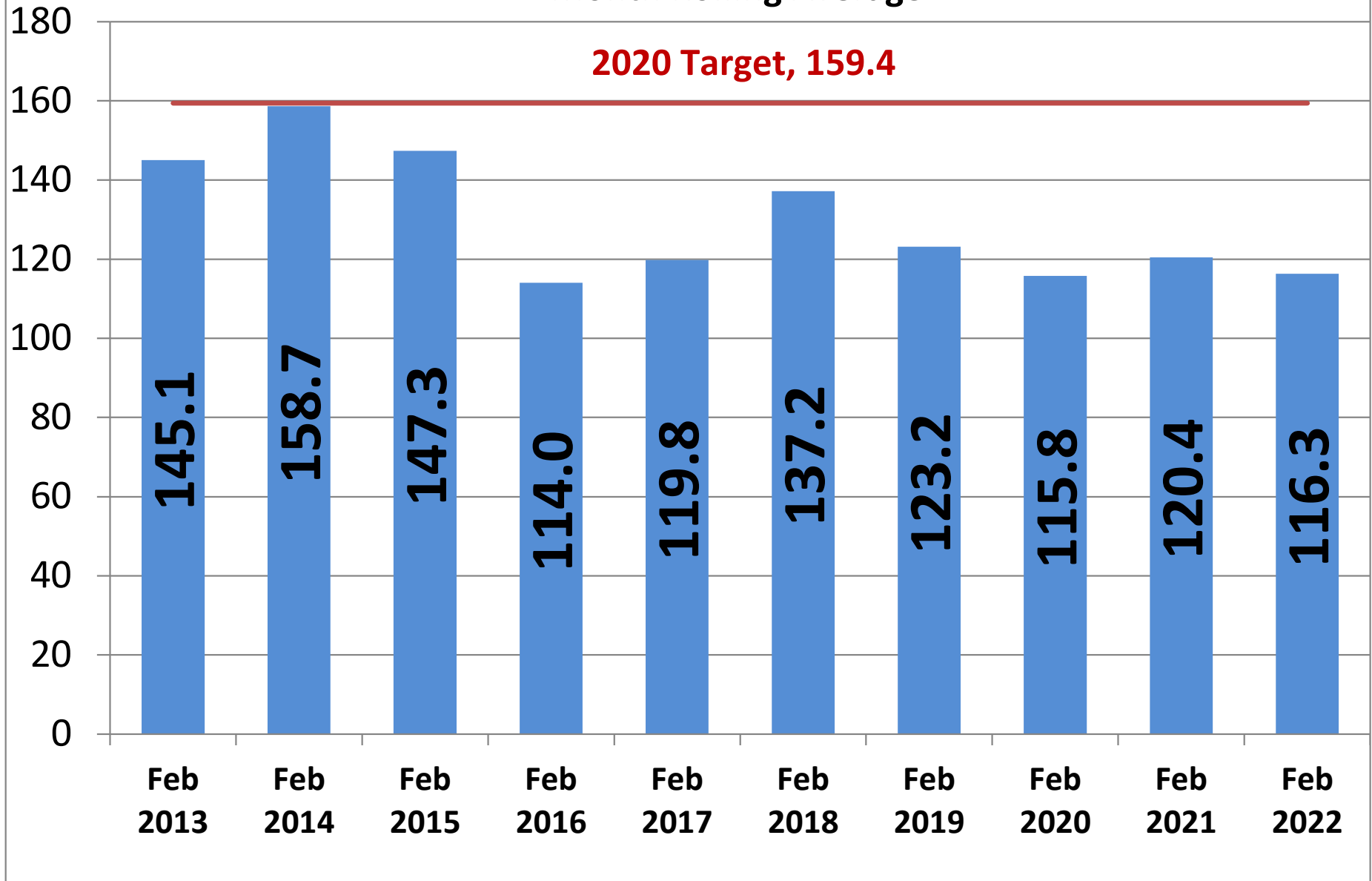


	Residential	Irrigation	Agricultural	Commer/ Indust/ Const/ Oth
FY 19-20	5,924	1,914	503	1,172
FY 20-21	6,671	2,289	553	1,111
FY 21-22	6,145	1,979	471	1,229

Water Production Budget vs. Actual
Fiscal Year 2020-21 and 2021-22
(In Acre Feet)



Gallons per Capita per Day 12-Month Rolling Average



DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: MONTHLY FINANCIAL REPORTS

BACKGROUND:

The Monthly Revenue and Expense Reports and the Reserve Report for the eight months ended February 28, 2022 are presented.

DISCUSSION:

The Monthly Revenue and Expense reports summarize revenues by service type and expenses by department over the 8-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 any excess of expenses above revenues are paid for out of reserves. It's important to note that amounts shown in the in the Revenue and Expense reports are unaudited and do not reflect actual transfers to/from reserves. Actual transfers will be posted upon completion of the fiscal year-end audit.

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, debt service, PERS UAL Additional Discretionary Payments (ADP), and interest expense. Unaudited amounts for operating transfers are reflected in the reserve report using the most recent information available at the time of reporting. Actual transfers will be posted upon completion of the audit in December of the following fiscal year which may result in adjustments to the beginning reserve balances.

RECOMMENDATION:

For information only.

Vallecitos Water District
Water Revenue and Expense Report
For the Eight Months Ended February 28, 2022

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Water Sales	\$22,133,931	\$23,909,572	\$ (1,775,641)	-7.4%	\$21,709,000	\$ 424,931	2.0%
Ready-to-serve	9,777,623	9,737,292	40,331	0.4%	9,538,000	239,623	2.5%
Pumping cost recovery	286,839	329,891	(43,052)	-13.1%	289,000	(2,161)	-0.7%
Late & lock charges	215,324	219,151	(3,827)	-1.7%	259,106	(43,782)	-16.9%
Backflow fees	76,052	70,285	5,767	8.2%	59,918	16,134	26.9%
Other revenue	245,223	95,852	149,371	155.8%	75,400	169,823	225.2%
Total Revenue	<u>32,734,992</u>	<u>34,362,043</u>	(1,627,051)	-4.7%	<u>31,930,424</u>	804,568	2.5%
Expenses							
Water costs	20,622,857	20,917,250	(294,393)	-1.4%	21,158,000	(535,143)	-2.5%
Pumping costs	438,785	510,073	(71,288)	-14.0%	643,000	(204,215)	-31.8%
Water quality	163,681	62,020	101,661	163.9%	139,000	24,681	17.8%
Water treatment	300,737	308,308	(7,571)	-2.5%	318,000	(17,263)	-5.4%
Tanks & reservoirs	233,362	185,185	48,177	26.0%	253,000	(19,638)	-7.8%
Trans & distribution	1,011,527	1,186,548	(175,021)	-14.8%	1,272,000	(260,473)	-20.5%
Services	42,828	64,794	(21,966)	-33.9%	54,000	(11,172)	-20.7%
Meters	486,870	591,762	(104,892)	-17.7%	642,000	(155,130)	-24.2%
Backflow prevention	26,761	45,613	(18,852)	-41.3%	48,000	(21,239)	-44.2%
Customer accounts	600,229	516,086	84,143	16.3%	592,000	8,229	1.4%
Building & grounds	371,020	263,222	107,798	41.0%	331,000	40,020	12.1%
Equipment & vehicles	151,629	164,853	(13,224)	-8.0%	225,000	(73,371)	-32.6%
Engineering	1,022,369	1,095,848	(73,479)	-6.7%	1,091,000	(68,631)	-6.3%
Safety & compliance	77,272	138,338	(61,066)	-44.1%	191,000	(113,728)	-59.5%
Information Technology	652,376	564,600	87,776	15.5%	750,000	(97,624)	-13.0%
General & administrative	1,816,768	1,848,385	(31,617)	-1.7%	2,091,000	(274,232)	-13.1%
Total Expenses	<u>28,019,071</u>	<u>28,462,885</u>	(443,814)	-1.6%	<u>29,798,000</u>	(1,778,929)	-6.0%
Net Operating Income	<u>\$ 4,715,921</u>	<u>\$ 5,899,158</u>	(1,183,237)	-20.1%	<u>\$ 2,132,424</u>	2,583,497	121.2%

Explanation of Significant Variances

Other revenue has a favorable prior year & budget variance as a result of a rebate received from the District Wide Solar project.

Pumping costs have a favorable budget variance thus far this year due to less than anticipated outside services being performed and lower power costs.

Water quality has an unfavorable prior year variance due to an unanticipated one-time expenditure related to flushing services at Lake San Marcos.

Transmission & distribution has a favorable budget variance due to fewer main breaks than the previous year resulting in decreased labor costs and outside repair costs.

Meters has a favorable budget variance because of product supply shortages causing delays in the meter testing and replacement program.

Building & grounds has an unfavorable prior year variance due to planned increases in outside repairs and power costs.

Equipment & vehicles has a favorable budget variance due to the timing of outside services performed and auto part supply shortages.

Safety & compliance has a favorable budget variance due to lower than anticipated labor costs.

Vallecitos Water District
Sewer Revenue and Expense Report
For the Eight Months Ended February 28, 2022

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Sewer service charges	\$12,275,128	\$12,159,347	\$ 115,781	1.0%	\$11,861,000	\$ 414,128	3.5%
Reclaimed water sales	2,231,250	1,994,153	237,097	11.9%	1,983,000	248,250	12.5%
Other revenue	168,714	91,860	76,854	83.7%	193,000	(24,286)	-12.6%
Total Revenue	<u>14,675,092</u>	<u>14,245,360</u>	429,732	3.0%	<u>14,037,000</u>	638,092	4.5%
Expenses							
Collection & conveyance	1,441,657	1,564,007	(122,350)	-7.8%	1,588,000	(146,343)	-9.2%
Lift stations	139,134	188,548	(49,414)	-26.2%	156,000	(16,866)	-10.8%
Source Control	113,198	107,963	5,235	4.8%	135,000	(21,802)	-16.1%
Effluent disposal	2,195,113	1,949,381	245,732	12.6%	2,227,000	(31,887)	-1.4%
Meadowlark	1,678,527	1,734,264	(55,737)	-3.2%	2,042,000	(363,473)	-17.8%
Customer Accounts	314,692	299,697	14,995	5.0%	377,000	(62,308)	-16.5%
Building & grounds	239,601	155,408	84,193	54.2%	221,000	18,601	8.4%
Equipment & vehicles	120,145	127,354	(7,209)	-5.7%	174,000	(53,855)	-31.0%
Engineering	441,482	499,737	(58,255)	-11.7%	599,000	(157,518)	-26.3%
Safety & compliance	45,847	89,008	(43,161)	-48.5%	125,000	(79,153)	-63.3%
Information technology	519,087	477,139	41,948	8.8%	581,000	(61,913)	-10.7%
General & administrative	1,005,390	1,000,731	4,659	0.5%	951,000	54,390	5.7%
Total Expenses	<u>8,253,873</u>	<u>8,193,237</u>	60,636	0.7%	<u>9,176,000</u>	(922,127)	-10.0%
Net Operating Income	<u>\$ 6,421,219</u>	<u>\$ 6,052,123</u>	369,096	6.1%	<u>\$ 4,861,000</u>	1,560,219	32.1%

Explanation of Significant Variances

Other revenue has a favorable prior year variance as a result of a rebate received from the District Wide Solar project.

Building & grounds has an unfavorable prior year variance due to planned increases in outside repairs and power costs.

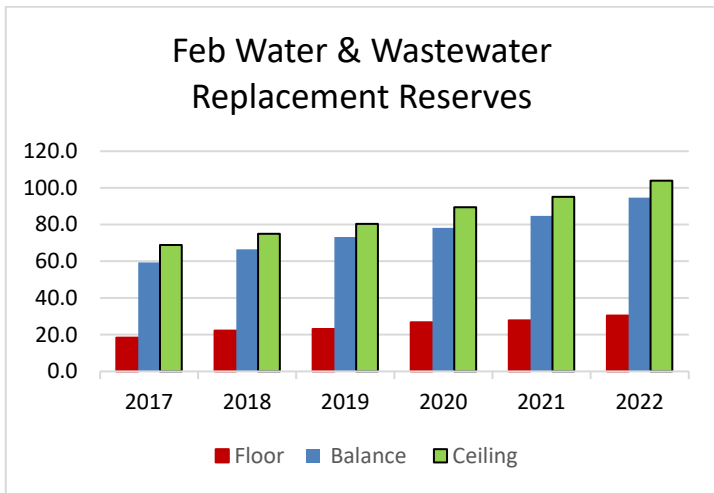
Engineering has a favorable budget variance due to less than anticipated outside services being performed thus far.

Safety & compliance has a favorable budget variance as a result of lower than anticipated labor costs.

Variances are considered significant if they exceed \$66666 and 20%.

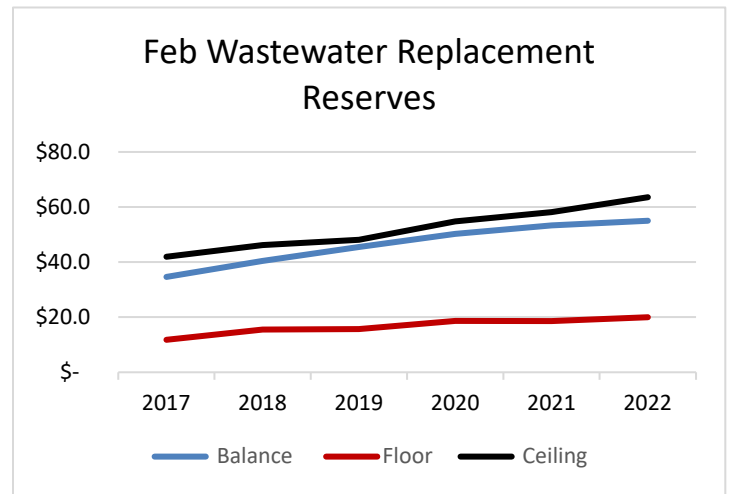
REPLACEMENT RESERVES

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 February 28, 2022, the total water and wastewater replacement reserve balance was \$94.6 million, 11.7 percent higher than February 28, 2021.



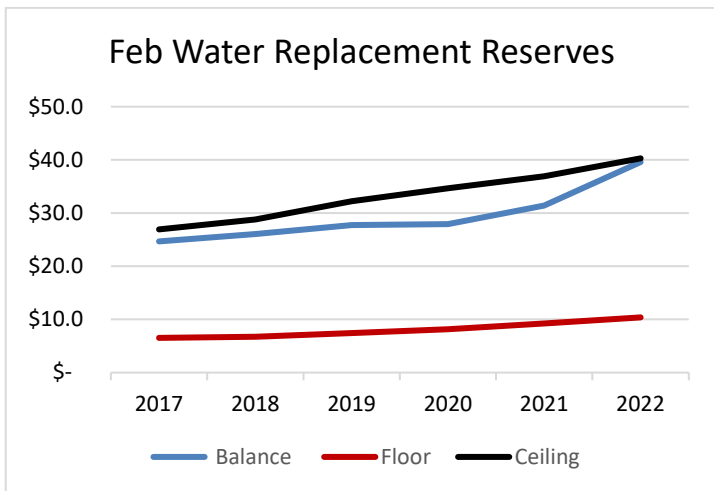
WASTEWATER REPLACEMENT RESERVE

As of February 28, 2022, the balance in the District’s wastewater replacement reserve totaled \$55.0 million, an increase of 3.2 percent, or \$1.7 million, from the same month of the prior year. The month-end balance is within the approved floor and ceiling.



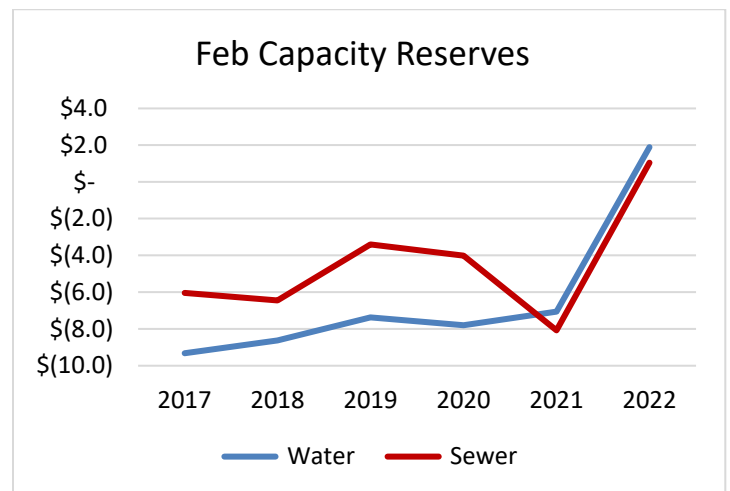
WATER REPLACEMENT RESERVE

As of February 28, 2022, the District’s water replacement reserve totaled \$39.6 million, an increase of 26.1 percent, or \$8.2 million higher from the same month of the prior year. The month-end balance is within the floor and ceiling established by the reserve policy, leaving the District with sufficient reserves to meet infrastructure replacement needs.



CAPACITY RESERVES

The District collects capital facility fees from new development and increased demands from existing customers, maintains the collected fees in separate funds (one for water and one for wastewater), and uses the funds exclusively to provide capacity to serve new development and fund future construction of facilities identified in the District’s Master Plan and capital budget. As of February 28, 2022, the water capacity fund had a balance of \$1.9 million and the sewer capacity fund had a balance of \$1.0 million. The District’s capital facility fees situation has improved as a result of the adoption of the new Master Plan and the corresponding capacity fee study.



VALLECITOS WATER DISTRICT

RESERVE ACTIVITY FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2022

	110	120	210	220	Total
	Water Replacement	Capacity	Wastewater Replacement	Capacity	
BEGINNING BALANCE ⁽¹⁾	\$ 39,389,445	\$ (7,871,529)	\$ 60,698,440	\$ (9,842,681)	\$ 82,373,675
REVENUES					
Debt Proceeds	137,972	-	12,086,079	5,475,598	17,699,649
Interfund Transfer	-	8,556,972	-	3,667,079	12,224,051
FY 21/22 Operating Transfers ⁽²⁾	4,715,921	-	6,421,219	-	11,137,140
Capital Facility Fees	-	1,696,139	-	4,272,529	5,968,668
Property Tax	877,316	-	700,171	-	1,577,487
RDA pass-through	617,554	-	593,336	-	1,210,890
Annexation Fees	771,308	-	131,443	-	902,751
Investment Earnings	392,012	-	310,203	-	702,215
TOTAL REVENUES	<u>7,512,083</u>	<u>10,253,111</u>	<u>20,242,451</u>	<u>13,415,206</u>	<u>51,422,851</u>
LESS DISTRIBUTIONS					
Capital Projects					
Encina Wastewater Authority Five Year Plan	-	-	4,150,623	-	4,150,623
San Marcos Interceptor Sewer	-	-	444,568	989,525	1,434,093
MRF - Biological Selector Improvements	-	-	616,872	-	616,872
MRF - Headworks - Upgrade/Replace Equipment	-	-	452,600	-	452,600
MRF - Odor Scrubber #1 Replacement	-	-	186,190	-	186,190
District-Wide Valve Replacement Program	158,039	-	-	-	158,039
16-Inch Emergency Bypass Pipeline Rehabilitation	-	-	147,520	-	147,520
MRF - Site Lighting Upgrade and Repairs	-	-	145,610	-	145,610
Montiel Lift Station And Forcmain Replacement	-	-	94,211	50,515	144,726
Land Outfall West Condition Assessment	-	-	128,919	-	128,919
Energy Management Study	63,145	-	60,669	-	123,814
Tres Amigos Water Line Replacement Phase 1	89,352	-	-	-	89,352
MRF - Conversion to Sodium Hypochlorite	-	-	77,680	-	77,680
District-Wide SCADA Upgrade Project	39,289	-	37,749	-	77,038
Painting of Car Wash Building	35,548	-	34,153	-	69,701
Technology Infrastructure Upgrades	35,104	-	33,727	-	68,831
MRF - Replacement of Valve Actuators	-	-	66,451	-	66,451
MRF - Tertiary Influent Chamber Repairs	-	-	64,071	-	64,071
South Lake Pump Station Fence	56,974	-	-	-	56,974
MRF - Flow Control Valve & Actuator	-	-	54,041	-	54,041
Meadowlark Failsafe Rehabilitation (Buena Reach)	-	-	51,590	-	51,590
Sewer Lining and Rehab	-	-	45,584	-	45,584
Sage Canyon Tank Refurbishment	43,402	-	-	-	43,402
Wulff Pressure Reducing Station	39,981	-	-	-	39,981
Chlorine Contact Tank Expansion	-	-	39,408	-	39,408
District Wide Solar Project	16,455	-	15,809	-	32,264
GEMS AB Suite 6.1 Upgrade	15,401	-	14,797	-	30,198
Maintenance Services Department Offices	14,283	-	13,722	-	28,005
Fuel Transport Trailer for Generators	14,280	-	13,720	-	28,000
Palos Vista Pump Station - Motor Starter Upgrade	25,648	-	-	-	25,648
Mahr Reservoir - Algae Monitoring	-	-	24,103	-	24,103
Meadowlark - Landscaping Improvements	-	-	2,194	20,042	22,236
Fire Services - Backflow Preventer Upgrades	19,258	-	-	-	19,258
Neogov Applicant Tracking Software	7,737	-	7,433	-	15,170
Via Vera Cruz Tank I: Asphalt Repair and Sealcoat	14,140	-	-	-	14,140
District-Wide Valve Replacement Program	14,065	-	-	-	14,065
Ductile Iron Pipe Condition Assessment	13,456	-	-	-	13,456
Water Operations Control Room Upgrades	12,670	-	-	-	12,670
Palos Vista Tank I: Asphalt Repair and Sealcoat	11,760	-	-	-	11,760
Richland Tank I: Asphalt Repair and Sealcoat	10,294	-	-	-	10,294
Richland Tank II: Asphalt Repair and Sealcoat	10,110	-	-	-	10,110
All other capital projects	32,420	-	24,795	-	57,215
Capital Budget - Vehicles/Mobile Equipmnt	2,909	-	2,795	-	5,704
Total Capital Project Expenditures	795,720	-	7,051,604	1,060,082	8,907,406
Interfund Transfer	137,972	-	12,086,079	-	12,224,051
Debt Service	-	472,133	-	1,437,182	1,909,315
Interest Expense	-	20,182	-	29,679	49,861
TOTAL DISTRIBUTIONS	<u>933,692</u>	<u>492,315</u>	<u>19,137,683</u>	<u>2,526,943</u>	<u>23,090,633</u>
ENDING BALANCE	\$ 45,967,836	\$ 1,889,267	\$ 61,803,208	\$ 1,045,582	\$ 110,705,893
Less: Operating Reserves	6,375,900	-	6,791,700	-	13,167,600
Replacement Reserves/Restricted Funds	\$ 39,591,936	\$ 1,889,267	\$ 55,011,508	\$ 1,045,582	\$ 97,538,293
Replacement reserve floor	\$ 10,394,000		\$ 20,006,200		
Replacement reserve ceiling	\$ 40,281,800		\$ 63,574,100		

Notes:

(1) Beginning balances represent ending balances from the prior year which are adjusted to actual cash and investment balances after completion of the audit around November of the current year

(2) Operating transfers from the unaudited revenue and expense reports are calculated using the most recent information available at the time of this report. Included for reporting purposes, actual transfer amounts will differ.

VALLECITOS WATER DISTRICT
INVESTMENT REPORT FOR FEBRUARY 2022

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

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

Investment activity for the month of February follows:

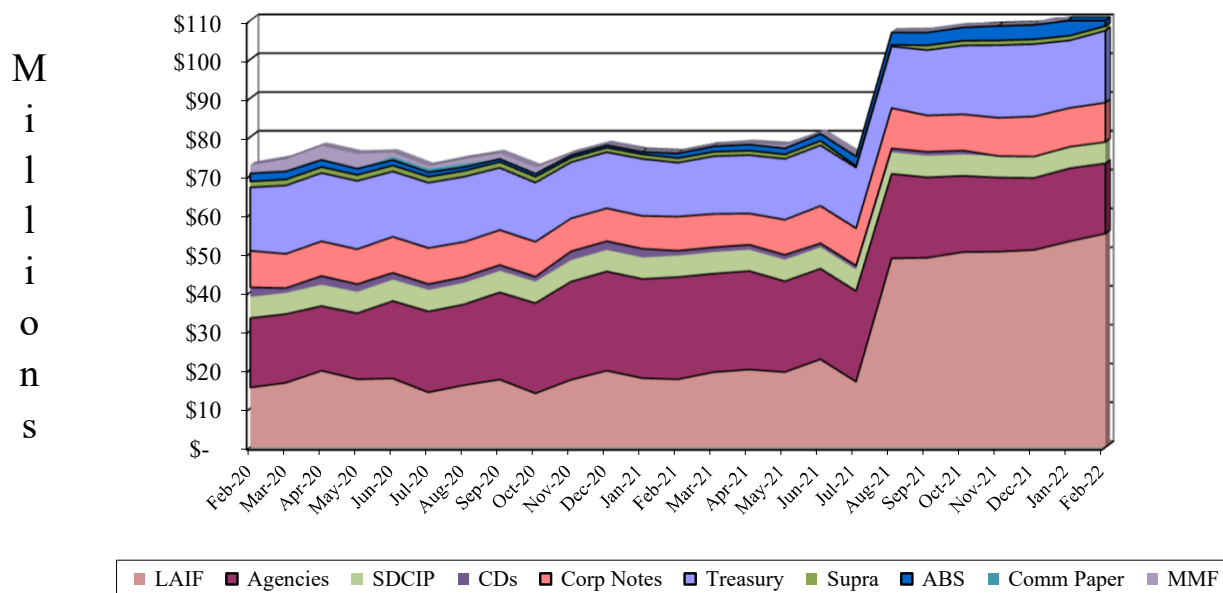
<u>Date</u>	<u>Activity</u>	<u>Investment</u>	<u>Amount</u>	<u>Maturity</u>	<u>Yield</u>
02/03/22	Deposit	LAIF	500,000	Open	0.27%
02/07/22	Purchased	State Street Corp. Note	175,000	02/06/26	1.75%
02/10/22	Purchased	US Treasury	1,238,998	02/28/25	1.11%
02/10/22	Sold	FHLB	(658,236)	06/09/23	2.13%
02/11/22	Withdrawal	LAIF	(1,900,000)	Open	0.27%
02/15/22	Sold	John Deere Owner Trust	(21,076)	01/06/25	1.13%
02/17/22	Deposit	LAIF	2,600,000	Open	0.27%
02/28/22	Deposit	LAIF	800,000	Open	0.27%
Change in investments during the month			<u>\$ 2,734,687</u>		

	<u>Current</u>
Weighted average annual yield for total Vallecitos investments	0.680%
Weighted average days to maturity	292

The State Treasurer's Office provides fair market values of LAIF quarterly on their web site. The most recent valuation, which is used on this report, is as of December 31, 2021. 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 January 31, 2022. Fair values for federal agency obligations and corporate notes are provided by Union Bank trust account reporting.

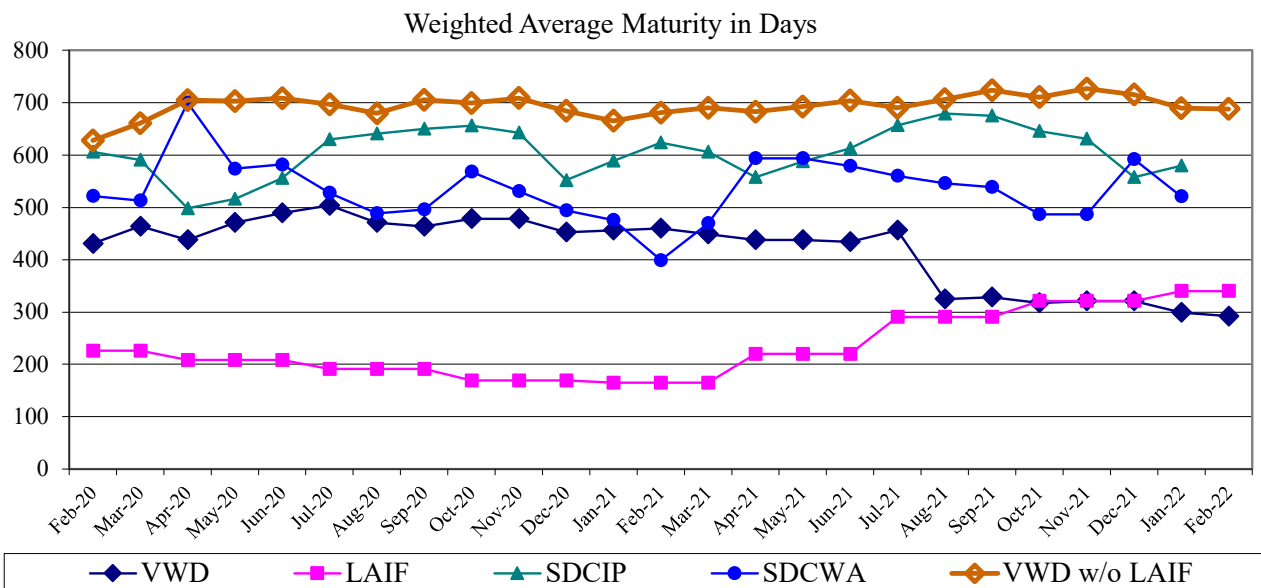
Safety

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.



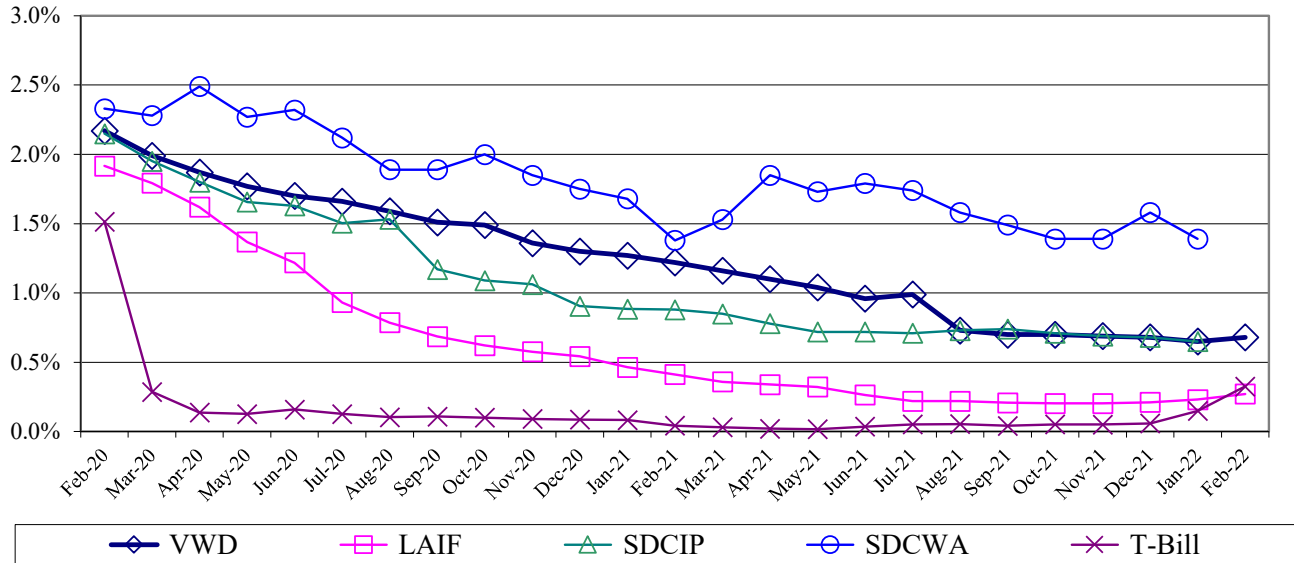
Liquidity

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 \$55.1 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	0.80
Average Coupon	0.74%
Average Purchase YTM	0.68%
Average Market YTM	0.83%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	0.88 yrs
Average Life	0.81 yrs

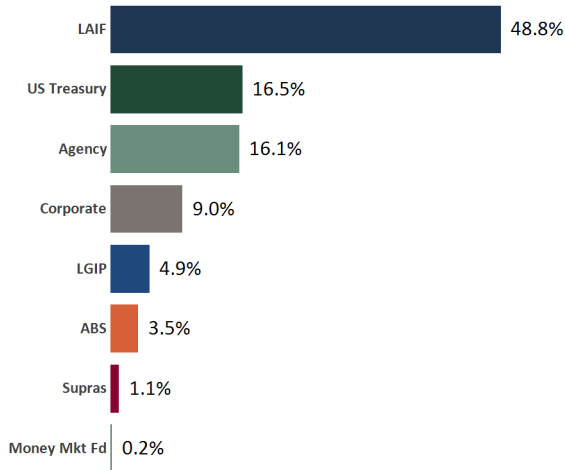
ACCOUNT SUMMARY

	Beg. Values as of 1/31/22	End Values as of 2/28/22
Market Value	110,950,532	112,728,533
Accrued Interest	163,118	180,949
Total Market Value	111,113,650	112,909,482
Income Earned	60,318	57,760
Cont/WD		
Par	111,143,471	113,189,612
Book Value	111,293,438	113,312,768
Cost Value	111,420,352	113,438,728

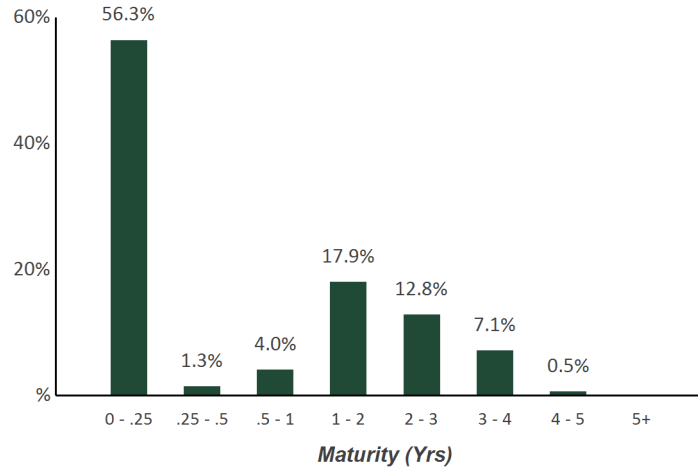
TOP ISSUERS

Local Agency Investment Fund	48.8%
Government of United States	16.5%
County of San Diego Pooled Inve	4.9%
Federal Home Loan Mortgage Corp	4.6%
Federal Farm Credit Bank	4.2%
Federal National Mortgage Assoc	3.9%
Federal Home Loan Bank	3.3%
JP Morgan Chase & Co	0.8%
Total	87.1%

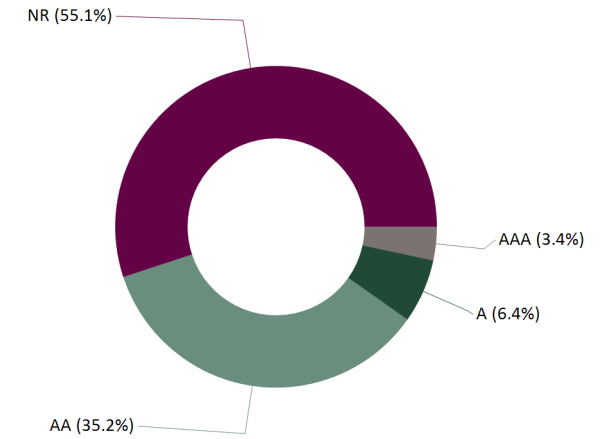
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of February 28, 2022



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									
47789KAC7	John Deere Owner Trust 2020-A A3 1.1% Due 8/15/2024	200,441.77	03/04/2020 1.11%	200,429.52 200,434.97	99.98 1.14%	200,408.50 97.99	0.18% (26.47)	Aaa / NR AAA	2.46 0.58
36262XAC8	GM Financial Auto Lease Trust 2021-3 A2 0.39% Due 10/21/2024	360,000.00	08/10/2021 0.39%	359,995.10 359,996.18	98.16 1.68%	353,393.28 42.90	0.31% (6,602.90)	NR / AAA AAA	2.65 1.44
58769KAD6	Mercedes-Benz Auto Lease Trust 2021- B A3 0.4% Due 11/15/2024	255,000.00	06/22/2021 0.40%	254,980.75 254,985.82	98.36 1.61%	250,826.16 45.33	0.22% (4,159.66)	NR / AAA AAA	2.72 1.36
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.33% Due 12/26/2024	160,000.00	09/08/2021 0.34%	159,983.49 159,986.81	98.49 1.50%	157,584.48 8.80	0.14% (2,402.33)	Aaa / NR AAA	2.83 1.30
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 1/15/2025	220,000.00	10/06/2020 0.36%	219,959.01 219,972.30	99.15 1.54%	218,136.38 34.22	0.19% (1,835.92)	NR / AAA AAA	2.88 0.72
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due 3/25/2025	170,000.00	01/11/2022 1.11%	169,974.59 169,975.90	99.24 1.57%	168,705.79 31.17	0.15% (1,270.11)	NR / AAA AAA	3.07 1.65
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 4/21/2025	130,000.00	02/17/2021 0.27%	129,997.62 129,998.41	98.78 1.50%	128,414.52 9.75	0.11% (1,583.89)	Aaa / NR AAA	3.15 0.99
89240BAC2	Toyota Auto Receivables Owners 2021- A A3 0.26% Due 5/15/2025	475,000.00	02/02/2021 0.27%	474,911.84 474,941.93	98.77 1.56%	469,137.08 54.89	0.42% (5,804.85)	Aaa / NR AAA	3.21 0.95
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 9/15/2025	185,000.00	03/02/2021 0.37%	184,964.44 184,974.07	98.24 1.60%	181,746.22 29.60	0.16% (3,227.85)	Aaa / NR AAA	3.55 1.43
44933LAC7	Hyundai Auto Receivables Trust 2021-A A3 0.38% Due 9/15/2025	225,000.00	04/20/2021 0.38%	224,976.33 224,982.86	98.15 1.74%	220,841.78 38.00	0.20% (4,141.08)	NR / AAA AAA	3.55 1.37
43815EAC8	Honda Auto Receivables 2021-3 A3 0.41% Due 11/18/2025	340,000.00	08/17/2021 0.41%	339,995.04 339,995.83	97.88 1.69%	332,782.82 50.34	0.29% (7,213.01)	NR / AAA AAA	3.72 1.67
44934KAC8	Hyundai Auto Receivables Trust 2021-B A3 0.38% Due 1/15/2026	465,000.00	07/20/2021 0.39%	464,897.37 464,916.73	97.85 1.72%	454,998.32 78.53	0.40% (9,918.41)	NR / AAA AAA	3.88 1.62
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 1/21/2026	175,000.00	11/16/2021 0.89%	174,963.11 174,966.13	98.40 1.70%	172,202.45 42.78	0.15% (2,763.68)	Aaa / NR AAA	3.90 1.97

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of February 28, 2022



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									
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 3/16/2026	220,000.00	07/13/2021 0.52%	219,980.38 219,983.66	97.37 1.90%	214,214.22 50.84	0.19% (5,769.44)	Aaa / NR AAA	4.05 1.92
89238JAC9	Toyota Auto Receivables Trust 2021-D A3 0.71% Due 4/15/2026	160,000.00	11/09/2021 0.71%	159,996.59 159,996.89	97.84 2.32%	156,544.00 50.49	0.14% (3,452.89)	NR / AAA AAA	4.13 1.36
362554AC1	GM Financial Securitized Term 2021-4 A3 0.68% Due 9/16/2026	130,000.00	10/13/2021 0.68%	129,996.69 129,997.04	98.37 1.61%	127,886.59 36.83	0.11% (2,110.45)	Aaa / AAA NR	4.55 1.76
380146AC4	GM Financial Auto Receivables 2022-1 A3 1.26% Due 11/16/2026	115,000.00	01/11/2022 1.27%	114,990.01 114,990.35	98.99 2.44%	113,843.56 60.38	0.10% (1,146.79)	NR / AAA AAA	4.72 0.86
Total ABS		3,985,441.77	0.51%	3,984,991.88 3,985,095.88	1.67%	3,921,666.15 762.84	3.47% (63,429.73)	Aaa / AAA AAA	3.40 1.36

AGENCY									
3133EKBV7	FFCB Note 2.55% Due 3/1/2022	750,000.00	02/27/2019 2.55%	750,075.00 750,000.00	100.00 2.55%	750,000.00 9,562.50	0.67% 0.00	Aaa / AA+ AAA	0.00 0.01
3135G0V59	FNMA Note 2.25% Due 4/12/2022	1,000,000.00	03/24/2020 0.59%	1,033,760.00 1,001,895.61	100.24 0.27%	1,002,411.00 8,687.50	0.90% 515.39	Aaa / AA+ AAA	0.12 0.12
3130AFE78	FHLB Note 3% Due 12/9/2022	1,000,000.00	01/25/2019 2.71%	1,010,700.00 1,002,146.07	101.68 0.84%	1,016,790.00 6,833.33	0.91% 14,643.93	Aaa / AA+ AAA	0.78 0.77
3137EAER6	FHLMC Note 0.375% Due 5/5/2023	985,000.00	05/05/2020 0.39%	984,586.30 984,837.25	99.08 1.16%	975,930.12 1,190.21	0.87% (8,907.13)	Aaa / AA+ AAA	1.18 1.18
3135G04Q3	FNMA Note 0.25% Due 5/22/2023	1,055,000.00	05/20/2020 0.35%	1,051,824.45 1,053,703.68	98.88 1.16%	1,043,218.82 725.31	0.92% (10,484.86)	Aaa / AA+ AAA	1.23 1.22
3135G05G4	FNMA Note 0.25% Due 7/10/2023	875,000.00	07/08/2020 0.32%	873,118.75 874,147.85	98.59 1.29%	862,677.38 309.90	0.76% (11,470.47)	Aaa / AA+ AAA	1.36 1.36
3133EKZK5	FFCB Note 1.6% Due 8/14/2023	1,000,000.00	08/28/2019 1.48%	1,004,700.00 1,001,725.93	100.63 1.16%	1,006,327.00 755.56	0.89% 4,601.07	Aaa / AA+ AAA	1.46 1.44
3137EAEV7	FHLMC Note 0.25% Due 8/24/2023	1,000,000.00	09/24/2020 0.24%	1,000,230.00 1,000,117.06	98.50 1.27%	984,966.00 48.61	0.87% (15,151.06)	Aaa / AA+ AAA	1.48 1.48
3130A3DL5	FHLB Note 2.375% Due 9/8/2023	700,000.00	10/09/2019 1.44%	724,864.00 709,674.17	101.50 1.38%	710,505.60 7,989.24	0.64% 831.43	Aaa / AA+ NR	1.53 1.48

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of February 28, 2022



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									
3137EAEW5	FHLMC Note 0.25% Due 9/8/2023	660,000.00	09/02/2020 0.26%	659,782.20 659,889.81	98.41 1.30%	649,519.86 792.92	0.58% (10,369.95)	Aaa / AA+ AAA	1.53 1.51
3133EMBS0	FFCB Note 0.2% Due 10/2/2023	1,000,000.00	11/12/2020 0.28%	997,720.00 998,744.16	98.07 1.43%	980,684.00 827.78	0.87% (18,060.16)	Aaa / AA+ AAA	1.59 1.58
3137EAEY1	FHLMC Note 0.125% Due 10/16/2023	825,000.00	10/14/2020 0.25%	821,922.75 823,330.70	98.05 1.34%	808,908.38 386.72	0.72% (14,422.32)	Aaa / AA+ AAA	1.63 1.62
3137EAEZ8	FHLMC Note 0.25% Due 11/6/2023	1,075,000.00	11/03/2020 0.28%	1,074,032.50 1,074,457.11	98.14 1.37%	1,054,967.38 858.51	0.94% (19,489.73)	Aaa / AA+ AAA	1.69 1.67
3137EAF2	FHLMC Note 0.25% Due 12/4/2023	770,000.00	12/02/2020 0.28%	769,237.70 769,552.37	98.01 1.40%	754,660.83 465.21	0.67% (14,891.54)	Aaa / AA+ AAA	1.76 1.75
3130A3VC5	FHLB Note 2.25% Due 12/8/2023	1,000,000.00	02/13/2020 1.46%	1,029,240.00 1,013,580.96	101.45 1.42%	1,014,454.00 5,187.50	0.90% 873.04	Aaa / AA+ NR	1.78 1.73
3135G0V34	FNMA Note 2.5% Due 2/5/2024	1,000,000.00	01/30/2020 1.44%	1,041,280.00 1,019,879.73	101.97 1.46%	1,019,745.00 1,805.56	0.90% (134.73)	Aaa / AA+ AAA	1.94 1.89
3133EKMX1	FFCB Note 2.23% Due 2/23/2024	750,000.00	07/30/2019 1.91%	760,425.00 754,525.00	101.51 1.46%	761,301.00 371.67	0.67% 6,776.00	Aaa / AA+ AAA	1.99 1.94
3133EMRZ7	FFCB Note 0.25% Due 2/26/2024	850,000.00	02/22/2021 0.26%	849,694.00 849,796.84	97.57 1.49%	829,377.30 29.51	0.73% (20,419.54)	Aaa / AA+ AAA	1.99 1.98
3130A7PH2	FHLB Note 1.875% Due 3/8/2024	1,000,000.00	03/03/2020 0.85%	1,040,350.00 1,020,326.48	100.84 1.45%	1,008,410.00 9,010.42	0.90% (11,916.48)	Aaa / AA+ NR	2.02 1.97
3133ENKS8	FFCB Note 1.125% Due 1/6/2025	395,000.00	01/06/2022 1.20%	394,111.25 394,151.17	98.59 1.63%	389,446.30 617.19	0.35% (4,704.87)	Aaa / AA+ AAA	2.86 2.79
3135G05X7	FNMA Note 0.375% Due 8/25/2025	500,000.00	12/20/2021 1.06%	487,610.00 488,255.79	95.43 1.73%	477,131.50 31.25	0.42% (11,124.29)	Aaa / AA+ AAA	3.49 3.44
Total Agency		18,190,000.00	0.91%	18,359,263.90 18,244,737.74	1.32%	18,101,431.47 56,486.40	16.08% (143,306.27)	Aaa / AA+ AAA	1.51 1.49
CORPORATE									
037833CQ1	Apple Inc Callable Note Cont 4/11/2022 2.3% Due 5/11/2022	500,000.00	10/30/2018 3.30%	483,395.00 499,083.95	100.24 0.34%	501,177.50 3,513.89	0.45% 2,093.55	Aaa / AA+ NR	0.20 0.11
084664BT7	Berkshire Hathaway Note 3% Due 5/15/2022	500,000.00	12/11/2018 3.31%	495,015.00 499,700.66	100.48 0.75%	502,399.50 4,416.67	0.45% 2,698.84	Aa2 / AA A+	0.21 0.21



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
CORPORATE									
09247XAJ0	Blackrock Inc Note 3.375% Due 6/1/2022	500,000.00	11/28/2018 3.36%	500,215.00 500,015.47	100.67 0.77%	503,343.50 4,218.75	0.45% 3,328.03	Aa3 / AA- NR	0.25 0.26
06051GEU9	Bank of America Corp Note 3.3% Due 1/11/2023	400,000.00	09/05/2019 2.13%	414,984.00 403,881.10	101.68 1.35%	406,704.40 1,833.33	0.36% 2,823.30	A2 / A- AA-	0.87 0.86
90331HNL3	US Bank NA Callable Note Cont 12/23/2022 2.85% Due 1/23/2023	480,000.00	07/22/2019 2.24%	489,580.80 482,280.05	101.29 1.27%	486,209.76 1,444.00	0.43% 3,929.71	A1 / AA- AA-	0.90 0.80
69353RFL7	PNC Bank Callable Note Cont 5/9/2023 3.5% Due 6/8/2023	500,000.00	06/11/2019 2.44%	519,580.00 505,959.13	102.09 1.74%	510,430.00 4,034.72	0.46% 4,470.87	A2 / A A+	1.27 1.16
69371RQ82	Paccar Financial Corp Note 0.8% Due 6/8/2023	300,000.00	06/01/2020 0.85%	299,583.00 299,823.30	99.22 1.42%	297,658.80 553.33	0.26% (2,164.50)	A1 / A+ NR	1.27 1.26
931142EK5	Wal-Mart Stores Callable Note Cont 5/26/2023 3.4% Due 6/26/2023	500,000.00	05/21/2019 2.65%	514,115.00 504,348.27	102.51 1.37%	512,528.00 3,069.44	0.46% 8,179.73	Aa2 / AA AA	1.32 1.21
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 3/18/2024	600,000.00	Various 0.70%	600,858.00 600,580.07	97.89 1.80%	587,342.40 2,037.50	0.52% (13,237.67)	A2 / A A	2.05 2.02
023135BW5	Amazon.com Inc Note 0.45% Due 5/12/2024	420,000.00	05/10/2021 0.50%	419,386.80 419,550.73	97.65 1.54%	410,113.20 572.25	0.36% (9,437.53)	A1 / AA AA-	2.20 2.18
91324PEB4	United Health Group Inc Callable Note Cont 5/15/2022 0.55% Due 5/15/2024	230,000.00	11/08/2021 0.78%	228,679.80 228,839.61	97.47 1.72%	224,172.03 372.47	0.20% (4,667.58)	A3 / A+ A	2.21 2.18
14913R2L0	Caterpillar Financial Service Note 0.45% Due 5/17/2024	665,000.00	05/10/2021 0.50%	664,108.90 664,343.06	97.14 1.77%	645,947.75 864.50	0.57% (18,395.31)	A2 / A A	2.22 2.19
24422EVQ9	John Deere Capital Corp Note 0.45% Due 6/7/2024	395,000.00	06/07/2021 0.49%	394,506.25 394,625.51	97.04 1.78%	383,305.63 414.75	0.34% (11,319.88)	A2 / A A	2.27 2.24
89114QCA4	Toronto Dominion Bank Note 2.65% Due 6/12/2024	500,000.00	08/25/2021 0.61%	528,130.00 523,000.41	101.28 2.08%	506,377.00 2,907.64	0.45% (16,623.41)	A1 / A AA-	2.29 2.20
89236TJH9	Toyota Motor Credit Corp Note 0.5% Due 6/18/2024	400,000.00	06/15/2021 0.54%	399,524.00 399,635.18	96.88 1.89%	387,514.80 405.56	0.34% (12,120.38)	A1 / A+ A+	2.30 2.27
06367TQW3	Bank of Montreal Note 0.625% Due 7/9/2024	500,000.00	12/15/2021 1.21%	492,645.00 493,227.11	96.55 2.13%	482,755.50 451.39	0.43% (10,471.61)	A2 / A- AA-	2.36 2.32

Vallecitos Water District Consolidated Account

Account #10594

Holdings Report

As of February 28, 2022



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
CORPORATE									
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 7/15/2024	105,000.00	06/29/2021 0.64%	104,946.45 104,957.75	97.29 1.79%	102,159.12 83.85	0.09% (2,798.63)	A2 / A+ NR	2.38 2.34
69371RR40	Paccar Financial Corp Note 0.5% Due 8/9/2024	255,000.00	08/03/2021 0.52%	254,862.30 254,887.93	96.55 1.95%	246,206.58 77.92	0.22% (8,681.35)	A1 / A+ NR	2.45 2.41
78015K7C2	Royal Bank of Canada Note 2.25% Due 11/1/2024	500,000.00	05/19/2021 0.74%	525,645.00 519,864.70	100.09 2.22%	500,439.00 3,750.00	0.45% (19,425.70)	A1 / A AA-	2.68 2.56
89236TJT3	Toyota Motor Credit Corp Note 1.45% Due 1/13/2025	275,000.00	01/10/2022 1.50%	274,631.50 274,647.30	98.44 2.01%	270,712.75 531.67	0.24% (3,934.55)	A1 / A+ A+	2.88 2.79
46647PBY1	JP Morgan Chase & Co Callable Note Cont 2/16/2024 0.563% Due 2/16/2025	365,000.00	02/09/2021 0.54%	365,000.00 365,000.00	97.06 1.56%	354,252.58 85.62	0.31% (10,747.42)	A2 / A- AA-	2.97 2.92
57636QAN4	MasterCard Inc Callable Note 1x 02/03/2025 2% Due 3/3/2025	600,000.00	10/28/2021 1.04%	618,294.00 616,449.23	100.72 1.75%	604,305.60 5,933.33	0.54% (12,143.63)	A1 / A+ NR	3.01 2.80
46647PCH7	JP Morgan Chase & Co Callable Note Cont 6/1/2024 0.824% Due 6/1/2025	555,000.00	05/24/2021 0.74%	555,720.85 555,586.15	96.82 1.77%	537,343.79 1,143.30	0.48% (18,242.36)	A2 / A- AA-	3.26 3.18
857477BR3	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 2/6/2026	175,000.00	02/02/2022 1.75%	175,000.00 175,000.00	98.89 2.06%	173,066.08 203.70	0.15% (1,933.92)	A1 / A AA-	3.94 3.77
Total Corporate		10,220,000.00	1.44%	10,318,406.65 10,285,286.67	1.58%	10,136,465.27 42,919.58	9.02% (148,821.40)	A1 / A+ A+	1.89 1.83
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	55,095,704.42	Various 0.29%	55,095,704.42 55,095,704.42	1.00 0.29%	55,095,704.42 21,241.30	48.82% 0.00	NR / NR NR	0.00 0.00
Total LAIF		55,095,704.42	0.29%	55,095,704.42	0.29%	55,095,704.42 21,241.30	48.82% 0.00	NR / NR NR	0.00 0.00



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
LOCAL GOV INVESTMENT POOL									
90SDCP\$00	County of San Diego Pooled Investment Pool	5,518,000.00	Various 0.67%	5,518,000.00 5,518,000.00	1.00 0.67%	5,518,000.00 0.00	4.89% 0.00	NR / NR AAA	0.00 0.00
Total Local Gov Investment Pool		5,518,000.00	0.67%	5,518,000.00	0.67%	5,518,000.00	4.89%	NR / NR	0.00
MONEY MARKET FUND									
261908206	Dreyfus Treasury Money Market Fund	205,465.60	Various 0.01%	205,465.60 205,465.60	1.00 0.01%	205,465.60 0.00	0.18% 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund		205,465.60	0.01%	205,465.60	0.01%	205,465.60	0.18%	Aaa / AAA	0.00
SUPRANATIONAL									
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	395,000.00	11/17/2020 0.32%	394,150.75 394,509.06	98.04 1.40%	387,246.55 266.08	0.34% (7,262.51)	Aaa / AAA AAA	1.74 1.72
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 9/23/2024	830,000.00	09/15/2021 0.52%	829,385.80 829,474.90	97.27 1.59%	807,323.57 1,821.39	0.72% (22,151.33)	Aaa / AAA NR	2.57 2.53
Total Supranational		1,225,000.00	0.46%	1,223,536.55 1,223,983.96	1.53%	1,194,570.12 2,087.47	1.06% (29,413.84)	Aaa / AAA AAA	2.30 2.27
US TREASURY									
9128282P4	US Treasury Note 1.875% Due 7/31/2022	1,000,000.00	12/28/2018 2.53%	977,617.19 997,398.94	100.54 0.60%	1,005,352.00 1,502.07	0.89% 7,953.06	Aaa / AA+ AAA	0.42 0.42
912828L24	US Treasury Note 1.875% Due 8/31/2022	750,000.00	09/20/2018 2.94%	720,439.45 746,243.35	100.58 0.71%	754,365.00 38.21	0.67% 8,121.65	Aaa / AA+ AAA	0.50 0.50
9128282W9	US Treasury Note 1.875% Due 9/30/2022	1,000,000.00	03/19/2019 2.43%	981,406.25 996,929.87	100.66 0.75%	1,006,562.00 7,829.67	0.90% 9,632.13	Aaa / AA+ AAA	0.59 0.58
912828M80	US Treasury Note 2% Due 11/30/2022	800,000.00	12/24/2019 1.70%	806,875.00 801,760.51	100.82 0.91%	806,531.20 4,000.00	0.72% 4,770.69	Aaa / AA+ AAA	0.75 0.74



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									
9128284D9	US Treasury Note 2.5% Due 3/31/2023	1,000,000.00	02/21/2019 2.51%	999,414.06 999,845.50	101.47 1.13%	1,014,727.00 10,439.56	0.91% 14,881.50	Aaa / AA+ AAA	1.08 1.06
912828R28	US Treasury Note 1.625% Due 4/30/2023	1,000,000.00	12/04/2019 1.60%	1,000,898.44 1,000,307.44	100.53 1.17%	1,005,273.00 5,431.63	0.90% 4,965.56	Aaa / AA+ AAA	1.17 1.15
912828T91	US Treasury Note 1.625% Due 10/31/2023	1,000,000.00	09/25/2019 1.60%	1,000,898.44 1,000,365.74	100.42 1.37%	1,004,180.00 5,431.63	0.89% 3,814.26	Aaa / AA+ AAA	1.67 1.63
91282CBE0	US Treasury Note 0.125% Due 1/15/2024	1,000,000.00	01/12/2021 0.24%	996,445.31 997,776.29	97.59 1.43%	975,938.00 155.39	0.86% (21,838.29)	Aaa / AA+ AAA	1.88 1.86
912828V80	US Treasury Note 2.25% Due 1/31/2024	1,000,000.00	12/16/2019 1.71%	1,021,210.94 1,009,873.09	101.56 1.42%	1,015,625.00 1,802.49	0.90% 5,751.91	Aaa / AA+ AAA	1.92 1.88
912828X70	US Treasury Note 2% Due 4/30/2024	1,000,000.00	03/03/2020 0.71%	1,052,539.06 1,027,377.07	101.07 1.50%	1,010,664.00 6,685.08	0.90% (16,713.07)	Aaa / AA+ AAA	2.17 2.10
91282CCC3	US Treasury Note 0.25% Due 5/15/2024	1,000,000.00	05/12/2021 0.36%	996,875.00 997,697.67	97.28 1.51%	972,773.00 732.04	0.86% (24,924.67)	Aaa / AA+ AAA	2.21 2.19
91282CCG4	US Treasury Note 0.25% Due 6/15/2024	1,000,000.00	06/10/2021 0.33%	997,695.31 998,239.94	97.13 1.53%	971,328.00 521.98	0.86% (26,911.94)	Aaa / AA+ AAA	2.30 2.27
91282CCX7	US Treasury Note 0.375% Due 9/15/2024	1,000,000.00	09/10/2021 0.44%	997,929.69 998,245.15	97.04 1.57%	970,352.00 1,729.97	0.86% (27,893.15)	Aaa / AA+ AAA	2.55 2.51
912828YM6	US Treasury Note 1.5% Due 10/31/2024	1,000,000.00	08/06/2021 0.45%	1,033,554.69 1,027,748.79	99.79 1.58%	997,852.00 5,013.81	0.89% (29,896.79)	Aaa / AA+ AAA	2.67 2.59
91282CDH1	US Treasury Note 0.75% Due 11/15/2024	1,000,000.00	11/29/2021 0.81%	998,164.06 998,318.61	97.76 1.60%	977,578.00 2,196.13	0.87% (20,740.61)	Aaa / AA+ AAA	2.72 2.66
912828ZC7	US Treasury Note 1.125% Due 2/28/2025	1,250,000.00	02/09/2022 1.59%	1,232,666.02 1,232,961.66	98.56 1.62%	1,231,982.50 38.21	1.09% (979.16)	Aaa / AA+ AAA	3.00 2.93
912828ZF0	US Treasury Note 0.5% Due 3/31/2025	1,000,000.00	03/03/2021 0.54%	998,515.63 998,876.75	96.60 1.63%	966,016.00 2,087.91	0.86% (32,860.75)	Aaa / AA+ AAA	3.09 3.03
912828ZL7	US Treasury Note 0.375% Due 4/30/2025	950,000.00	04/12/2021 0.66%	939,238.28 941,582.85	96.08 1.65%	912,779.00 1,190.78	0.81% (28,803.85)	Aaa / AA+ AAA	3.17 3.12



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									
912828ZT0	US Treasury Note 0.25% Due 5/31/2025	1,000,000.00	10/14/2021 0.78%	980,976.56 982,945.00	95.54 1.67%	955,352.00 625.00	0.85% (27,593.00)	Aaa / AA+ AAA	3.25 3.21
Total US Treasury		18,750,000.00	1.24%	18,733,359.38 18,754,494.22	1.34%	18,555,229.70 57,451.56	16.48% (199,264.52)	Aaa / AA+ AAA	1.98 1.95
TOTAL PORTFOLIO		113,189,611.79	0.68%	113,438,728.38 113,312,768.49	0.83%	112,728,532.73 180,949.15	100.00% (584,235.76)	Aa1 / AA+ AAA	0.88 0.80
TOTAL MARKET VALUE PLUS ACCRUED						112,909,481.88			

**VALLECITOS WATER DISTRICT
SUMMARY OF LEGAL FEES**

Matter Description	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total
General Counsel Services	\$ 7,971	\$ 4,303	\$ 33,300	\$ 10,756	\$ 4,232	\$ 13,238	\$ 16,885	\$ 6,265	\$ 5,404	\$ 9,160	\$ 14,725	\$ 10,616	\$ 8,361	\$ 145,215
Labor/Employment	2,859	1,275	1,183	800	2,241	2,487	1,627	1,075	368	461	890	1,965	860	18,090
Engineering - Construction/Contracting	6,985	5,005	3,575	4,180	1,348	3,033	2,640	2,640	990	2,915	3,025	2,915	3,548	42,798
Fees and Taxes	-	-	-	890	491	-	645	-	-	461	-	-	154	2,640
Environmental	-	154	1,934	-	-	-	-	-	-	-	-	-	-	2,088
Adv. Butler	-	138	2,757	4,150	1,722	275	1,458	1,267	3,489	2,947	-	550	1,100	19,851
Renewable Energy	92	-	307	-	-	645	276	-	-	215	-	-	110	1,645
Litigation	3,197	5,198	4,276	7,568	6,060	4,840	-	3,745	3,469	3,991	4,329	368	1,228	48,269
Driscoll & Omens Prop 218 Sole	911	2,598	2,938	1,609	1,209	1,562	163	3,935	333	324	2,945	647	1,074	20,248
Driscoll & Omens Prop 218 Shared	547	429	204	142	301	318	281	229	151	85	95	23	602	3,408
Driscoll & Omens Prop 218 PRA Requests	3,544	774	1,272	510	619	481	767	252	545	835	290	1,028	186	11,102
Total	\$ 26,106	\$ 19,873	\$ 51,745	\$ 30,605	\$ 18,223	\$ 26,877	\$ 24,742	\$ 19,407	\$ 14,751	\$ 21,392	\$ 26,299	\$ 18,112	\$ 17,221	\$ 315,353

DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: APPROVAL OF CONSTRUCTION AGREEMENT FOR SAN MARCOS HIGHLANDS PHASE 5 IMPROVEMENTS (KB HOME CALIFORNIA, LLC.)

BACKGROUND:

KB Home California, LLC., owner of the project, has completed the plan check process with the District. The project is located on North Las Posas Road, north of Borden Road. Phase 5 is located on the eastern portion of the Highlands projects, as shown on the attached Aerial Map Exhibit.

The VWD Board adopted the resolution ordering water and sewer annexation of the project property on January 20, 2021, and approved the Construction Agreement for Phase 1 Improvements on June 16, 2021, Phase 2 & 3 Improvements on August 18, 2021, and Phase 4 Improvements on October 20, 2021. Phase 5 is the last phase of improvements for this project.

DISCUSSION:

A Construction Agreement is typically entered into between a developer and the District to ensure the required public facilities are constructed to support the demands of the development.

San Marcos Highlands Phase 5 will construct approximately 2,072 feet of 8-inch diameter PVC water main and 1,897 feet of 8-inch diameter PVC sewer main. Upon completion of the water and sewer facilities, water and sewer service will be available to 50 single family homes for this final phase.

All engineering fees and inspection deposits have been paid prior to Board approval of the Construction Agreement. Water and wastewater capital facility fees are due and payable prior to issuance of the final building inspection and/or utility release per Resolution No. 1441. Based on the current fees for Phase 5, this will total \$424,600.00 for water capital facility fees and \$698,300.00 for wastewater capital facility fees.

The ultimate buildout for the entire development results in a total of 187 single family lots for San Marcos Highlands with a grand total of \$1,906,565.00 paid in water capital facility fees and \$2,486,287.00 in wastewater capacity facility fees.

The owner has submitted standard surety bonds to guarantee completion of the project. The following bond amounts have been reviewed and approved by staff:

Labor and Materials	\$777,654.15
Faithful Performance	\$777,654.15

FISCAL IMPACT:

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

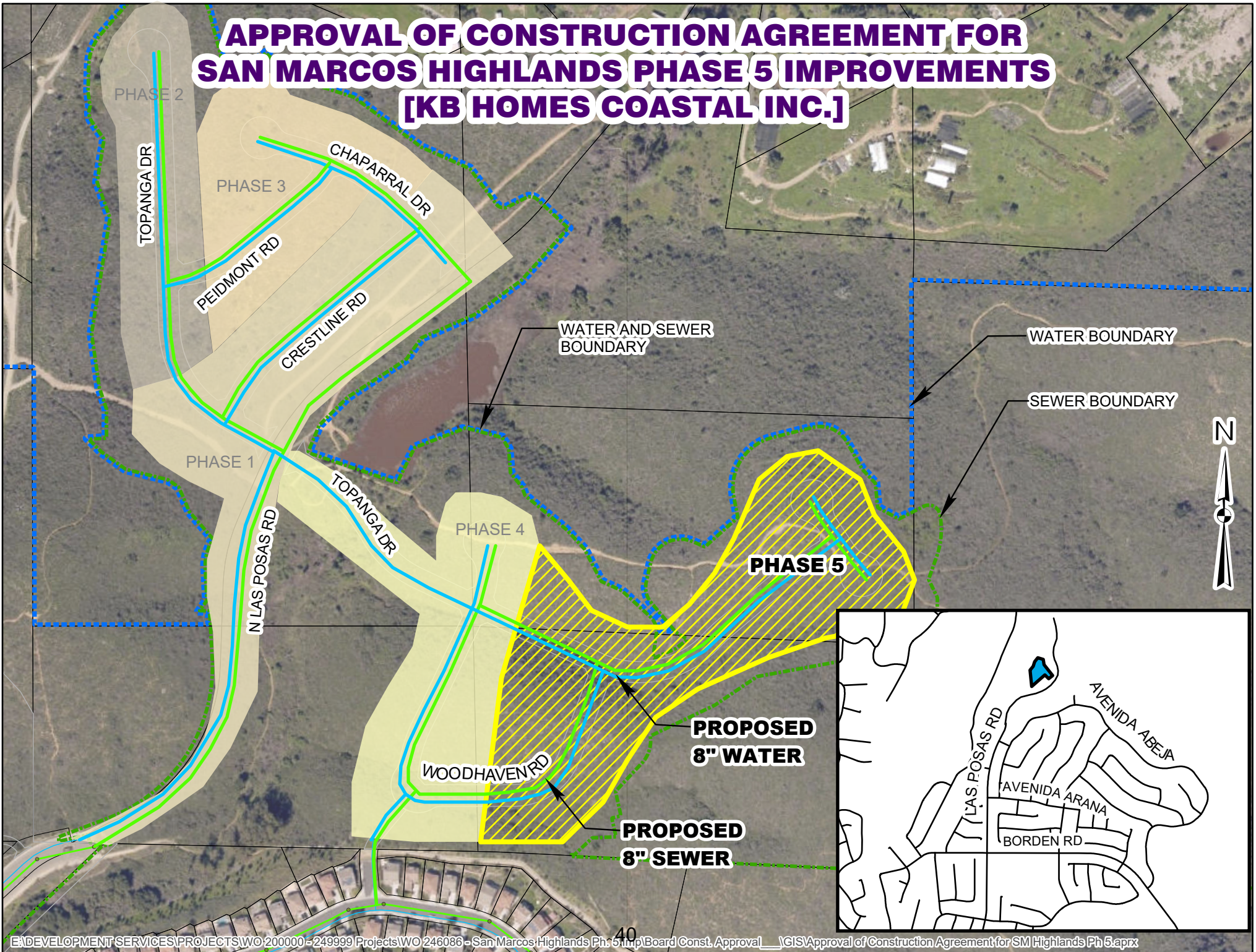
RECOMMENDATION:

Approve the construction agreement for San Marcos Highlands Phase 5 Improvements.

ATTACHMENTS:

1 Aerial Map Exhibit
Construction Agreement

APPROVAL OF CONSTRUCTION AGREEMENT FOR SAN MARCOS HIGHLANDS PHASE 5 IMPROVEMENTS [KB HOMES COASTAL INC.]



**AGREEMENT FOR CONSTRUCTION OF FACILITIES TO BE
DEDICATED TO THE VALLECITOS WATER DISTRICT**

THIS AGREEMENT is entered into on this ___ day of _____, 2022 by and between VALLECITOS WATER DISTRICT (“DISTRICT”), a County Water District organized and operating pursuant to the County Water District Law, California Water Code §§ 30000 et seq., and **KB HOME CALIFORNIA, LLC.** (“DEVELOPER”), a California Corporation.

RECITALS

A. DEVELOPER desires to improve certain real property which lies within the boundaries of the DISTRICT consisting of approximately **14.05** acres commonly described as Tax Assessor's Parcel Nos. **182-110-02, 182-110-03, 182-111-01, 182-102-44, 184-101-14, 184-102-18, 184-102-32, 184-240-13, 184-240-14, 184-240-15, 184-240-32, 184-240-33, 184-241-05, 184-241-06, 184-241-07 and 184-241-08** (“PROJECT”).

B. DEVELOPER has requested that DISTRICT provide water and/or sewer service to parts of the PROJECT upon payment of applicable fees, construction, and installation by DEVELOPER of the water and/or sewer facilities (“FACILITIES”) necessary to serve the PROJECT and acceptance of the FACILITIES by the DISTRICT.

C. DEVELOPER is required to submit plans and specifications for construction of the FACILITIES for review and approval by DISTRICT. The plans and specifications have been prepared by **Excel Engineering – 440 State Place Escondido, CA 92029** and are identified as **San Marcos Highlands Phase 5 Improvements – VWD WO# 246086**. DEVELOPER shall construct the FACILITIES pursuant to the approved plans and specifications which shall include DISTRICT's standard specifications and applicable special provisions. DEVELOPER shall comply with all terms of this Agreement. All work covered by this Agreement shall be completed on or before _____, **2023**. In the event work is not completed by that date, this AGREEMENT shall terminate unless DEVELOPER obtains a written extension from DISTRICT.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. **CONDITIONS PRECEDENT TO EXECUTION OF AGREEMENT.** Each of the following items is an express condition precedent to the obligation of the DISTRICT to execute this Agreement:

- 1.1 **FEES AND CHARGES.** DEVELOPER shall pay all fees and charges due as established by the DISTRICT in its discretion from time to time. All Capital Facility and Connection fees are non-refundable.
- 1.2 **ENVIRONMENTAL REVIEW.** DEVELOPER shall provide the DISTRICT with all environmental documents previously utilized to obtain approvals for the PROJECT. In the event that the DISTRICT determines additional environmental review is necessary, all fees and costs to prepare this additional environmental review shall be borne solely by the DEVELOPER.
- 1.3 **APPROVED PLANS AND SPECIFICATIONS.** DEVELOPER shall prepare and submit to the DISTRICT a set of plans and specifications for the FACILITIES. The plans and specifications for the FACILITIES include DISTRICT's standard specifications and applicable special provisions and are incorporated herein by reference as if set forth in full. Approval of these plans and specifications by the DISTRICT shall be a condition precedent to the obligations of the DISTRICT to execute this Agreement. Approval of these plans and specifications by the DISTRICT shall not relieve the DEVELOPER of liability for any improper design or construction of the FACILITIES.
- 1.4 **CHANGES TO PLANS AND SPECIFICATIONS.** DISTRICT, without liability to DISTRICT, DISTRICT's engineer and their consultants, and each of their directors, officers, employees, and agents, may require such changes, alterations, or additions to the plans and specifications which do not exceed ten percent (10%) of the original DISTRICT estimated cost

of the work as may be determined necessary or desirable by DISTRICT in its sole discretion, including those necessary due to errors or omissions in the approved plans or specifications. Changes, alterations, or additions without said 10% limitation may be made for unforeseen conditions such as rock excavation, unstable soil conditions, or high water tables requiring dewatering.

2. COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY INSURANCE. Prior to construction of FACILITIES under this Agreement, the DEVELOPER shall provide and maintain the following commercial general liability and automobile liability insurance:

2.1 COVERAGE. Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

- A. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001);
- B. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto).

2.2 LIMITS. The DEVELOPER shall maintain limits no less than the following:

- A. General Liability - One million dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to DISTRICT) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.
- B. Automobile Liability - One million dollars (\$1,000,000) per occurrence for bodily injury and property damage each accident limit.

2.3 REQUIRED PROVISIONS. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- A. DISTRICT, its directors, officers, employees, and authorized volunteers are to be given additional insured status (using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage) as respects: liability arising out of activities performed by or on behalf of the DEVELOPER; products and completed operations of the DEVELOPER; premises owned, occupied or used by the DEVELOPER; and automobiles owned, leased, hired or borrowed by the DEVELOPER. The coverage shall contain no special limitations on the scope of protection afforded to DISTRICT, its directors, officers, employees, or authorized volunteers.
- B. For any claims related to this project, the DEVELOPER's insurance shall be primary insurance as respects DISTRICT, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance, or other coverage maintained by DISTRICT, its directors, officers, employees, or authorized volunteers shall not contribute to it.
- C. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to DISTRICT, its directors, officers, employees, or authorized volunteers.
- D. The DEVELOPER's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- E. Each insurance policy required by this agreement shall state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the DEVELOPER, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to DISTRICT.

- F. Such liability insurance shall indemnify the DEVELOPER and its sub-developers against loss from liability imposed by law upon, or assumed under contract by, the DEVELOPER or its sub-developers for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.
- G. The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation, and removal of lateral support. Additionally, the automobile liability policy shall cover all owned, non-owned, and hired automobiles.
- H. All of the insurance shall be provided on policy forms and through companies satisfactory to DISTRICT.

3. DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductible or self-insured retention must be declared to and approved by DISTRICT. At the option of DISTRICT, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

4. ACCEPTABILITY OF INSURANCE. All insurance required hereunder is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by DISTRICT.

5. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE. The DEVELOPER and all sub-developers shall insure (or be a qualified self-insured) under the applicable laws relating to workers' compensation insurance, all of their employees working on or about the construction site, in accordance with the "Workers' Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any Acts amendatory thereof. The DEVELOPER shall provide employer's liability insurance with limits of no less than \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.

5.1 Labor Certification. By its signature hereunder, DEVELOPER 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. DEVELOPER agrees to comply with such provisions and to require its consultants and contractors to comply with such provisions before commencing any work on the FACILITIES

6. RESPONSIBILITY FOR WORK. Until the completion and final acceptance by DISTRICT of all the work under and implied by this agreement, the work shall be under the DEVELOPER's responsible care and charge. The DEVELOPER shall rebuild, repair, restore and make good all injuries, damages, re-erections, and repairs occasioned or rendered necessary by causes of any nature whatsoever.

7. EVIDENCE OF INSURANCE. Prior to construction of FACILITIES under this Agreement, the DEVELOPER shall file with DISTRICT a certificate of insurance (Accord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. Such evidence shall include an additional insured endorsement and evidence of waiver of rights of subrogation against DISTRICT. If umbrella or excess liability coverage is used to meet any required limit(s) specified herein, DEVELOPER shall provide a "follow form" endorsement satisfactory to DISTRICT indicating that such coverage is subject to the same terms and conditions as the underlying liability policy. Such evidence shall also include confirmation that coverage includes or has been modified to include **Required Provisions**, A-E. The DEVELOPER shall, upon demand of DISTRICT, deliver to DISTRICT such policy or policies of insurance and the receipts for payment of premiums thereon.

8. CONTINUATION OF COVERAGE. If any of the required coverage expires during the term of this agreement, the DEVELOPER shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against DISTRICT (if builder's risk insurance is applicable) to DISTRICT at least ten (10) days prior to the expiration date.

9. SUB-DEVELOPERS. In the event that the DEVELOPER employs other developers (sub-developers) as part of the work covered by this agreement, it shall be the DEVELOPER's responsibility to require and confirm that each sub-developer meets the minimum insurance requirements specified above.

10. SECURITY. Upon execution of this Agreement and prior to Board approval, DEVELOPER shall provide the DISTRICT with a payment bond and a performance bond, each in the amount of **\$ 777,654.15**. Each payment and performance bond shall represent 100% of

the estimated construction costs of the FACILITIES. Bonds shall be furnished by an admitted surety insurer, as defined in Code of Civil Procedure section 995.120, authorized to do business in the State of California and satisfactory to the DISTRICT.

If at any time a surety on any such bond is declared as bankrupt or loses its right to do business in the state of California for any reason, DEVELOPER shall, within ten (10) days after notice from the DISTRICT, substitute acceptable bonds in such form and sum and signed by such other surety or sureties as may be satisfactory to the DISTRICT in its sole discretion. The premium on such bonds shall be paid by the DEVELOPER.

In the event the PROJECT is sold, transferred or assigned the performance and payment bonds shall remain in effect unless new bonds acceptable to the DISTRICT have been provided.

The performance and the payment bonds must remain in effect throughout the period for performance of the work until the work is accepted by formal action of the Board of Directors of the DISTRICT.

In lieu of providing these performance and payment bonds and subject to the DISTRICT's approval, DEVELOPER may provide the DISTRICT with a cash deposit to replace either or both of these bonds, or may provide the DISTRICT with an Instrument of Credit, or Irrevocable Letter of Credit on a form acceptable to the DISTRICT. No substitution or modification of the DISTRICT's standard Instrument of Credit or Irrevocable Letter of Credit shall be accepted without approval of the DISTRICT.

11. DEVELOPER'S FAILURE TO PROVIDE INSURANCE OR BONDS. In the event any insurance or security provided to the DISTRICT in accordance with this Agreement is terminated or canceled for any reason, or is limited in the scope of coverage required by this Agreement, DEVELOPER shall have thirty (30) consecutive days from written notice from DISTRICT to procure the required insurance or security. The failure of DEVELOPER to present alternative insurance or security acceptable to DISTRICT within this thirty- (30-) day period shall constitute a material breach of this Agreement entitling the DISTRICT to unilaterally terminate this Agreement or sue DEVELOPER for damages at the election of the DISTRICT.

12. EASEMENTS. Prior to execution of this Agreement, DEVELOPER shall provide DISTRICT with a current preliminary title report issued within the last 90 days covering all properties in which easements are to be granted to the DISTRICT. The cost of the preliminary

title report shall be borne solely by DEVELOPER. DEVELOPER shall provide the DISTRICT with such easements as the DISTRICT may require, as determined by the DISTRICT in its sole discretion. All easements to be conveyed to the DISTRICT shall be prepared on the DISTRICT's standard form easements. All easements shall: (1) be of a width satisfactory to DISTRICT, in no case less than twenty (20) feet without specified approval of the Board of Directors; (2) be free and clear of all liens and/or encumbrances which could affect title to the easement; and (3) have recorded subordination agreements for all trust deeds or other liens to insure that the DISTRICT has prior rights in any easements being conveyed to the DISTRICT. DEVELOPER shall procure a policy of title insurance in favor of the DISTRICT covering easements to be granted in amounts determined by the DISTRICT subject only to those conditions of record acceptable to the DISTRICT. All fees and costs to procure easements required by the DISTRICT shall be borne solely by DEVELOPER. Nothing in this Agreement shall obligate the DISTRICT to exercise its condemnation authorities to acquire any easement determined necessary by the DISTRICT. All easements being conveyed to the DISTRICT must be in a recordable form acceptable to the DISTRICT prior to approval of plans and specifications by the DISTRICT.

13. QUALIFIED SERVICE COMMITMENT. Nothing in this Agreement is intended to limit the power of the DISTRICT to restrict the use of water as provided by California Water Code §§ 350 et seq., and §§ 31026 et seq. DEVELOPER is advised and understands that the ability of the DISTRICT to provide water service to the PROJECT is dependent upon the continuing availability of water imported to the DISTRICT from other agencies. In the event of a water shortage, threatened water shortage, or an emergency, water service to DEVELOPER's project may not be available or may be curtailed or restricted. Consequently, the DISTRICT cannot guarantee that water will be available at the time service is requested. The declaration of a water shortage, threatened water shortage or emergency shall be exercised in the sole discretion of the DISTRICT. DEVELOPER agrees that the DISTRICT shall not be liable for any damages, costs, fees, or expenses of any kind, caused by any curtailment, restriction, or termination of potable water service determined necessary by the DISTRICT.

14. CONSTRUCTION OF FACILITIES. DEVELOPER shall not commence construction of any FACILITIES required by this Agreement until DEVELOPER has received written authorization from the DISTRICT to proceed. All work performed on the FACILITIES shall be: (1) done in strict compliance with the approved plans and specifications; (2) in a good

and workmanlike manner as determined by the DISTRICT in its sole discretion; and (3) in accordance with DISTRICT's current published standards and criteria for projects and standards and criteria which may be required by DISTRICT at any time, whether published or not, in the District's sole discretion. All work performed on the FACILITIES by DEVELOPER shall be subject to inspection by the DISTRICT's designated representatives and DEVELOPER shall comply with all instructions given by the DISTRICT's representative during construction of the work. All fees and costs to construct the FACILITIES shall be borne by DEVELOPER.

15. COMPLIANCE WITH APPLICABLE LAW. DEVELOPER shall insure that all work performed on the project is performed in a manner which complies with all applicable federal and state laws and all county and local government rules and regulations, including all rules and regulations of DISTRICT, as these rules and regulations may be modified or changed from time to time. DEVELOPER shall be solely responsible for obtaining and paying for all permits, licenses and approvals necessary to construct the FACILITIES. DEVELOPER shall provide verification that permits, licenses and approvals have been obtained promptly upon demand from DISTRICT. As a material part of this Agreement, DEVELOPER agrees to assume all risk of liability arising from non-compliance with applicable federal, state, county, and local government rules and regulations, including all rules and regulations of the DISTRICT

16. CALIFORNIA LABOR CODE REQUIREMENTS.

16.1 DEVELOPER is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" projects. If the requirements of this Agreement are performed as part of an applicable "public works" project, as defined by the Prevailing Wage Laws, DEVELOPER agrees to fully comply with such Prevailing Wage Laws, if applicable. DEVELOPER shall defend, indemnify and hold the DISTRICT and its officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising from any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the DEVELOPER and DEVELOPER's 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.

16.2 If the work is 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, DEVELOPER’s contractor and all subcontractors must be registered with the Department of Industrial Relations (“DIR”). DEVELOPER’s 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 DIR. It shall be DEVELOPER’s sole responsibility to comply with all applicable registration and labor compliance requirements including the submission of payroll records directly to the DIR.

17. UTILIZATION OF A PORTION OF WORK. DISTRICT shall have the right upon written notification to the DEVELOPER to utilize such portions of the work DISTRICT deems sufficiently complete to be utilized or placed into service.

18. ACCEPTANCE OF WORK. Upon completion of the FACILITIES required by this Agreement to the satisfaction of the DISTRICT, the FACILITIES which have been constructed shall be presented to the Board of Directors of the DISTRICT for dedication and the filing of a Notice of Completion. The DISTRICT shall have no obligation to accept the FACILITIES or file a Notice of Completion if the design and/or construction of the work is not satisfactory to the DISTRICT in its sole discretion. Upon recordation of a Notice of Completion, all right, title, ownership and interest in the FACILITIES shall be deemed to have been transferred to the DISTRICT. DEVELOPER shall not allow any part of PROJECT to be occupied prior to acceptance of FACILITIES by DISTRICT.

19. WATER SERVICE MAINTENANCE AFTER ACCEPTANCE OF WORK. Due to the uncertainty of prompt sale/construction/occupancy of the project’s lots and based on the need to provide adequate flow to residences, DEVELOPER shall be responsible for periodic flushing of the services within the subdivision until such time as the subdivision is sold. The DISTRICT and DEVELOPER will cooperate to provide manpower and schedule work.

20. LIABILITY FOR WORK PRIOR TO FORMAL ACCEPTANCE. Until the Board of Directors of the DISTRICT has formally accepted all work performed in accordance with this

Agreement, DEVELOPER shall be solely responsible for all damage to the work regardless of cause and for all damages or injuries to any person or property from any cause excepting injury or damage caused by the sole or active negligence of DISTRICT, its agents, or employees.

21. LIABILITY AFTER ACCEPTANCE OF WORK. After the Board of Directors of the DISTRICT has accepted the FACILITIES by formal action of the Board, DEVELOPER and DEVELOPER's successors in interest shall remain liable for all injuries or damage to persons or property including damage to the work itself, arising from or related to design or construction of the FACILITIES to the fullest extent permitted by California law.

22. RELEASE OF SECURITY. Forty (40) days after the Notice of Completion has been filed by the DISTRICT, the DISTRICT shall release any security previously provided by DEVELOPER, as long as no claims have been filed. The security shall not be released until the DISTRICT has received a warranty bond or alternative security acceptable to the DISTRICT covering 25% of the original performance bond or alternative security amount. DISTRICT must have a warranty bond prior to Board acceptance of the project. This new security shall remain in effect for the full duration of the one-year warranty period, which commences upon final Board Acceptance, and until DEVELOPER has corrected all defects noted by the DISTRICT during the warranty period.

23. WARRANTY. DEVELOPER shall and hereby does guarantee all work and materials for the FACILITIES to be free from all defects due to faulty materials or workmanship for a period of one (1) year after the date of acceptance of the work by the DISTRICT. The DEVELOPER shall repair or remove and replace any and all such work, together with any other work which may be displaced in so doing, that is found to be defective in workmanship and/or materials within said one-year period without expense whatsoever to the DISTRICT, ordinary wear and tear and unusual abuse or neglect excepted. In the event DEVELOPER fails to comply with the above-mentioned conditions within one (1) week after being notified in writing, the DISTRICT is authorized to proceed to have the defects remedied and made good at the expense of DEVELOPER who agrees to pay the cost and charges therefore immediately upon demand. Such action by the DISTRICT will not relieve the DEVELOPER of the guarantee required by this section. This section does not in any way limit liability of the DEVELOPER for any design defects or defects in the work subsequently discovered by the DISTRICT.

24. INDEMNITY. DEVELOPER shall be solely responsible and liable for design defects or defects in work performed to construct the FACILITIES required by this Agreement. This shall include liability and responsibility for injury or damage to the work itself. To the fullest extent permitted by law, DEVELOPER shall defend, indemnify and hold the DISTRICT, the DISTRICT's representatives and each of the DISTRICT's officers, employees and agents free and harmless from any and all claims, liabilities, losses, costs, expenses, damages, or injuries to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of or incident to any acts, omissions or willful misconduct of DEVELOPER, its officials, officers, employees, agents, consultants and contractors resulting from the design or construction of the FACILITIES, except where the Claim has been caused by the sole and active negligence of the DISTRICT. In the event that any suit is instituted naming the DISTRICT as a party, the DISTRICT shall be entitled to appoint its own independent counsel to represent the DISTRICT; and DEVELOPER agrees to pay all attorney's fees and litigation costs associated with this defense. This indemnity shall extend to any claims arising because DEVELOPER has failed to properly secure any necessary easement, land right, contract or approval.

25. AS-BUILT DRAWINGS. Prior to acceptance of the work by DISTRICT, DEVELOPER shall provide the DISTRICT with two (2) blueprint copies of "as-built" drawings. Upon approval of the mylar copies the DISTRICT will require a bonded mylar or original drawing, disk and certification by a licensed engineer in the state of California as to the accuracy and completeness of the "as-built" drawings. DEVELOPER shall be solely responsible and liable for insuring the completeness and accuracy of these as-built drawings.

26. CASH DEPOSITS. DEVELOPER shall provide the DISTRICT with an initial cash deposit in the amount of **\$ 23,155.50** to cover all DISTRICT fees and costs associated with the FACILITIES. When this deposit has been drawn down to **\$ 1,500.00**, DEVELOPER agrees to deposit such additional sums as the DISTRICT may determine from time to time to cover all fees and costs of the DISTRICT. Prior to final acceptance of the project, a final accounting will be forwarded to the DEVELOPER for payment. Additional deposits for additional inspections after acceptance of the project may be requested.

27. MISCELLANEOUS PROVISIONS.

27.1 NOTICES. All notices required pursuant to this Agreement shall be deemed effective upon receipt when personally served or when sent certified mail, return receipt requested to the following addresses:

DISTRICT:

[VALLECITOS WATER DISTRICT
201 VALLECITOS DE ORO
SAN MARCOS, CA 92069
Contact: General Manager]

DEVELOPER:

[KB HOME CALIFORNIA, LLC.
9915 MIRA MESA BLVD. Suite 100
SAN DIEGO, CA 92131
Contact: Jesse Kleist]

27.2 GOVERNING LAW AND VENUE. This Agreement shall be governed by the laws of the State of California. In the event of any legal or equitable proceeding to enforce or interpret the terms or conditions of this Agreement, the parties agree that venue shall lie only in the federal or state courts in or nearest to the North County Judicial District, County of San Diego, State of California.

27.3 MODIFICATION. This Agreement may not be altered in whole or in part except by a modification, in writing, executed by all the parties to this Agreement.

27.4 ATTORNEY'S FEES. In the event of any legal or equitable proceeding to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to all reasonable attorney's fees and costs in addition to any other relief granted by law. This provision shall apply to the entire Agreement.

27.5 ENTIRE AGREEMENT. This Agreement, together with all the exhibits attached to this Agreement, contains all representations and the entire understanding between the parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda or agreements are in conflict with this Agreement are intended to be replaced in total by this Agreement and its exhibits.

- 27.6 ASSIGNMENTS.** DEVELOPER shall not be entitled to assign all or any portion of its rights or obligations contained in this Agreement without obtaining the prior consent of the DISTRICT, which consent shall not be unreasonably withheld. Any purported assignment without the DISTRICT's prior written consent shall be void.
- 27.7 BINDING EFFECT.** This Agreement shall inure to the benefit of and be binding upon the parties and their respective purchasers, successors, heirs and assigns.
- 27.8 UNENFORCEABLE PROVISIONS.** The terms, conditions and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provision of this Agreement, as so interpreted, is held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.
- 27.9 REPRESENTATION OF CAPACITY TO CONTRACT.** Each of the parties to this Agreement represents and warrants that he has the authority to execute this Agreement on behalf of the entity represented by that individual.
- 27.10 OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT COUNSEL.** DEVELOPER warrants and represents that DEVELOPER has been advised to consult independent legal counsel of its own choosing and has had a reasonable opportunity to do so prior to executing this Agreement.
- 27.11 NO WAIVER.** The failure of either party to enforce any term, covenant or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other, term, covenant or condition of this Agreement at any later date or as a waiver of any term, covenant or condition of this Agreement.
- 27.12 COUNTERPARTS.** This Agreement may be signed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

[SIGNATURES ON FOLLOWING PAGE]

**AGREEMENT FOR CONSTRUCTION OF FACILITIES TO BE
DEDICATED TO THE VALLECITOS WATER DISTRICT**

SIGNATURE PAGE

“DISTRICT” VALLECITOS WATER DISTRICT	
By: _____ Glenn Pruum, Secretary Board of Directors Vallecitos Water District	Dated: _____

“DEVELOPER”	
Name: <u> Jesse Kleist </u>	
Title: <u> Vice President of Forward Planning </u>	
Company: <u> KB HOME CALIFORNIA, LLC. </u>	
Signature*: _____	Dated: _____

*Acknowledgment of the signature(s) of authorized representative(s) of DEVELOPER executing this Construction Agreement, by a Notary Public, is required. Attach acknowledgment to this page.

DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: APPROVAL OF TEMPORARY OFFSITE WATER AND SEWER SERVICE AGREEMENTS FOR KB HOME CALIFORNIA, LLC. SAN MARCOS HIGHLANDS PHASE 5 (LOTS 186 AND 187)

BACKGROUND:

KB Home of California LLC, owner of the subject property, (future Lots 186 and 187 of Tentative Subdivision Map (TSM) 13-001) has requested approval of Temporary Offsite Water and Sewer Service Agreements to provide water and sewer service for a single-family residence on the above referenced property.

DISCUSSION:

The subject property is located within Vallecitos Water District's (VWD) water and sewer service boundary. Lots 186 and 187 of TSM13-001 will not be located adjacent to the 8-inch water and 8-inch sewer in Topanga Drive due to the dedicated open space lot that was granted with the Phase 1 Final Map as part of the overall project mitigation. The Final Map for Phase 5 has not yet recorded; therefore, the assessor parcel numbers (APN) for Lots 186 and 187 are not available until the Final map records, which will occur once the Construction Agreement is approved by the Board.

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

It is not likely that future pipeline extensions would be constructed along Lots 186 and 187's frontage due to the open space between Topanga Drive and the open space lot. If a pipeline extension is ever constructed which can serve this property, the Agreement requires the owners to relocate the water meter to the new main at that time.

FISCAL IMPACT:

There is no fiscal impact for approval of the Temporary Offsite Water and Sewer Service Agreements.

RECOMMENDATION:

Approve Temporary Offsite Water and Sewer Service Agreements with the following conditions:

1. Execution of Temporary Offsite Water and Sewer Service Agreements which will be recorded against the property.
2. Payment of \$500 Administration fee and County recording fees. **(received)**
3. Submittal of recorded private access and utility easement across adjacent property for the private water and sewer service lines.

4. Payment of \$56,232 of Water and Wastewater Capital Facility Fees prior to issuance of the final building inspection and/or utility release.

ATTACHMENTS:

1 Aerial Map Exhibit

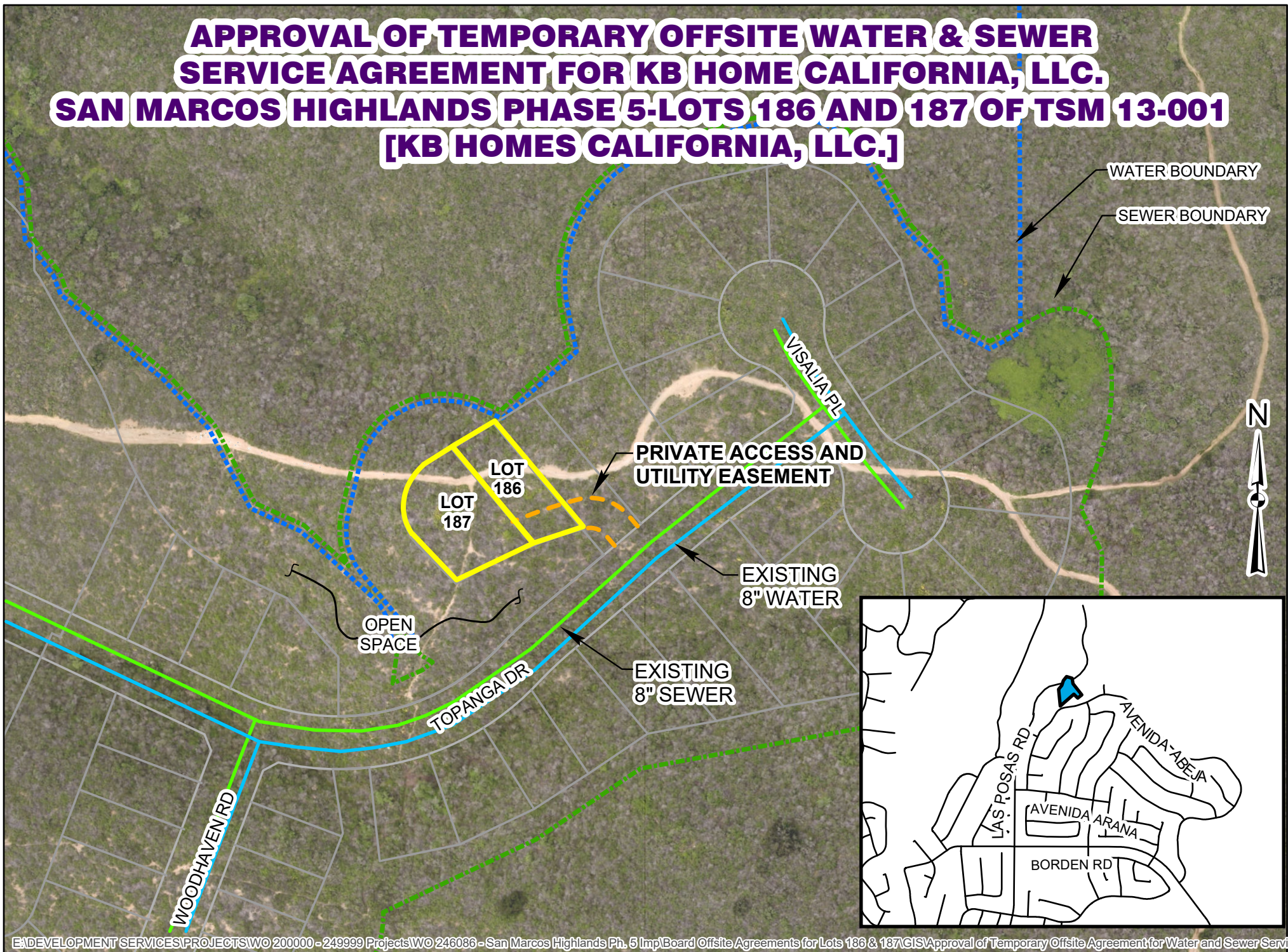
Water Temporary Offsite Service Agreement – Lot 186

Sewer Temporary Offsite Service Agreement – Lot 186

Water Temporary Offsite Service Agreement – Lot 187

Sewer Temporary Offsite Service Agreement – Lot 187

APPROVAL OF TEMPORARY OFFSITE WATER & SEWER SERVICE AGREEMENT FOR KB HOME CALIFORNIA, LLC. SAN MARCOS HIGHLANDS PHASE 5-LOTS 186 AND 187 OF TSM 13-001 [KB HOMES CALIFORNIA, LLC.]



Recording requested by &
when recorded, return to:

Vallecitos Water District
201 Vallecitos de Oro
San Marcos, CA 92069

LOT 186 of TSM 13-001

(Space above for Recorder's Use)
Document Transfer Tax: NONE

AL

**VALLECITOS WATER DISTRICT
TEMPORARY WATER CONNECTION AGREEMENT**

RECITALS

1. **KB HOME CALIFORNIA, LLC.** "OWNER" has title to real property situated in the County of San Diego, State of California, within the boundaries of the District; the real property of OWNER is more particularly described in Exhibit "A" attached hereto and made a part hereof.
2. The property of OWNER is not adjacent to any water main of the DISTRICT, and OWNER has applied for permission to connect to a District main at a location removed from their property for the purpose of providing a water supply for the property.
3. DISTRICT is willing to permit a TEMPORARY connection at the nearest main, subject to the terms and conditions of the Agreement.

COVENANTS

IT IS, THEREFORE, AGREED by and between OWNER, on behalf of themselves and their successors and assigns in interest in the above-described property, and DISTRICT, as follows:

4. OWNER will pay the regular charge for the installation of a meter and service connection to the District's nearest main, and acquire any easement or encroachment permit which might be necessary to install a service from the meter to the place of use on OWNER's property.
5. The cost of acquiring any such easement or encroachment permit, the installation and subsequent maintenance of the service extending from the discharge side of the meter shall be entirely at the OWNER's expense, and the DISTRICT shall have no liability or responsibility therefore.

6. The connection provided under the terms of this agreement shall be available to serve water to the property of OWNER, as above described, only so long as such connection shall serve only one parcel.

7. The service and use of the connection may be terminated by the DISTRICT upon thirty (30) days written notice addressed to OWNER at their last know address on file in the District in the event the service is extended to any subdivision or the property into two or more separate parcels to be served from such connection, or in the event of the construction of two or more residences thereon.

8. Should DISTRICT or others hereafter install or provide a DISTRICT water main adjacent to OWNER's property which would extend to OWNER's property so as to serve substantial portions thereof, the temporary connection permitted by the agreement shall, upon demand by the DISTRICT, be terminated, and after such termination, any future water service shall be provided by a connection to the new DISTRICT main upon payment to the DISTRICT by OWNER of any connection fee then established by DISTRICT. The amount of such fee shall include the expense incurred by the DISTRICT in moving the meter to the new main, together with such other reasonable charges as DISTRICT may establish, including a prorata share of the cost of the installation of such new main.

9. OWNER being the owner or owners of the property described in Exhibit "A", in consideration of the Agreement for temporary water service consent on behalf of OWNER, their heirs, successors and assigns to participate in any future SPECIAL ASSESSMENT IMPROVEMENT DISTRICT which Vallecitos Water District may establish under the IMPROVEMENT DISTRICT ACT OF 1911, Division 7 (Section 5000 et seq) of the Streets and Highways Code of the State of California, or under MUNICIPAL IMPROVEMENT ACT OF 1913, Division 12 (Section 10,000 et seq) of the Streets and Highways Code of the State of California, or under the IMPROVEMENT BOND ACT OF 1915, Division 10 (Section 8500 et seq) of the Streets and Highways Code of the State of California, or any combination of said Acts; OWNER further consents that Vallecitos Water District may, under the provisions of said Acts or a combination of said Acts, conduct all proceedings for the formation of a SPECIAL IMPROVEMENT DISTRICT for the construction of improvements designed to provide water service to the area in which OWNER's land is located; OWNERS for themselves, their heirs, successors and assigns hereby waive and request the DISTRICT to dispense with any and all proceedings and any and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST ACT OF 1931.

10. OWNER understands that in entering into this Agreement for temporary water service, DISTRICT does so in material reliance on the provisions of the Agreement, including, but not limited to, the consent to participate in assessment district proceedings and waiver of all proceedings and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST ACT OF 1931.

11. Any breach or violation of the terms and conditions established by this Agreement or of DISTRICT's rules and regulations shall, at the option of the DISTRICT, permit DISTRICT to terminate this Agreement and the temporary connection, if such breach or violation is not cured within thirty days after written notice is given OWNER or their successors in interest, by DISTRICT. In the event of such termination, DISTRICT may disconnect the line without further liability or obligation to OWNER or their successors in interest.

12. Granting of this temporary water service does not constitute reservation of sewer capacity rights now or in the future.

13. OWNER agrees to abide by all applicable rules and regulations on file with the DISTRICT, and that the DISTRICT shall not guarantee and uninterrupted supply of water; that in the event of a water shortage caused by drought, equipment failure or insufficient pumping, transmission or storage facilities, DISTRICT shall be the sole judge as to the allocation of the available supply.

14. Parties agree that this Agreement shall be binding upon OWNER, their heirs, assigns and successors in interest to the property described in Exhibit "A" attached hereto and mad a part hereof.

15. In the event of litigation to enforce this Agreement, the prevailing party shall be entitled to reasonable Attorney's fees and costs of litigation.

16. This Agreement is executed in the North County Judicial District, County of San Diego, and State of California.

17. The effective date of this Agreement is _____.

IN WITNESS WHEREOF, this Agreement is executed by the duly authorized officers of DISTRICT and OWNER.

DISTRICT VALLECITOS WATER DISTRICT	
Accepted By: _____	Date: _____, 2022
Glenn Pruum, Secretary Board of Directors Vallecitos Water District	

OWNER*	
By: _____	Date: _____, 2022
Title: _____	
By: _____	Date: _____, 2022
Title: _____	

* If the land is held by husband and wife, both parties must sign the Agreement and the signatures must be notarized; if the OWNER is a corporation, partnership or other legal entity, the appropriate notarization showing the identity of the OWNER and the authority to execute this Agreement must be attached.

Recording requested by &
when recorded, return to:

Vallecitos Water District
201 Vallecitos de Oro
San Marcos, CA 92069

LOT 186 of TSM 13-001

(Space Above for Recorder's Use)
Documentary Transfer Tax: NONE
AL

**VALLECITOS WATER DISTRICT
TEMPORARY SEWER CONNECTION AGREEMENT**

RECITALS

1. **KB HOME CALIFORNIA, LLC.** "OWNER" has title to real property situated in the County of San Diego, State of California, within the boundaries of District; the real property of OWNER is more particular described in Exhibit "A" attached hereto and made a part hereof.
2. The property of OWNER is not adjacent to any sewer main of the DISTRICT, and OWNER has applied for permission to connect with a DISTRICT main at location removed from their property for the purpose of providing a sewer supply for the property.
3. DISTRICT is willing to permit a TEMPORARY connection at the nearest main, subject to the terms and conditions of the Agreement.

COVENANTS

IT IS, THEREFORE, AGREED by and between OWNER, on behalf of themselves and their heirs, successors and assigns in interest in the above-described property, and DISTRICT, as follows:

4. OWNER will pay the regular charge for the installation of a lateral and service connection on the District's nearest main, and acquire any easement or encroachment permit which might be necessary to run a service lateral from the sewer main to the place of use on OWNER's property.
5. The cost of acquiring any such easement or encroachment permit, the installation and subsequent maintenance of the sewer service lateral extending from the main shall be entirely at

the OWNER's expense, and the DISTRICT shall have no liability or responsibility, therefore.

6. The connection provided under the terms of this agreement shall be available to serve sewer to the property of OWNER, as described, only so long as such connection shall serve only one parcel.

7. The service and use of the connection may be terminated by the DISTRICT upon thirty (30) days written notice addressed to OWNER at their last known address on file in the District in the event the service is extended to any subdivision of the property into two or more separate parcels to be served from such connection, or in the event of the construction of two or more residences thereon.

8. Should DISTRICT or others hereafter install or provide a DISTRICT sewer main adjacent to OWNER's property which would extend to OWNER's property so as to serve substantial portions thereof, the temporary connection permitted by the agreement shall, upon demand by the DISTRICT, be terminated, and after such termination, any future sewer service shall be provided by a connection to the new DISTRICT main upon the payment to the DISTRICT by OWNER of any connection fee then established by DISTRICT. The amount of such fee shall include the expense incurred by the DISTRICT in moving the lateral to the new main, together with such other reasonable charges as DISTRICT may establish, including a prorata share of the cost of the installation of such new main.

9. OWNER being the owner or owners of the property described in Exhibit AA@, in consideration of the Agreement for temporary sewer service consent on behalf of OWNER, their heirs, successors and assigns to participate in any future SPECIAL ASSESSMENT IMPROVEMENT DISTRICT which Vallecitos Water District may establish under the IMPROVEMENT DISTRICT ACT OF 1911, Division 7 (Section 5000 et seq.) of the Streets and Highway Code of the State of California, or under MUNICIPAL IMPROVEMENT ACT OF 1913, Division 12 (Section 10,000 et seq) of the Streets and Highways Code of the State of California, or under the IMPROVEMENT BOND ACT OF 1915, Division 10 (Section 8500 et seq) of the Streets and Highways Code of the State of California, or any combination of said Acts; OWNER further consents that Vallecitos Water District may, under the provision of said Acts or a combination of said Acts, conduct all proceedings for the formation of a SPECIAL IMPROVEMENT DISTRICT for the construction of improvements designed to provide sewer service to the area in which OWNER's land is located; OWNERS for themselves, their heirs, successors and assigns hereby waive and request the DISTRICT to dispense with any and all proceedings any and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST

ACT OF 1931, Division 4, (Section 2800 et seq) of the Streets and Highways Code of the State of California. This consent is filed with DISTRICT as part of this Agreement for temporary sewer service pursuant to the provisions of Section 2804 of the Streets and Highways Code of the State of California, as amended, a part of the SPECIAL ASSESSMENT INVESTIGATION LIMITATION AND MAJORITY PROTEST ACT OF 1931.

10. OWNER understands that in entering into this Agreement for temporary sewer service, DISTRICT does so in material reliance on the provisions of the Agreement, including, but not limited to, the consent to participate in assessment district proceedings and waiver of all proceedings and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST ACT OF 1931.

11. Any breach or violation of the terms and conditions established by this Agreement or of DISTRICT's rules and regulations shall, at the option of the DISTRICT, permit DISTRICT to terminate this Agreement and the temporary connection, if such breach or violation is not cured within thirty days after written notice given OWNER or their successors in interest, by DISTRICT. In the event of such termination, DISTRICT may disconnect the line without any further liability or obligation to OWNER or their successors in interest.

12. Parties agree that this Agreement shall be binding upon OWNER, their heirs, assigns and successors in interest to the property described in Exhibit A attached hereto and made a part hereof.

13. In the event of litigation to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs of litigation.

14. This Agreement is executed in the North County Judicial District, County of San Diego, State of California.

15. The effective date of this Agreement is _____ .

IN WITNESS WHEREOF, this Agreement is executed by the duly authorized officers of the DISTRICT and OWNER.

**DISTRICT
VALLECITOS WATER DISTRICT**

Accepted By: _____ Date: _____, 2022
Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

OWNER*

By: _____ Date: _____, 2022
Title: _____

By: _____ Date: _____, 2022
Title: _____

* If the land is held by husband and wife, both parties must sign the Agreement and the signatures may be notarized; if the OWNER is a corporation, partnership or other legal entity, the appropriate notarization showing the identity of the OWNER and the authority to execute this Agreement must be attached.

Recording requested by &
when recorded, return to:

Vallecitos Water District
201 Vallecitos de Oro
San Marcos, CA 92069

LOT 187 of TSM 13-001

(Space above for Recorder's Use)
Document Transfer Tax: NONE

AL

**VALLECITOS WATER DISTRICT
TEMPORARY WATER CONNECTION AGREEMENT**

RECITALS

1. **KB HOME COASTAL, INC.** "OWNER" has title to real property situated in the County of San Diego, State of California, within the boundaries of the District; the real property of OWNER is more particularly described in Exhibit "A" attached hereto and made a part hereof.
2. The property of OWNER is not adjacent to any water main of the DISTRICT, and OWNER has applied for permission to connect to a District main at a location removed from their property for the purpose of providing a water supply for the property.
3. DISTRICT is willing to permit a TEMPORARY connection at the nearest main, subject to the terms and conditions of the Agreement.

COVENANTS

IT IS, THEREFORE, AGREED by and between OWNER, on behalf of themselves and their successors and assigns in interest in the above-described property, and DISTRICT, as follows:

4. OWNER will pay the regular charge for the installation of a meter and service connection to the District's nearest main, and acquire any easement or encroachment permit which might be necessary to install a service from the meter to the place of use on OWNER's property.
5. The cost of acquiring any such easement or encroachment permit, the installation and subsequent maintenance of the service extending from the discharge side of the meter shall be entirely at the OWNER's expense, and the DISTRICT shall have no liability or responsibility therefore.

6. The connection provided under the terms of this agreement shall be available to serve water to the property of OWNER, as above described, only so long as such connection shall serve only one parcel.

7. The service and use of the connection may be terminated by the DISTRICT upon thirty (30) days written notice addressed to OWNER at their last know address on file in the District in the event the service is extended to any subdivision or the property into two or more separate parcels to be served from such connection, or in the event of the construction of two or more residences thereon.

8. Should DISTRICT or others hereafter install or provide a DISTRICT water main adjacent to OWNER's property which would extend to OWNER's property so as to serve substantial portions thereof, the temporary connection permitted by the agreement shall, upon demand by the DISTRICT, be terminated, and after such termination, any future water service shall be provided by a connection to the new DISTRICT main upon payment to the DISTRICT by OWNER of any connection fee then established by DISTRICT. The amount of such fee shall include the expense incurred by the DISTRICT in moving the meter to the new main, together with such other reasonable charges as DISTRICT may establish, including a prorata share of the cost of the installation of such new main.

9. OWNER being the owner or owners of the property described in Exhibit "A", in consideration of the Agreement for temporary water service consent on behalf of OWNER, their heirs, successors and assigns to participate in any future SPECIAL ASSESSMENT IMPROVEMENT DISTRICT which Vallecitos Water District may establish under the IMPROVEMENT DISTRICT ACT OF 1911, Division 7 (Section 5000 et seq) of the Streets and Highways Code of the State of California, or under MUNICIPAL IMPROVEMENT ACT OF 1913, Division 12 (Section 10,000 et seq) of the Streets and Highways Code of the State of California, or under the IMPROVEMENT BOND ACT OF 1915, Division 10 (Section 8500 et seq) of the Streets and Highways Code of the State of California, or any combination of said Acts; OWNER further consents that Vallecitos Water District may, under the provisions of said Acts or a combination of said Acts, conduct all proceedings for the formation of a SPECIAL IMPROVEMENT DISTRICT for the construction of improvements designed to provide water service to the area in which OWNER's land is located; OWNERS for themselves, their heirs, successors and assigns hereby waive and request the DISTRICT to dispense with any and all proceedings and any and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST ACT OF 1931.

10. OWNER understands that in entering into this Agreement for temporary water service, DISTRICT does so in material reliance on the provisions of the Agreement, including, but not limited to, the consent to participate in assessment district proceedings and waiver of all proceedings and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST ACT OF 1931.

11. Any breach or violation of the terms and conditions established by this Agreement or of DISTRICT's rules and regulations shall, at the option of the DISTRICT, permit DISTRICT to terminate this Agreement and the temporary connection, if such breach or violation is not cured within thirty days after written notice is given OWNER or their successors in interest, by DISTRICT. In the event of such termination, DISTRICT may disconnect the line without further liability or obligation to OWNER or their successors in interest.

12. Granting of this temporary water service does not constitute reservation of sewer capacity rights now or in the future.

13. OWNER agrees to abide by all applicable rules and regulations on file with the DISTRICT, and that the DISTRICT shall not guarantee and uninterrupted supply of water; that in the event of a water shortage caused by drought, equipment failure or insufficient pumping, transmission or storage facilities, DISTRICT shall be the sole judge as to the allocation of the available supply.

14. Parties agree that this Agreement shall be binding upon OWNER, their heirs, assigns and successors in interest to the property described in Exhibit "A" attached hereto and mad a part hereof.

15. In the event of litigation to enforce this Agreement, the prevailing party shall be entitled to reasonable Attorney's fees and costs of litigation.

16. This Agreement is executed in the North County Judicial District, County of San Diego, and State of California.

17. The effective date of this Agreement is _____.

IN WITNESS WHEREOF, this Agreement is executed by the duly authorized officers of DISTRICT and OWNER.

DISTRICT VALLECITOS WATER DISTRICT	
Accepted By: _____	Date: _____, 2022
Glenn Pruum, Secretary Board of Directors Vallecitos Water District	

OWNER*	
By: _____	Date: _____, 2022
Title: _____	
By: _____	Date: _____, 2022
Title: _____	

* If the land is held by husband and wife, both parties must sign the Agreement and the signatures must be notarized; if the OWNER is a corporation, partnership or other legal entity, the appropriate notarization showing the identity of the OWNER and the authority to execute this Agreement must be attached.

Recording requested by &
when recorded, return to:

Vallecitos Water District
201 Vallecitos de Oro
San Marcos, CA 92069

LOT 187 of TSM 13-001

(Space Above for Recorder's Use)
Documentary Transfer Tax: NONE

AL

**VALLECITOS WATER DISTRICT
TEMPORARY SEWER CONNECTION AGREEMENT**

RECITALS

1. **KB HOME COASTAL, INC.** "OWNER" has title to real property situated in the County of San Diego, State of California, within the boundaries of District; the real property of OWNER is more particular described in Exhibit "A" attached hereto and made a part hereof.
2. The property of OWNER is not adjacent to any sewer main of the DISTRICT, and OWNER has applied for permission to connect with a DISTRICT main at location removed from their property for the purpose of providing a sewer supply for the property.
3. DISTRICT is willing to permit a TEMPORARY connection at the nearest main, subject to the terms and conditions of the Agreement.

COVENANTS

IT IS, THEREFORE, AGREED by and between OWNER, on behalf of themselves and their heirs, successors and assigns in interest in the above-described property, and DISTRICT, as follows:

4. OWNER will pay the regular charge for the installation of a lateral and service connection on the District's nearest main, and acquire any easement or encroachment permit which might be necessary to run a service lateral from the sewer main to the place of use on OWNER's property.
5. The cost of acquiring any such easement or encroachment permit, the installation and subsequent maintenance of the sewer service lateral extending from the main shall be entirely at

the OWNER's expense, and the DISTRICT shall have no liability or responsibility, therefore.

6. The connection provided under the terms of this agreement shall be available to serve sewer to the property of OWNER, as described, only so long as such connection shall serve only one parcel.

7. The service and use of the connection may be terminated by the DISTRICT upon thirty (30) days written notice addressed to OWNER at their last known address on file in the District in the event the service is extended to any subdivision of the property into two or more separate parcels to be served from such connection, or in the event of the construction of two or more residences thereon.

8. Should DISTRICT or others hereafter install or provide a DISTRICT sewer main adjacent to OWNER's property which would extend to OWNER's property so as to serve substantial portions thereof, the temporary connection permitted by the agreement shall, upon demand by the DISTRICT, be terminated, and after such termination, any future sewer service shall be provided by a connection to the new DISTRICT main upon the payment to the DISTRICT by OWNER of any connection fee then established by DISTRICT. The amount of such fee shall include the expense incurred by the DISTRICT in moving the lateral to the new main, together with such other reasonable charges as DISTRICT may establish, including a prorata share of the cost of the installation of such new main.

9. OWNER being the owner or owners of the property described in Exhibit AA@, in consideration of the Agreement for temporary sewer service consent on behalf of OWNER, their heirs, successors and assigns to participate in any future SPECIAL ASSESSMENT IMPROVEMENT DISTRICT which Vallecitos Water District may establish under the IMPROVEMENT DISTRICT ACT OF 1911, Division 7 (Section 5000 et seq.) of the Streets and Highway Code of the State of California, or under MUNICIPAL IMPROVEMENT ACT OF 1913, Division 12 (Section 10,000 et seq) of the Streets and Highways Code of the State of California, or under the IMPROVEMENT BOND ACT OF 1915, Division 10 (Section 8500 et seq) of the Streets and Highways Code of the State of California, or any combination of said Acts; OWNER further consents that Vallecitos Water District may, under the provision of said Acts or a combination of said Acts, conduct all proceedings for the formation of a SPECIAL IMPROVEMENT DISTRICT for the construction of improvements designed to provide sewer service to the area in which OWNER's land is located; OWNERS for themselves, their heirs, successors and assigns hereby waive and request the DISTRICT to dispense with any and all proceedings any and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST

ACT OF 1931, Division 4, (Section 2800 et seq) of the Streets and Highways Code of the State of California. This consent is filed with DISTRICT as part of this Agreement for temporary sewer service pursuant to the provisions of Section 2804 of the Streets and Highways Code of the State of California, as amended, a part of the SPECIAL ASSESSMENT INVESTIGATION LIMITATION AND MAJORITY PROTEST ACT OF 1931.

10. OWNER understands that in entering into this Agreement for temporary sewer service, DISTRICT does so in material reliance on the provisions of the Agreement, including, but not limited to, the consent to participate in assessment district proceedings and waiver of all proceedings and all limitations under the SPECIAL ASSESSMENT INVESTIGATION, LIMITATION AND MAJORITY PROTEST ACT OF 1931.

11. Any breach or violation of the terms and conditions established by this Agreement or of DISTRICT's rules and regulations shall, at the option of the DISTRICT, permit DISTRICT to terminate this Agreement and the temporary connection, if such breach or violation is not cured within thirty days after written notice given OWNER or their successors in interest, by DISTRICT. In the event of such termination, DISTRICT may disconnect the line without any further liability or obligation to OWNER or their successors in interest.

12. Parties agree that this Agreement shall be binding upon OWNER, their heirs, assigns and successors in interest to the property described in Exhibit A attached hereto and made a part hereof.

13. In the event of litigation to enforce this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs of litigation.

14. This Agreement is executed in the North County Judicial District, County of San Diego, State of California.

15. The effective date of this Agreement is _____ .

IN WITNESS WHEREOF, this Agreement is executed by the duly authorized officers of the DISTRICT and OWNER.

**DISTRICT
VALLECITOS WATER DISTRICT**

Accepted By: _____ Date: _____, 2022
Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

OWNER*

By: _____ Date: _____, 2022
Title: _____

By: _____ Date: _____, 2022
Title: _____

* If the land is held by husband and wife, both parties must sign the Agreement and the signatures may be notarized; if the OWNER is a corporation, partnership or other legal entity, the appropriate notarization showing the identity of the OWNER and the authority to execute this Agreement must be attached.

DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: RESOLUTION ADOPTING THE ANNUAL PAY SCHEDULE WITH CORRECTION FOR FINANCE MANAGER

BACKGROUND:

On March 2, 2022, the Board adopted the annual pay schedule reflecting title changes for Senior Executive Assistant and Executive Assistant. The California Public Employees' Retirement System (CalPERS) requires employers to have pay schedules be publicly available and approved and adopted by the governing body in accordance with the requirements of applicable public meeting laws.

DISCUSSION:

After further review, the annual salary schedule for Finance Manager was found to be incorrect. There was no change in salary actually paid to the Finance Manager. Due to the CalPERS requirements, the revision to Finance Manager salary has been made to the annual pay schedule and the updated version is presented today. The revised pay schedule must be adopted by the Board. A resolution is provided to approve and adopt the revised annual pay schedule.

FISCAL IMPACT:

None.

RECOMMENDATIONS:

Adopt the resolution approving the revised annual pay schedule.

ATTACHMENT:

Resolution Adopting Revised District Pay Schedule with Exhibit "A", Vallecitos Water District Personnel Classification and Annual Pay Schedule

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
ADOPTING THE REVISED ANNUAL PAY SCHEDULE
TO CORRECT FINANCE MANAGER SALARY**

WHEREAS, to comply with CalPERS regulations, the Board is required to publicly approve a District pay schedule, and the District Pay Schedule has been amended;

WHEREAS, the Board of Directors approved authorized positions and position changes in the budget for Fiscal Year 2021/22;

WHEREAS, the Board of Directors desires to approve the corrected Finance Manager salary; and,

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

DISTRICT PAY SCHEDULE. The Board of Directors does hereby approve and adopt the revised Vallecitos Water District Personnel Classification and Annual Pay Schedule, attached hereto as Exhibit "A".

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on the 16th day of March, 2022, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Craig Elitharp, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruum, Secretary
Board of Directors
Vallecitos Water District

VALLECITOS WATER DISTRICT PERSONNEL CLASSIFICATION Hourly PAY SCHEDULE

has been duly approved and adopted by Vallecitos Water District Board in accordance with requirements of applicable public meeting laws.

Effective 3/16/2022 Exhibit "A"

POSITION/TITLE	EXPERIENCE STEPS							LONGEVITY	
	A	B	C	D	E	F	G	H	I
Accounting Supervisor	97,852	102,744	107,881	113,275	118,939	124,886	131,130	137,687	144,571
Accounting Technician	60,073	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754
Administrative Services Manager	148,141	155,548	163,326	171,492	180,067	189,070	198,523	208,450	218,872
Applications Specialist I	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545	116,073
Applications Specialist II	93,192	97,852	102,744	107,881	113,275	118,939	124,886	131,130	137,687
Asset Management Supervisor	100,268	105,281	110,545	116,073	121,877	127,970	134,368	141,087	148,141
Assistant General Manager	171,492	180,067	189,070	198,523	208,450	218,872	229,815	241,306	253,372
Building and Grounds Worker	41,663	43,747	45,934	48,231	50,643	53,174	55,833	58,624	61,555
Capital Facilities Assistant Engineer	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881	113,275
Capital Facilities Engineer	95,493	100,268	105,281	110,545	116,073	121,877	127,970	134,368	141,087
Capital Facilities Senior Engineer	110,545	116,073	121,877	127,970	134,368	141,087	148,141	155,548	163,326
Cashier / Receptionist	48,231	50,643	53,174	55,833	58,624	61,555	64,633	67,865	71,259
Chief Technology Officer	121,877	127,970	134,368	141,087	148,141	155,548	163,326	171,492	180,067
CMMS Planner	71,259	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281
Construction Inspection Supervisor	84,528	88,754	93,192	97,852	102,744	107,881	113,275	118,939	124,886
Construction Inspector I	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192
Construction Inspector II	73,018	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881
Construction Supervisor	84,528	88,754	93,192	97,852	102,744	107,881	113,275	118,939	124,886
Construction Worker I	49,422	51,893	54,487	57,212	60,073	63,076	66,230	69,541	73,018
Construction Worker II	57,212	60,073	63,076	66,230	69,541	73,018	76,670	80,502	84,528
Customer Service Representative I	47,068	49,422	51,893	54,487	57,212	60,073	63,076	66,230	69,541
Customer Service Representative II	53,174	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563
Customer Service Representative III	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563	82,491
Customer Service Supervisor	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545	116,073
Development Services Coordinator	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545	116,073
Development Services Senior Engineer	110,545	116,073	121,877	127,970	134,368	141,087	148,141	155,548	163,326
District Engineer	151,800	159,390	167,360	175,728	184,514	193,740	203,426	213,598	224,278
Electrical/Instrumentation Technician	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545
Engineering Services Assistant	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192
Engineering Technician I	57,212	60,073	63,076	66,230	69,541	73,018	76,670	80,502	84,528
Engineering Technician II	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192	97,852
Engineering Technician III	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881	113,275
Executive Assistant	71,259	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281
Facility Locator	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192
Finance Assistant	53,174	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563
Finance Manager	148,141	155,548	163,326	171,492	180,067	189,070	198,523	208,450	218,872
General Manager	265,744	265,744	265,744	265,744	265,744	265,744	265,744	265,744	265,744
GIS/CADD Technician	64,633	67,865	71,259	74,821	78,563	82,491	86,616	90,946	95,493
Human Resources Analyst	73,018	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881
Information Technology Technician	71,259	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281
Landscape Maintenance Worker I	48,231	50,643	53,174	55,833	58,624	61,555	64,633	67,865	71,259
Landscape Maintenance Worker II	53,174	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563
Maintenance Services Supervisor	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545	116,073
Mechanic	61,555	64,633	67,865	71,259	74,821	78,563	82,491	86,616	90,946
Mechanical / Electrical Supervisor	86,616	90,946	95,493	100,268	105,281	110,545	116,073	121,877	127,970
Meter Service Supervisor	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545	116,073
Meter Service Worker I	47,068	49,422	51,893	54,487	57,212	60,073	63,076	66,230	69,541
Meter Service Worker II	54,487	57,212	60,073	63,076	66,230	69,541	73,018	76,670	80,502
Operations and Maintenance Contract Coordinator	53,174	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563
Operations and Maintenance Manager	148,141	155,548	163,326	171,492	180,067	189,070	198,523	208,450	218,872

VALLECITOS WATER DISTRICT PERSONNEL CLASSIFICATION Hourly PAY SCHEDULE
has been duly approved and adopted by Vallecitos Water District Board in accordance with requirements of applicable public meeting laws.
Effective 3/2/2022

POSITION/TITLE	EXPERIENCE STEPS							LONGEVITY	
	A	B	C	D	E	F	G	H	I
Principal Financial Analyst	93,192	97,852	102,744	107,881	113,275	118,939	124,886	131,130	137,687
Public Information Representative	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545
Public Information/Conservation Supervisor	88,754	93,192	97,852	102,744	107,881	113,275	118,939	124,886	131,130
Pump and Motor Technician Assistant	53,174	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563
Pump and Motor Technician I	61,555	64,633	67,865	71,259	74,821	78,563	82,491	86,616	90,946
Pump and Motor Technician II	71,259	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281
Risk Management Supervisor	97,852	102,744	107,881	113,275	118,939	124,886	131,130	137,687	144,571
Safety Technician	67,865	71,259	74,821	78,563	82,491	86,616	90,946	95,493	100,268
Senior Accountant	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545
Senior Construction Worker	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192	97,852
Senior Customer Service Representative	60,073	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754
Senior Executive Assistant	78,563	82,491	86,616	90,946	95,493	100,268	105,281	110,545	116,073
Senior Pump and Motor Technician	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881	113,275
Senior Purchasing Specialist	71,259	74,821	78,563	82,491	86,616	90,946	95,493	100,268	105,281
Senior Wastewater Collections Systems Worker	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192
Senior Wastewater Treatment Plant Operator	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881	113,275
Senior Water Systems Operator	73,018	76,670	80,502	84,528	88,754	93,192	97,852	102,744	107,881
Source Control Technician	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192	97,852
Systems Administrator	84,528	88,754	93,192	97,852	102,744	107,881	113,275	118,939	124,886
Valve Maintenance Technician	63,076	66,230	69,541	73,018	76,670	80,502	84,528	88,754	93,192
Warehouse Assistant I	48,231	50,643	53,174	55,833	58,624	61,555	64,633	67,865	71,259
Warehouse Assistant II	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563	82,491
Wastewater Collection Systems Supervisor	84,528	88,754	93,192	97,852	102,744	107,881	113,275	118,939	124,886
Wastewater Collection Systems Worker I	48,231	50,643	53,174	55,833	58,624	61,555	64,633	67,865	71,259
Wastewater Collection Systems Worker II	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563	82,491
Wastewater Treatment Plant Operator I	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563	82,491
Wastewater Treatment Plant Operator II	64,633	67,865	71,259	74,821	78,563	82,491	86,616	90,946	95,493
Wastewater Treatment Plant Supervisor	90,946	95,493	100,268	105,281	110,545	116,073	121,877	127,970	134,368
Water Systems Operator I	55,833	58,624	61,555	64,633	67,865	71,259	74,821	78,563	82,491
Water Systems Operator II	64,633	67,865	71,259	74,821	78,563	82,491	86,616	90,946	95,493
Water Systems Supervisor	90,946	95,493	100,268	105,281	110,545	116,073	121,877	127,970	134,368

DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: VOTING DIVISIONS REDISTRICTING PUBLIC HEARING

BACKGROUND:

The District evaluates the voting division boundaries periodically to keep divisions relatively equal in population. Growth and new census data are typical triggers that require redistricting. The 2020 Census data has been completed. Final data on the census was received in October 2021. Each agency is required to look at its voting divisions after the release of a census.

DISCUSSION:

Staff presented an overview, scheduling, and division map changes for the redistricting process at several Board meetings:

- September 1, 2021
- September 15, 2021
- December 1, 2021

Redistricting was also presented to the Public Awareness, Policy, and Personnel Committee on January 10, 2022. At that meeting, two options of division boundary changes were presented.

As part of the redistricting process, a Public Hearing was held on Feb. 16, 2022, to provide an opportunity for the public to provide comments and input on any potential division boundary adjustments. Two alternative division boundary maps have been generated highlighting the changes from the current divisions. Division Options One and Two were advertised and made available to the public prior to this Public Hearing. The District also advertised the redistricting process and both alternative division boundary maps on its website and through social media.

Comments received at the February 16, 2022, Public Hearing revolved around seeing more detail on the Division Option maps and verification of the public advertisement. Staff created interactive maps for both redistricting options and made them publicly available on the District's website and verification of public advertisement in the local paper was provided at the February Public Hearing.

FISCAL IMPACT:

None.

RECOMMENDATION:

Conduct a Public Hearing to allow public participation and collect any comments and questions regarding proposed redistricting. Adopt the resolution changing the Vallecitos Water District boundaries of director divisions as shown in Option 2.

ATTACHMENTS:

Voter Division Map – Option 1

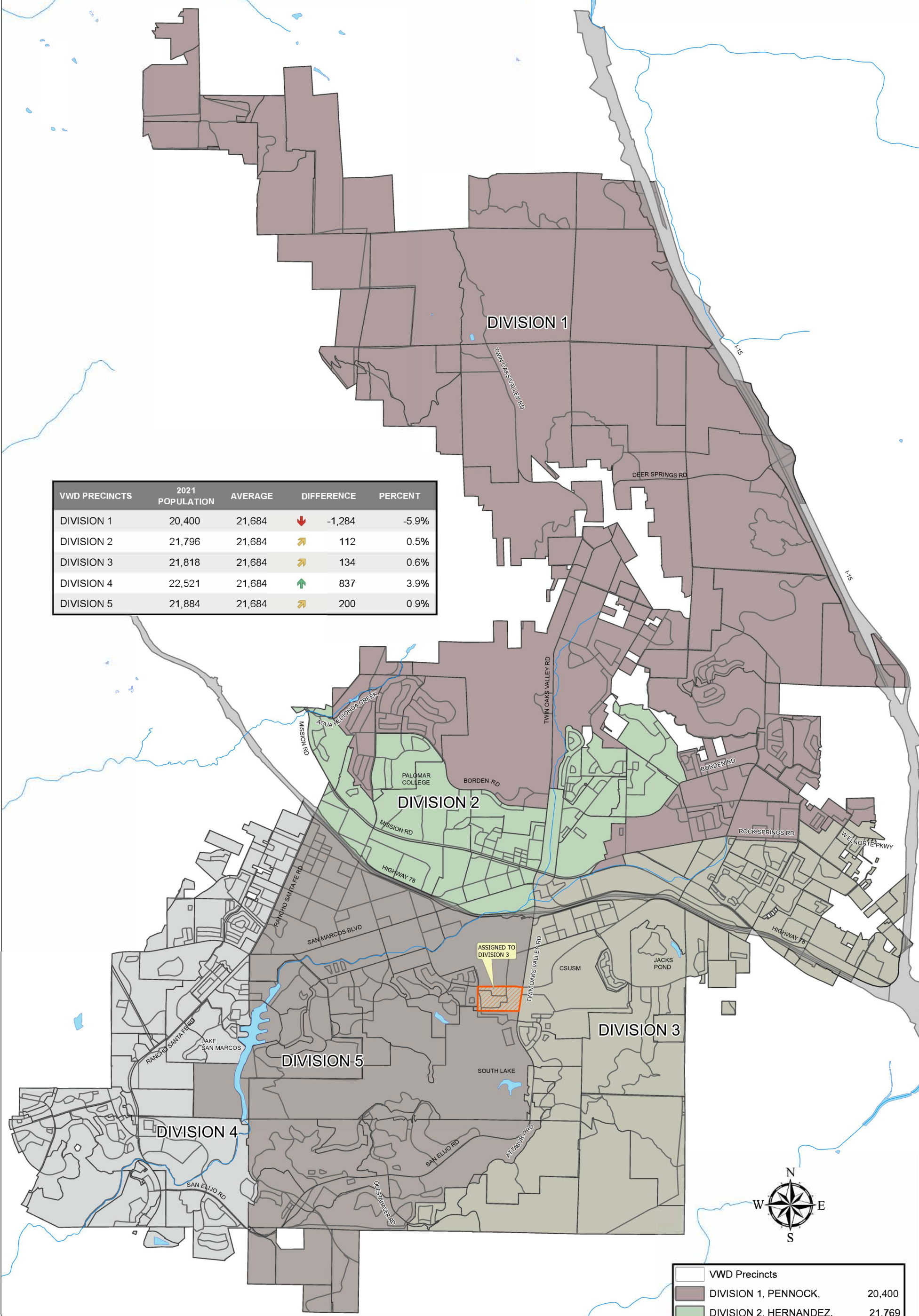
Voter Division Map – Option 2

Resolution with Exhibit “A”, Proposed Voter Division Map

Voter Division Map 2020

OPTION 1

VWD PRECINCTS	2021 POPULATION	AVERAGE	DIFFERENCE	PERCENT
DIVISION 1	20,400	21,684	↓ -1,284	-5.9%
DIVISION 2	21,796	21,684	↗ 112	0.5%
DIVISION 3	21,818	21,684	↗ 134	0.6%
DIVISION 4	22,521	21,684	↑ 837	3.9%
DIVISION 5	21,884	21,684	↗ 200	0.9%

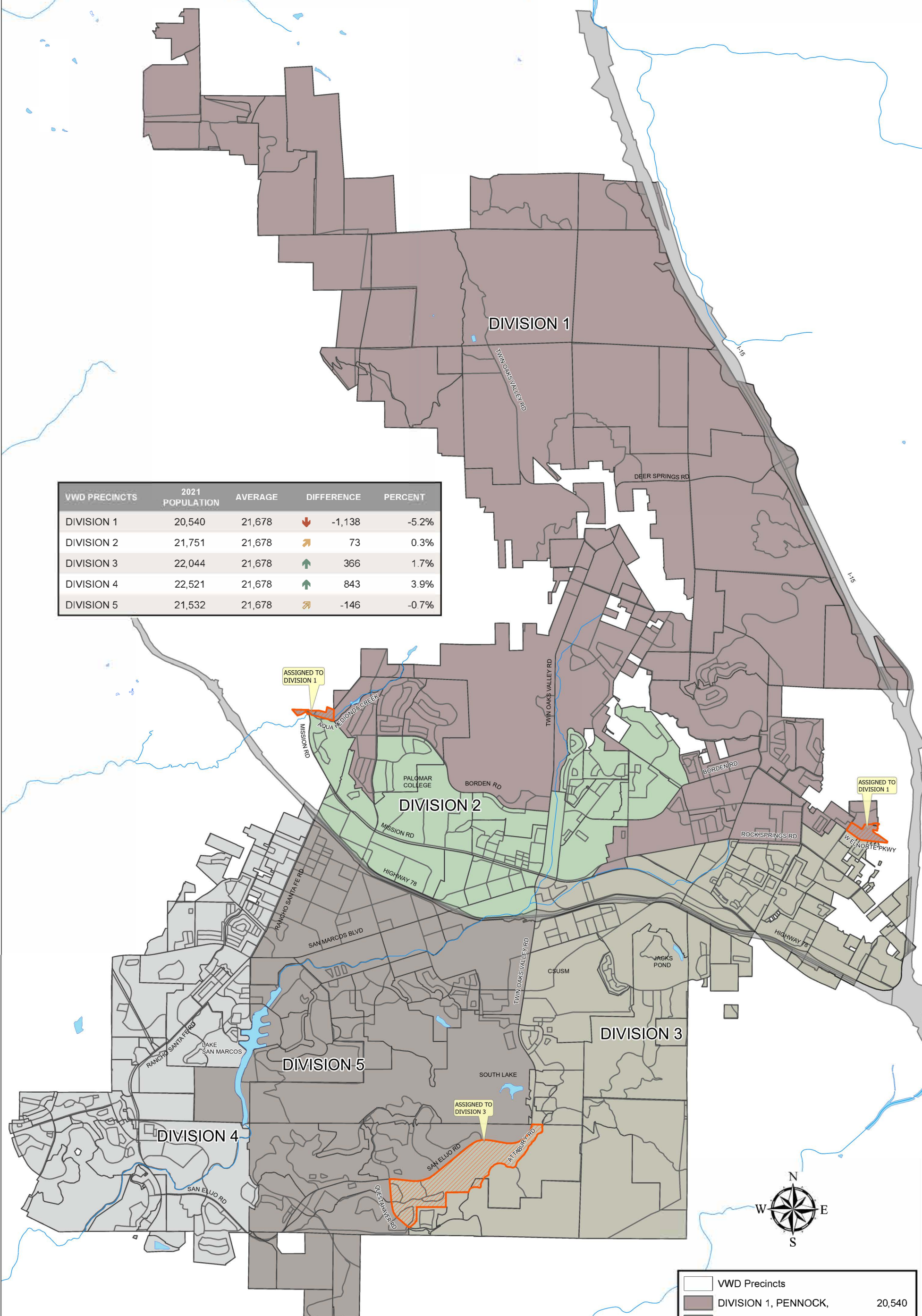


VWD Precincts	2021 POPULATION
DIVISION 1, PENNOCK,	20,400
DIVISION 2, HERNANDEZ,	21,769
DIVISION 3, ELITHARP,	21,818
DIVISION 4, SANNELLA,	22,521
DIVISION 5, BOYD-HODGSON,	21,884

Voter Division Map 2020

OPTION 2

VWD PRECINCTS	2021 POPULATION	AVERAGE	DIFFERENCE	PERCENT
DIVISION 1	20,540	21,678	↓ -1,138	-5.2%
DIVISION 2	21,751	21,678	↔ 73	0.3%
DIVISION 3	22,044	21,678	↑ 366	1.7%
DIVISION 4	22,521	21,678	↑ 843	3.9%
DIVISION 5	21,532	21,678	↔ -146	-0.7%



	VWD Precincts	
	DIVISION 1, PENNOCK,	20,540
	DIVISION 2, HERNANDEZ,	21,751
	DIVISION 3, ELITHARP,	22,044
	DIVISION 4, SANNELLA,	22,521
	DIVISION 5, BOYD-HODGSON,	21,532

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
CHANGING THE BOUNDARIES OF DIRECTOR DIVISIONS**

WHEREAS, the Vallecitos Water District (“District”) is a public agency formed in 1955 in the State of California, and is organized and existing under California Water Code Section 30000, et seq.; and

WHEREAS, the District has been divided into director divisions for election purposes since June 2000; and

WHEREAS, California Water Code Section 30733, subdivision (a) provides that, where the District’s directors are elected by division, the Board of Directors shall divide the District into five divisions, with as nearly equal in population as practicable, and assign a number to each division; and

WHEREAS, California Water Code Section 30733, subdivision (d) provides that the boundaries of the District’s Board of Directors divisions shall be adjusted as required by California Elections Code Section 22000, et seq.; and

WHEREAS, California Elections Code Section 22000 provides that after each federal decennial census, and using that census as a basis, the District shall adjust division boundaries by resolution so that the divisions are, as far as practicable, equal in population, and in compliance with Section 10301 of Title 52 of the United States Code, and that in doing so the Board of Directors may give consideration to (a) topography, (b) geography, (c) cohesiveness, contiguity, integrity, and compactness of territory, and (d) community of interests; and,

WHEREAS, after holding public hearings as required by law on February 16, 2022, and March 16, 2022, the Board of Directors has considered proposed changes in the boundaries of the District’s five Board of Director divisions which would again equalize population within the divisions, to the extent practicable, and is now prepared to establish those boundaries pursuant to California Elections Code Section 22000, et seq. and Water Code Section 30733, subdivision (d).

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1: The District’s five Board of Director divisions shall be as described in Exhibit “A” attached hereto and incorporated herein. This Resolution shall take effect immediately and the boundaries established in Exhibit “A” shall constitute and are hereby established as the boundaries of the Director divisions of the Vallecitos Water District for subsequent elections until further readjustment is required by law or otherwise approved by the Board of Directors.

Section 2: That the foregoing will result in the creation of five Board of Director divisions as nearly equal in population as is practicable pursuant to applicable law.

Section 3: Pursuant to California Elections Code section 22000, subdivisions (e)(1)–(2), each of the Directors in office at the time this Resolution takes effect shall continue in office until the expiration of the term to which he or she was elected or appointed pursuant to applicable law, and any vacancy in a term currently underway shall be filled based on the divisions in effect at the time the then-current Directors were elected.

Section 4: All resolutions or parts thereof in conflict with this Resolution are hereby repealed.

Section 5: The Secretary of the District is authorized and directed to certify the adoption of this Resolution and take all necessary steps to give effect to this Resolution, which shall include, but not be limited to, timely filing a certified copy of this Resolution, Exhibit “A”, and such other documents and information as may reasonably be necessary, with the San Diego County Registrar of Voters.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 16th day of March, 2022 by the following roll call vote:

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

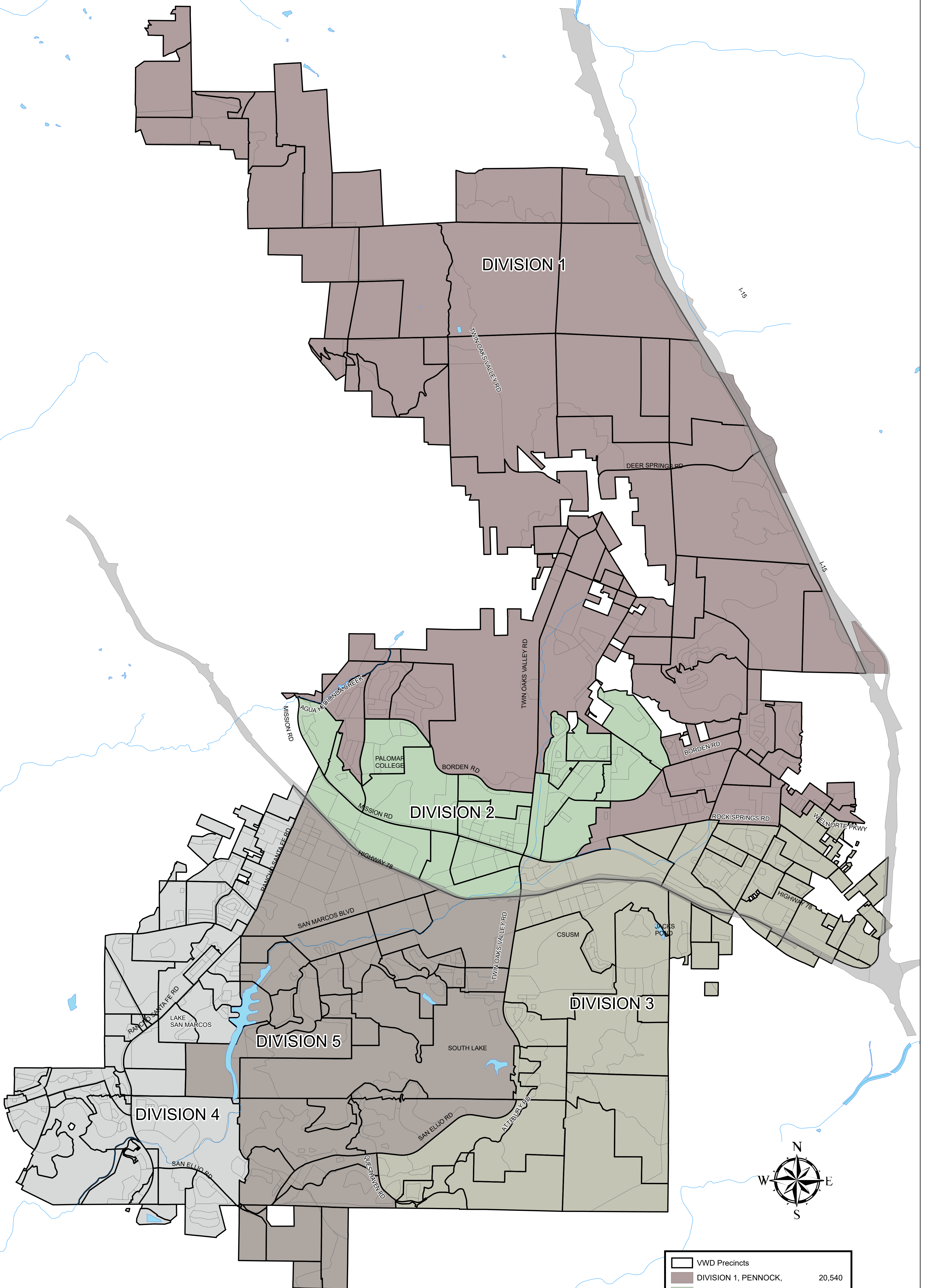
Craig Elitharp, President
 Board of Directors
 Vallecitos Water District

ATTEST:

Glenn Pruiam, Secretary
 Board of Directors
 Vallecitos Water District

Voter Division Map 2020

Exhibit A



	VWD Precincts	
	DIVISION 1, PENNOCK,	20,540
	DIVISION 2, HERNANDEZ,	21,751
	DIVISION 3, ELITHARP,	22,044
	DIVISION 4, SANNELLA,	22,521
	DIVISION 5, BOYD-HODGSON,	21,532
	lakes	
	Rivers	

DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: WATER SUPPLY CONDITIONS UPDATE

BACKGROUND:

California’s drought, which seemed to be retreating after soaking storms in both October and December, is now all but certain to continue into a third year after the driest January and February in recorded history.

DISCUSSION:

The Sierra Nevada snowpack—which provides nearly a third of California’s water supply—was recently measured at 64% of its historical average for that date, based on sensors spread out over hundreds of miles. That’s nearly the same as last year on March 1, when it was 61%. This represents a massive collapse from the 168% of normal it was on New Year’s Day 2022.

The Northern Sierra 8-Station Precipitation Index shows values of 84% for the new water year. Snow content statewide is 57% of average. Lake Oroville remains at 46% of capacity and the San Luis Reservoir drops to 44% of capacity.

On the Colorado River, Lake Mead is currently 34% full and Lake Powell is 25% full. Upper Basin precipitation is 100% to date.

Locally, the National Weather Service/NOAA three-month temperature outlook shows the San Diego area as “equal chances” to be above or below normal. Precipitation is “below normal favored.”

In February 2022, Vallecitos customers continued to save water as compared to January 2021.

FISCAL IMPACT:

Conservation measures can reduce revenues. There currently is no expected financial impact beyond seasonal changes.

RECOMMENDATION:

For information only.

DATE: MARCH 16, 2022
TO: BOARD OF DIRECTORS
SUBJECT: DISCUSSION REGARDING IN-PERSON PUBLIC MEETINGS

BACKGROUND:

From March 18, 2020, to October 20, 2021, Vallecitos conducted all public meetings, including Board and Committee meetings, via the Zoom videoconferencing platform as permitted by Executive Orders issued by Governor Newsom due to the COVID-19 pandemic. Teleconferencing allowed Vallecitos to continue to conduct business and the public to monitor the actions of its governing body. Through the use of Zoom, the public could see and hear the Board conducting meetings and had the opportunity to provide comments.

The portions of the Executive Orders related to Teleconference Meetings expired on September 30, 2021, and were replaced by Assembly Bill (AB) 361, which went into effect on October 1, 2021. At the Board meeting held on October 20, 2021, the Board elected not to take action to continue virtual meetings, which reverted public meetings to in-person.

At its meeting on January 12, 2022, the Board elected to return Board and Committee meetings to a virtual format, due to the surge in COVID cases. That action was based on the Board's finding that a state of emergency exists that directly impacts the ability to meet in public. To continue with virtual meetings, the Board needs to take an action every 30 days. At the Board meeting held on February 2, 2022, the Board made the findings required to continue to conduct its meetings virtually. At the meeting held on March 2, 2022, the Board made the findings required to continue to conduct its meetings virtually. The Board directed staff to place this item on all future agendas until in-person meetings resume. This item provides the Board with an opportunity to discuss returning to in-person meetings.

DISCUSSION:

COVID case rates have fallen significantly in recent weeks. However, the case rate count is still significantly higher than the target level established by the County of San Diego. The State of California recently changed the indoor masking requirements, allowing fully vaccinated people to not wear masks indoors. The Center for Disease Control (CDC) and the California Department of Public Health (CDPH) still recommend everyone wear masks indoors in high transmission areas. San Diego County is still considered a high transmission area based on local case rates. At the District, the rules were changed recently to allow fully vaccinated employees to not wear masks while at work. The workplace is still broken into zones, and employees are not permitted to move from zone to zone. This requirement would prohibit most employees from attending in-person Board meetings in the Boardroom.

AB 361 allows public agencies to conduct their meetings via videoconferencing if there is a proclaimed State of Emergency and other conditions exist. To conduct meetings via teleconferencing during a proclaimed State of Emergency, an agency must find by majority vote that the Board has reconsidered the circumstances of the state of emergency and either of the following circumstances exist: (i) The state of emergency continues to directly impact the ability of the members to meet safely in person; or (ii) State or local officials continue to impose or recommend measures to promote social distancing. In order to continue with virtual meetings, the Board must take action as described above, and every 30 days after the first Teleconference Meeting, if the Board wishes to continue with Teleconference Meetings provided the above conditions exist.

If the Board decides to return to in-person meetings, no action is required by the Board. By not making the findings noted above, the Board would be required to return to in-person Board and Committee meetings starting April 1. Staff will provide the latest information regarding masking requirements and other safety precautions for in-person meetings at the March 16, 2022, meeting.

FISCAL IMPACT:

None.

RECOMMENDATION:

Provide staff with direction regarding the return to in-person meetings. If the Board wishes to continue to conduct its meetings via videoconferencing, as allowed by AB 361, then the majority of the Board would need to make the finding that meeting in person would present imminent risks to the health or safety of attendees.