

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 1, 2022, AT 5:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT ELITHARP

NOTICE TO THE PUBLIC

Meetings of the Board of Directors of the Vallecitos Water District will be held in the Board Room at the District Office located at 201 Vallecitos de Oro, San Marcos, California, on the date and time identified above.

Vallecitos Water District is following the guidance issued by the County of San Diego, effective March 1, 2022, which follows the California Department of Public Health guidance which recommends that persons attending public meetings are strongly recommended to wear a face covering in indoor public settings, whether vaccinated or not. The Department of Industrial Relations also strongly recommends, but does not require, the use of face coverings by all visitors.

BROADCAST OF THE MEETING. Members of the public may watch the meeting live via computer or smart device by going to the District's website: www.vwd.org/meetings and clicking on the "Watch Live" icon; however, they will not be able to participate in the meeting remotely.

LISTEN TO THE MEETING. Members of the public may listen to the meeting live on their phone by dialing (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.

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 JUNE 1, 2022

PUBLIC COMMENT

Persons wishing to address a matter not on the Agenda may be heard at this time; however, no action will be taken until the matter is placed on a future agenda in accordance with Board policy. Public comments are limited to three minutes. A Request to Speak form is required to be submitted to the Executive Assistant prior to the start of the meeting, if possible. Public comment should start by stating name, address and topic. The Board is not permitted during this time to enter into a dialogue with the speaker.

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 APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022/2023 (pp. 5-7)

Article XIII B of the California Constitution (Proposition 4) requires the District to establish an appropriations limit on proceeds from taxes each fiscal year.

Recommendation: Adopt Resolution

1.2 APPROVAL OF CONSTRUCTION AGREEMENT FOR CAMPUS POINTE STORM DRAIN AND SEWER IMPROVEMENTS (CARMEL ENTERPRISE, LLC BY NOBEL CANYON, LLC) (pp. 8-25)

The project is located with frontage on Carmel Street and Enterprise Street, east of Industrial Avenue and west of La Moree Road.

Recommendation: Approve Construction Agreement

1.3 ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTIES DESIGNATED AS MOSQUEDA RESIDENCE INTO THE SEWER IMPROVEMENT DISTRICT (MOSQUEDA RESIDENCE) (pp. 26-31)

The property address is 3242 Linda Vista Drive in San Marcos, located north of Hillhaven Drive and east of Poinsettia Avenue.

Recommendation: Adopt the Resolution

1.4 CONSUMER CONFIDENCE REPORT (pp. 32-39)

The 2021 Water Quality Report is provided to customers in the Vallecitos Water District.

Recommendation: Approve the 2021 Water Quality Report

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

ACTION ITEM(S)

- 2.1 VALLECITOS WATER DISTRICT RECOMMENDED FISCAL YEAR 2022/2023 BUDGET (pp. 40-185)

The recommended Fiscal Year 2022/2023 budget is presented for consideration and adoption.

Recommendation: Approve the Recommended FY 2022/2023 Budget

- 2.2 RESOLUTION DECLARING INTENT TO REIMBURSE CERTAIN EXPENDITURES WITH ONE OR MORE ISSUANCES OF TAX-EXEMPT OBLIGATIONS (pp. 186-189)

An inducement resolution allows for reimbursement of certain expenditures for project costs from proceeds of a future bond issuance.

Recommendation: Adopt the Resolution

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

REPORTS

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

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

OTHER BUSINESS

- 4.1 MEETINGS

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

5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

6.1 ADJOURNMENT

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

If you have any disability which would require accommodation in order to enable you to participate in this meeting, please call the Executive Assistant at 760.744.0460 ext. 261 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 4:30 p.m., Friday, May 20, 2022.

Ann Johnson

DATE: JUNE 1, 2022
TO: BOARD OF DIRECTORS
SUBJECT: APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022/2023

BACKGROUND:

Article XIII B of the California Constitution (Proposition 4) requires the District to establish an appropriations limit on proceeds from taxes each fiscal year, whether or not the amount is assessed. The limit may increase annually by a factor comprised of the change in population and a change in the U.S. Consumer Price Index (March to March). The proposed 2022/2023 limit in the amount of \$1,009,281 was calculated by using these factors.

DISCUSSION:

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

Article XIII B also requires the documentation used to determine the appropriations limit be available to the public at least 15 days prior to the adoption of the resolution. The supporting documentation was posted in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California on May 12, 2022, therefore the requirement has been fulfilled.

RECOMMENDATION:

Staff recommends adoption of the resolution.

ATTACHMENT:

Resolution

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT ESTABLISHING
APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2022-2023**

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

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

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

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

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

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

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

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

SECTION 1: The foregoing facts are true and correct.

SECTION 2: Pursuant to Article XIII B and Section 7910 of the Government Code, the appropriations limit for Vallecitos Water District for the 2022-2023 Fiscal Year is established as \$1,009,281.

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 1st day of June, 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

DATE: JUNE 1, 2022
TO: BOARD OF DIRECTORS
**SUBJECT: APPROVAL OF CONSTRUCTION AGREEMENT FOR CAMPUS
POINTE STORM DRAIN AND SEWER IMPROVEMENTS (CARMEL
ENTERPRISE, LLC BY NOBEL CANYON, LLC)**

BACKGROUND:

Carmel Enterprise, LLC., owner of the project, has completed the plan check process with the District. The project is located with frontage on Carmel Street and Enterprise Street, east of Industrial Avenue and west of La Moree Road.

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.

The project will replace approximately 44 feet of existing 8-inch diameter vitrified clay pipe (VCP) with polyvinyl chloride (PVC) sewer main to accommodate the proposed storm drain improvements.

All engineering fees and inspection deposits have been paid prior to Board approval of the Construction Agreement. Water and wastewater capital facility will be determined when a development project is submitted for this parcel.

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	\$16,675.00
Faithful Performance	\$16,675.00

FISCAL IMPACT:

There are no operational fiscal impacts associated with the recommended actions. Capacity fees will be determined when the development project is submitted.

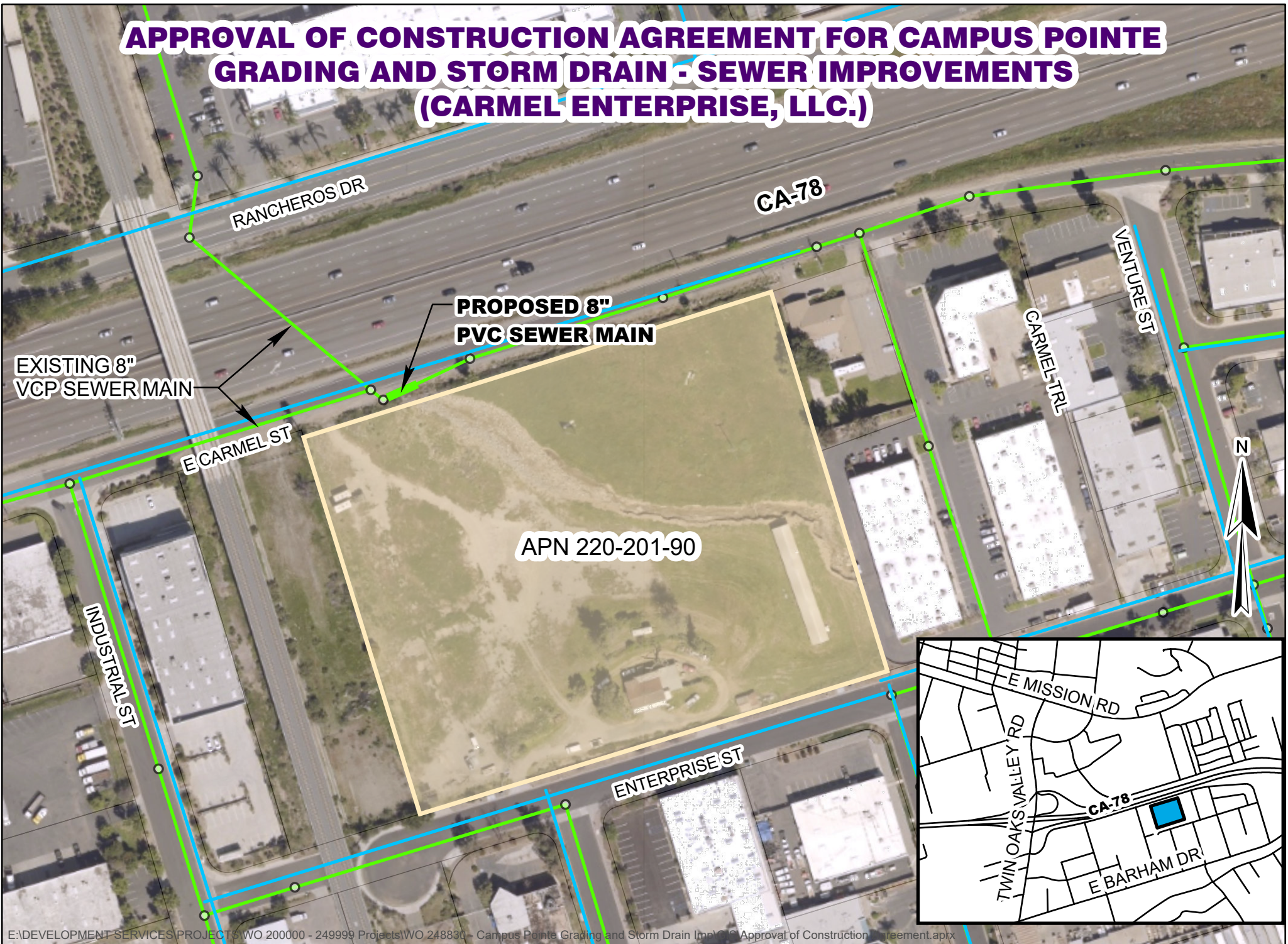
RECOMMENDATION:

Approve the Construction Agreement for Campus Pointe Storm Drain and Sewer Improvements.

ATTACHMENTS:

1 Map Exhibit – 1 Aerial Map
Construction Agreement

APPROVAL OF CONSTRUCTION AGREEMENT FOR CAMPUS POINTE GRADING AND STORM DRAIN - SEWER IMPROVEMENTS (CARMEL ENTERPRISE, LLC.)



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

THIS AGREEMENT is entered into on this 1st day of June, 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 CARMEL ENTERPRISES, LLC. BY NOBEL CANYON, LLC. ("DEVELOPER"), a California LIMITED LIABILITY COMPANY.

RECITALS

A. DEVELOPER desires to improve certain real property which lies within the boundaries of the DISTRICT consisting of approximately 6.26 acres commonly described as Tax Assessor's Parcel Nos. 220-201-90 ("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 PASCO LARET SUITER & ASSOCIATES and are identified as CAMPUS POINTE (CARMEL ST. & ENTERPRISE ST.) VWD WO# 248830. 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 _____, 20___. 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 \$ 16,675.00. 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 \$ 14,536.00 to cover all DISTRICT fees and costs associated with the FACILITIES. When this deposit has been drawn down to \$ 2,500.00, 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

DEVELOPER:

CARMEL ENTERPRISE, LLC. BY
NOBLE CANYON, LLC.
5550 CARMEL MOUNTAIN RD. 204
SAN DIEGO, CA 92130

- 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>GARY LEVITT</u>	
Title: <u>MANAGER</u>	
Company: <u>CARMEL ENTERPRISES LLC. BY NOBEL CANYON LLC.</u>	
Signature*: _____ 	Dated: <u>5/18/22</u>

*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.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On 5/18/2020 before me, Ciomara Galeano, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Gary Levitt
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

DATE: JUNE 1, 2022
TO: BOARD OF DIRECTORS
SUBJECT: ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTIES DESIGNATED AS MOSQUEDA RESIDENCE INTO THE SEWER IMPROVEMENT DISTRICT (MOSQUEDA RESIDENCE)

BACKGROUND:

Conditions for annexation of the Mosqueda residence into the District's sewer service boundary were approved at the December 1, 2021, Board of Director's meeting. The property address is 3242 Linda Vista Drive, in San Marcos, located north of Hillhaven Drive and east of Poinsettia Avenue. The 0.69-acre property is currently within the District's water service boundary.

DISCUSSION:

Existing sewer facilities are located in Linda Vista Drive, approximately 500 feet east of 3542 Linda Vista Drive. The owner will extend sewer facilities approximately 500 feet east along Linda Vista Drive to the front of his property to serve one single family home. The proposed work shall be made by a licensed underground contractor and inspected and approved by the District.

Since this is a sewer only annexation, the process is internal to the District. LAFCO or other approvals are not required, and the owner has met all the Board approved conditions to final the Annexation.

FISCAL IMPACT:

Sewer annexation fees of \$7,076.64 (\$10,256.00 per acre x 0.69 acres) have been collected in accordance with Ordinance No. 200.

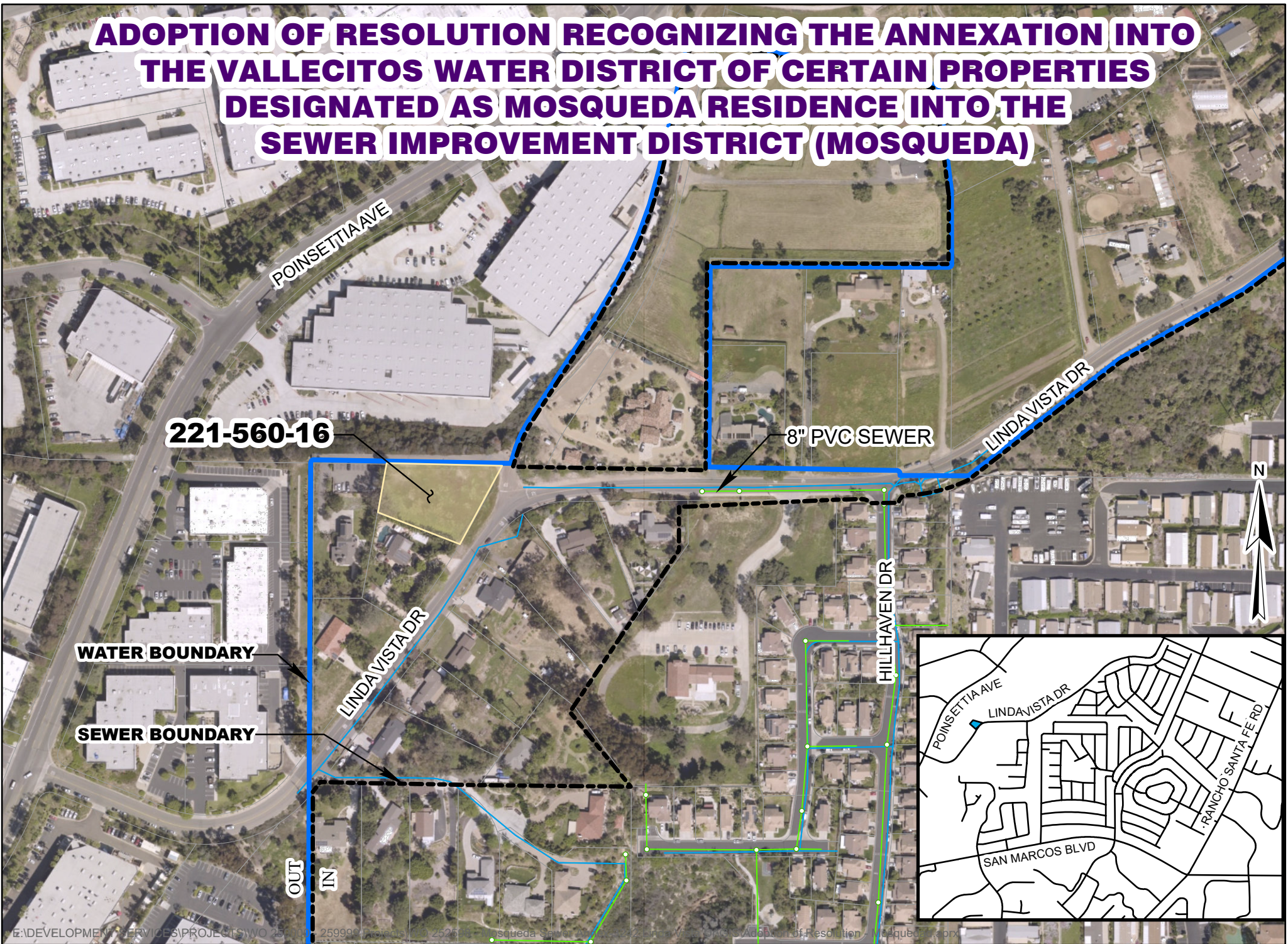
RECOMMENDATION:

Adopt the Resolution recognizing the annexation of 3242 Linda Vista Drive into the Vallecitos Water District and ordering the annexation of 0.69-acres into Sewer Improvement District.

ATTACHMENTS:

Aerial Map
Resolution

ADOPTION OF RESOLUTION RECOGNIZING THE ANNEXATION INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTIES DESIGNATED AS MOSQUEDA RESIDENCE INTO THE SEWER IMPROVEMENT DISTRICT (MOSQUEDA)



RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT ORDERING THE ANNEXATION
INTO THE VALLECITOS WATER DISTRICT OF CERTAIN PROPERTY DESIGNATED AS
THE "MOSQUEDA RESIDENCE" APN 221-560-16**

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

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

Section 1.1: That the Vallecitos Water District owns, operates, and maintains a sewage disposal system under and by virtue of Improvement Districts 1, 2, & 6 of the Vallecitos Water District.

Section 1.2: That the owners of the land described in this resolution have given their written consent to the annexation of said lands to the Improvement Districts hereinafter designated and have, in writing, requested the annexation of said lands to said Improvement Districts.

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

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

Section 1.5: The inclusion of said land within said Improvement Districts 1, 2, & 6 will be for the best interest of the land, and the owners thereof consent to the inclusion of said land in the designated Improvement Districts of the Vallecitos Water District.

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

Section 1.7: That the land herein described is within the boundaries of the Vallecitos Water District and said lands are not a part of an Improvement Districts 1, 2, & 6 constituted for a purpose similar to the purpose of Improvement Districts of the Vallecitos Water District.

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

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

SECTION 3: The condition of said annexation of the Vallecitos Water District are as follows:

Section 3.1: Payment by petitioners of the sum of \$10,256.00 per acre or fraction thereof for annexation of the territory into Improvement Districts 1, 2, & 6 (together, not individually) for the use or right of use of the existing property in the Improvement Districts.

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

Section 3.3: The lands annexed to an Improvement District shall be subject to existing bond issues and indebtedness of the Improvement Districts 1, 2, & 6 from and after the filing with the San Diego County Assessor of a certified copy of this resolution as set forth in Section 32553 of the Water code of the State of California.

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

PASSED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on this 1st day of June, 2022, by the following roll call vote:

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

Craig Elitharp, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruim, Secretary
Board of Directors
Vallecitos Water District

EXHIBIT "A"

ANNEXATION TO VALLECITOS WATER DISTRICT

WATER AND SEWER SERVICE AREAS

GEOGRAPHIC DESCRIPTION

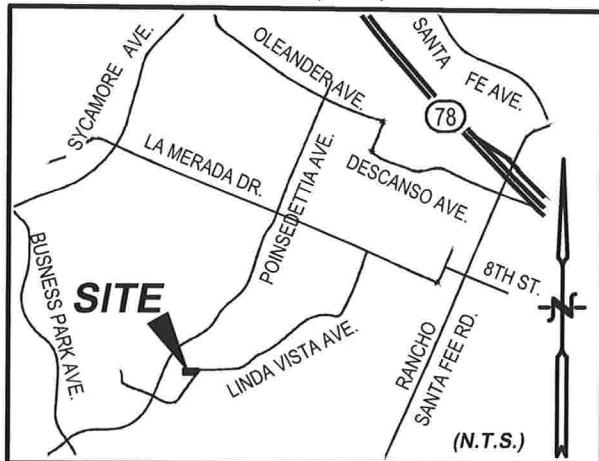
THE LAND REFERED TO HERE IN IS SITUATED IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND DESCRIBED AS FALLOWS;

PARCEL 2 AS SHOWN ON A PARCEL MAP 3572 AS FILED IN BOOK OF PARCEL MAPS AT PAGE 3572 IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY ON FEBRUARY 27, 1975 AS FILE NUMBER 75-045438 OF OFFICIAL RECORDS.

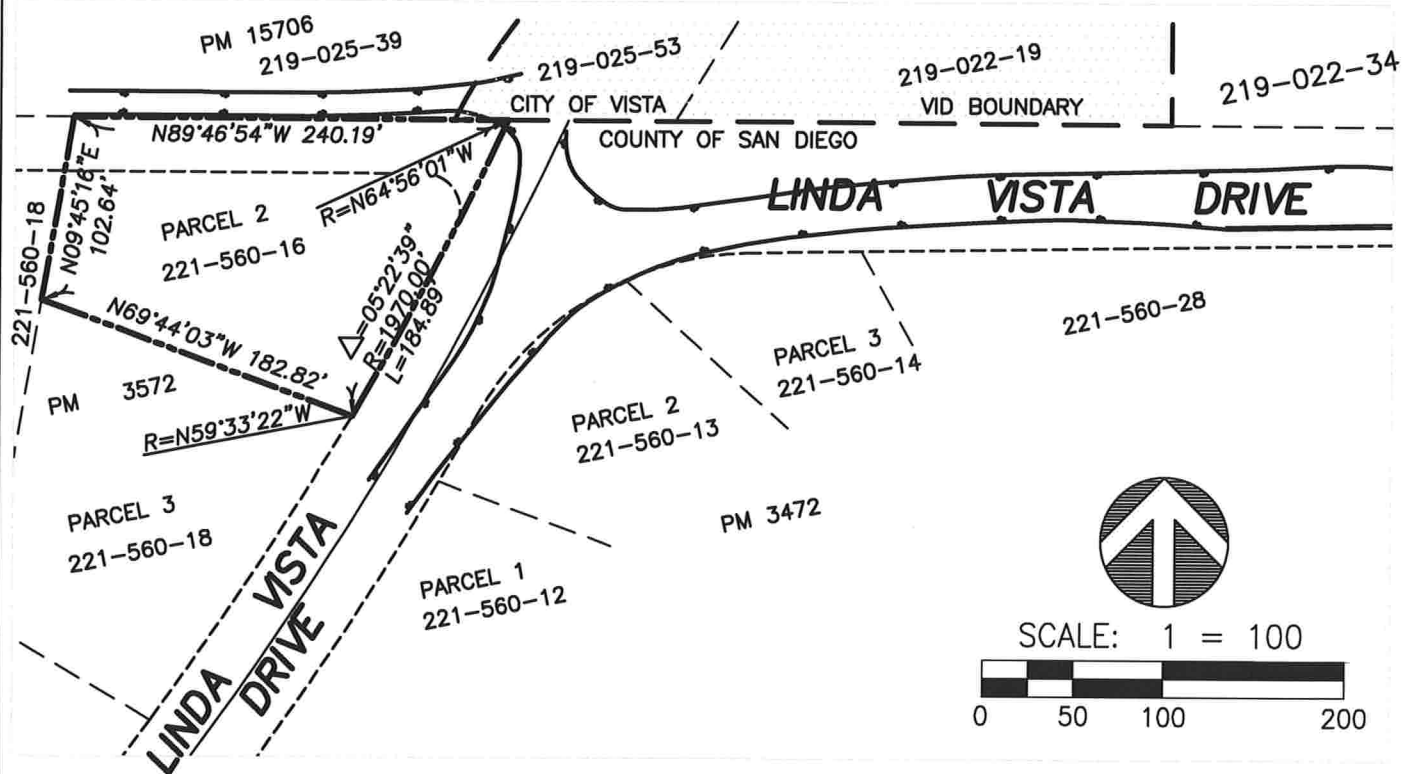
APN: 221-560-16-00

EXHIBIT "B"

VACINITY MAP (N.T.S.)



LEGEND	
DISCRIPTION	LINE TYPE / HATCH
INDICATE ROW LINE	-----
INDICATE SUBJECT PROPERTY LINE	—————
INDICATE PROPERTY LINE	- - - - -
INDICATE EDGE OF PAVEMENT	===== =====
INDICATE VID BOUNDARY	-----

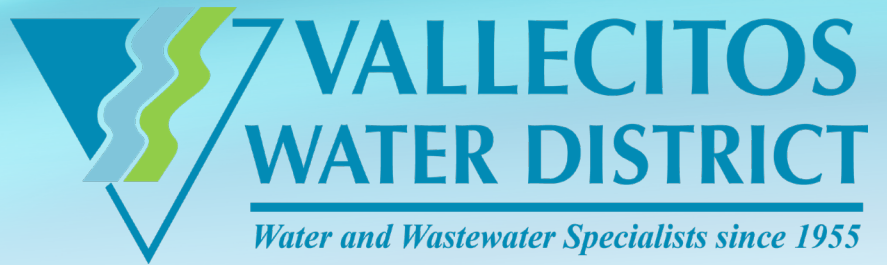


DISCLAIMER:
 "FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS BASIS FOR AN OFFER FOR SALE OF LAND DESCRIBED."

VALLECITOS WATER DISTRICT

DATE: 04-08-2022	VWD WATER AND SEWER ANNEXATION BEING A PORTION OF	DRAWN BY: JRL
SCALE: 1 = 100		DOC.NO.
A.P.N. 221-560-16		V.W.D. CHK. AL

Item 1.3



WATER QUALITY REPORT



2021

2021 Water Quality Report

For more than 65 years, the Vallecitos Water District (Vallecitos) has taken pride in the water it delivers to its now more than 105,000 residents. As a result of its commitment to excellence, Vallecitos is proud to provide the 2021 water quality test results for drinking water delivered to its customers.

After more than 150 types of tests conducted by its wholesalers – Metropolitan Water District of Southern California (MWD) and San Diego County Water Authority (SDCWA) – and additional tests performed by the City of Oceanside, Olivenhain Municipal Water District (OMWD) and Vallecitos, it has been concluded that your water either met or exceeded

all state and federal potable drinking water standards. Along with these tests, your drinking water went through a treatment process that included filtering and disinfecting to ensure acceptable quality. Results of our own testing, along with the City of Oceanside's, OMWD's and our wholesalers' monitoring are found in the tables of this report.

This publication is a summary of last year's water quality. Included are details about where your water comes from, what it contains, and how it compares to state and federal standards.

Origins of Your Drinking Water

As of 2014, Vallecitos customers received 100 percent imported water from SDCWA, which purchased the water from MWD from Northern California and the Colorado River. In November of 2015, to reduce dependence on imported water and provide customers an increased level of reliability despite drought and other regulatory issues, Vallecitos customers began receiving ocean water from the Western Hemisphere's largest desalination treatment plant. The Carlsbad Claude "Bud" Lewis Desalination Plant provides superior quality water free of salt and

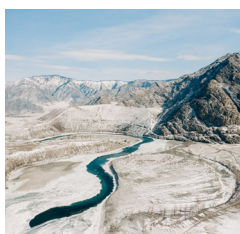
virtually any mineral, biological or organic compounds by taking water from Carlsbad's Agua Hedionda Lagoon, processing it, and then distributing it through a 54-inch pipeline 10 miles eastward before being delivered to your faucet. In 2015, Vallecitos began receiving a blend of desalinated and imported water from SDCWA. However, in 2016, Vallecitos began receiving water directly from the plant.

Whether imported or local, your water remains safe during its journey due to increased security at key facilities, increased water sampling, and aerial and ground patrols. Protecting your water doesn't end with the thousands of tests performed throughout the year. Vallecitos also supports regulatory changes in public policy to improve water quality.

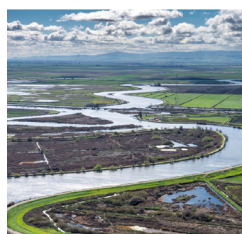
The end result is more than 5 billion gallons of an exceptional product delivered annually through 19 operational storage reservoirs and 350 miles of pipeline to a 45-square-mile area that includes San Marcos; Lake San Marcos; portions of Escondido, Carlsbad, and Vista; and unincorporated areas in San Diego County.



*Claude
"Bud" Lewis
Desalination Plant
in Carlsbad*



*Colorado River
via the 242-mile
Colorado River
Aqueduct*



*Sacramento-San
Joaquin Delta via
the 444-mile
CA Aqueduct*

The Water We Drink

The U.S. Congress has directed the U.S. Environmental Protection Agency (USEPA) to require water systems to report the quality of the drinking water they serve annually. Vallecitos supports this regulation and has provided Water Quality Reports and other water quality data to all of its customers for many years.

The Reason for Contaminants

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the USEPA's Safe Drinking Water Hotline at (800) 426-4791.



certain contaminants in water provided by public water systems. Vallecitos and its water wholesalers treat the water according to these regulations.

The sources of drinking water (both bottled and tap water) include rivers, lakes, streams, reservoirs, ponds, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or human activity.

In order to ensure that tap water is safe to drink, the USEPA and the State Water Resources Control Board prescribe regulations that limit the amount of

Contaminants possibly present in source water before treatment include:

- **Microbial contaminants**, such as viruses and bacteria, that may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.
- **Inorganic contaminants**, such as salts and metals, that can be naturally-occurring or result from urban stormwater runoff, industrial or domestic wastewater discharges, oil and gas production, mining, or farming.
- **Pesticides and herbicides**, which may come from a variety of sources, such as agriculture, urban stormwater runoff, and residential uses.
- **Organic chemical contaminants**, including synthetic and volatile organic compounds that are by-products of industrial processes and petroleum production and can come from gas stations, urban stormwater runoff, agricultural application and septic systems.
- **Radioactive contaminants**, which can be naturally-occurring or the result of oil and gas production and mining activities.



Health Advisories Regarding Your Water

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons, such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, persons with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. USEPA/Center for Disease Control guidelines on the appropriate means to lessen the risk of infection by *Cryptosporidium* or other microbial contaminants are available from the **Safe Drinking Water Hotline (800) 426-4791**.

The tables below list all the drinking water contaminants tested for during the 2021 calendar year. Thousands of water quality tests were performed on your drinking water last year. Many more parameters were tested for and not found. The results in this report show that your water met, and in most cases exceeded, all of the stringent state (State Water Resources Control Board) and federal (U.S. Environmental Protection Agency) water quality standards relating to public health and aesthetics, such as taste, odor and color. Unless otherwise noted, the data in the following tables reflect testing from January 1, 2021, through December 31, 2021. The monitoring of certain contaminants is not required annually since they are not expected to vary significantly from year to year. Therefore, though representative of the water quality, some of the data may be more than one year old.

Summary of Vallecitos Water District's 2021 Water Quality Analysis

Parameter	Units	State or Federal MCL [MRDL]	PHG (MCLG) [MRDLG]	Range Average	Treatment Plant Effluents					Major Sources in Drinking Water
					Twin Oaks Treatment Plant	Skinner Treatment Plant	Weese Treatment Plant	Carlsbad Desalination Plant	Olivenhain Treatment Plant	
Percent State Project Water	%	NA	NA	Range Average	NR	0 - 55 6	NR	NA	0 - 49 7	NA
PRIMARY STANDARDS - Mandatory Health-Related Standards - Data provided by the San Diego County Water Authority (Twin Oaks Treatment Plant), the Metropolitan Water District (Skinner Treatment Plant), the City of Oceanside (Weese Treatment Plant), San Diego County Water Authority (Claude "Bud" Lewis Carlsbad Desalination Plant), and the Olivenhain Municipal Water District (David C. McCollom Water Treatment Plant).										
CLARITY										
Combined Filter Effluent Turbidity	NTU %	0.3 95 (a)	NA	Average % ≤ 0.1	0.03 100%	0.09 100%	0.14 100%	0.09 100%	0.018 NR	Soil runoff
MICROBIOLOGICAL										
Total Coliform Bacteria (b)	%	5.0	(0)	Range Average	ND	NA	ND	0	ND	Naturally present in the environment
E. coli (c)	(c)	(c)	(0)	Range Average	ND	NA	ND	0	ND	Human and animal fecal waste
Heterotrophic Plate (d)	CFU/mL	TT	NA	Range Average	NR	ND	NR	NA	NR	Naturally present in the environment
INORGANIC CHEMICALS										
Arsenic	ppb	10	0.004	Single Sample	2.1	ND	NA 1.1	ND	2.8	Natural deposits erosion; runoff from orchards; glass and electronics production wastes
Barium	ppm	1	2	Range Average	ND	ND	NA 0.08	ND	0.11	Oil and metal refineries discharges; natural deposits erosion
Fluoride Treatment-Related (e)	ppm	2.0	1	Optimal Fluoride Control Range		0.6 - 1.2	NA	NA	NA	Erosion of natural deposits; water additive for dental health; discharge from fertilizer and aluminum factories
				Range Average	0.6 - 0.7 0.6	0.6 - 0.9 0.7	Not Added	ND - 0.799 0.649	0.31 - 0.94 0.68	
Nitrate (as N) (f)	ppm	10	10	Range Average	ND - 0.5 ND	ND	ND - 0.28 0.19	ND	NR	Runoff and leaching from fertilizer use; sewage; natural deposits erosion
RADIOLOGICALS										
Gross Alpha Particle Activity	pCi/L	15	(0)	Range Average	ND - 4 ND	ND - 3 ND	ND	ND	4.7	Erosion of natural deposits
Gross Beta Particle Activity (g)	pCi/L	50	(0)	Range Average	4.9 - 5.1 5	ND - 7 4	NA NA	ND	NR	Decay of natural and man-made deposits
Uranium	pCi/L	20	0.43	Range Average	2.3 - 3 2.6	ND - 2 2	NA 1.10	ND	2.3	Erosion of natural deposits
DISINFECTION BY-PRODUCTS PRECURSORS										
Bromate (h)	ppb	10	0.1	Range Average	ND - 6 2	ND - 2.5 1	NR	NA	NR	By-product of drinking water ozonation
DBP Precursors Control (TOC)	ppm	TT	NA	Range Average	2.30 - 2.70 2.50	2.2 - 2.7 2.5	NR	NA	NR	Various natural and man-made sources

This analysis report lists only the detected parameters which are required by law to be published. However, more than 150 parameters were monitored. If you would like a copy of the full reports, including the non-detected contaminants, call the District's Public Information Office at (760) 744-0460 or the reports can be viewed on our website at www.vwd.org.

Source Water Information

For information regarding the Source Water Assessment, the following contacts are provided:

For information on the Lake Skinner source water and a source water assessment, please contact Mic Stewart with MWD at (213) 217-5696 or mstewart@mwdh2o.com.

For information on SDCWA's water treatment plants, including the Twin Oaks Valley Water Treatment Plant or the Claude "Bud" Lewis Carlsbad Desalination Plant, please contact Chris Castaing with SDCWA at (760) 233-3279 or ccastaing@sdcwa.org, or visit SDCWA's website at www.sdcwa.org/water-quality.

For more information on OMWD's DCMWTP or distribution system, please contact OMWD's Operations Manager at (760) 753-6466 or waterquality@olivenhain.com.

For more information on Oceanside's Weese Treatment plant, please contact Oceanside's Chief Plant Operator, Tim Bailey at (760) 908-6545 or sterlingbailey33@gmail.com. An additional Oceanside contact is William Reedy, Water Treatment Supervisor at (760) 801-0474 or wreedy@oceansideca.org.

Summary of Vallecitos Water District's 2021 Water Quality Analysis - Continued

Parameter	Units	State or Federal MCL [MRDL]	PHG (MCLG) [MRDLG]	Range Average	Treatment Plant Effluents					Major Sources in Drinking Water
					Twin Oaks Treatment Plant	Skinner Treatment Plant	Weese Treatment Plant	Carlsbad Desalination Plant	Olivenhain Treatment Plant	
SECONDARY STANDARDS - Aesthetic Standards - Data provided by the San Diego County Water Authority, Metropolitan Water District, Olivenhain Municipal Water District, and the City of Oceanside.										
Aluminum (i)	ppb	200	600	Range Average	ND - 58 ND	ND - 200 119	5.3 - 150 90	ND	NR	Residue from water treatment process; natural deposits erosion
Chloride	ppm	500	NA	Range Average	Single/Sample 99	92 - 97 94	82 - 100 90	54 - 96 73	NR	Runoff/leaching from natural deposits; seawater influence
Color	Units	15	NA	Range Average	ND	1	ND - 5 ND	ND	NR	Naturally occurring organic materials
Manganese	ppb	50	NL = 500	Range Average	ND	ND	NA	ND	NR	Leaching from natural deposits
Odor Threshold (j)	TON	3	NA	Range Average	ND	2	ND	ND	NR	Naturally occurring organic materials
Silver	ppb	100	NA	Range Average	ND	ND	NR	ND	NR	Industrial discharges
Specific Conductance	µS/cm	1,600	NA	Range Average	Single/Sample 940	918 - 956 937	NR	301.4 - 494.9 406.44	NR	Substances that form ions in water; seawater influence
Sulfate	ppm	500	NA	Range Average	Single/Sample 220	197 - 221 209	130 - 250 201	10.0 - 14.0 12.3	NR	Runoff/leaching from natural deposits; industrial wastes
Total Dissolved Solids (TDS)	ppm	1,000	NA	Range Average	Single/Sample 610	557 - 604 580	NA 546	140 - 278 209	NR	Runoff/leaching from natural deposits
Turbidity (a)	NTU	5	NA	Range Average	ND	ND	0.10 - 2.8 0.14	ND - 0.82 0.11	NR	Soil runoff

ABBREVIATIONS AND DEFINITIONS

<p>A - Absent</p> <p>CFU/mL - Colony-Forming Units per milliliter</p> <p>DBP - Disinfection By-Products</p> <p>MCL - Maximum Contaminant Level - The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste and appearance of drinking water.</p> <p>MCLG - Maximum Contaminant Level Goal - The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.</p> <p>MPN - Most Probable Number</p> <p>MRDL - Maximum Residual Disinfectant Level - The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.</p> <p>MRDLG - Maximum Residual Disinfectant Level Goal - The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.</p> <p>N - Nitrogen</p> <p>NA - Not Applicable</p>	<p>NRA - No Running Average - Single Sample Collected</p> <p>NR - Not Reported</p> <p>ND - Not Detected</p> <p>NTU - Nephelometric Turbidity Units</p> <p>NL - Notification Level - The level at which notification of the public water system's governing body is required.</p> <p>pCi/L - picoCuries per liter</p> <p>PHG - Public Health Goal - The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.</p> <p>ppb - parts per billion or micrograms per liter (µg/L)</p> <p>ppm - parts per million or milligrams per liter (mg/L)</p> <p>RAA - Running Annual Average</p> <p>SI - Saturation Index (Langelier)</p> <p>TOC - Total Organic Carbon</p> <p>TT - Treatment Technique - A required process intended to reduce the level of a contaminant in drinking water.</p> <p>µS/cm - microSiemen per centimeter; also equivalent to µmho/cm (micromho per centimeter)</p> <p>Primary Standards - (Primary Drinking Water Standards) - MCLs and MRDLs are set to provide the maximum feasible protection to public health. They regulate contaminant levels based on toxicity and adverse health affects.</p> <p>Secondary Standards - (Secondary Drinking Water Standards) - Requirements that ensure appearance, taste and smell of drinking water are acceptable.</p>
---	--

FOOTNOTES

- (a) - The turbidity level of the filtered water shall be less than or equal to 0.3 NTU (0.1 NTU at Twin Oaks Treatment Plant) in 95% of the measurements taken each month and shall not exceed 1 NTU at anytime. The less than or equal to 0.3 NTU in 95% measurement values are Treatment Technique requirements. Turbidity is a measure of the cloudiness of the water and is an indicator of treatment performance.
- (b) - Total coliform MCLs: No more than 5.0% of the monthly samples may be total coliform-positive. Compliance is based on the combined distribution system sampling from all the treatment plants. The MCL was not violated.
- (c) - *E. coli* MCLs: The occurrence of 2 consecutive total coliform-positive samples, one of which contains fecal coliform/*E. coli* constitutes an acute MCL violation. The MCL was not violated.
- (d) - All distribution samples collected had detectable total chlorine residuals and no HPC was required. HPC reporting level is 1 CFU/mL.
- (e) - MWD, SDCWA, and OMWD were in compliance with all provisions of the State's Fluoridation System Requirements.
- (f) - State MCL is 45 mg/L as nitrate, which equals 10 mg/L as nitrogen.
- (g) - SWRCB considers 50 pCi/L to be the level of concern for beta particles; the gross beta particle activity MCL is 4 millirem/year annual dose equivalent to the total body or any internal organ.
- (h) - Reporting level is 3.0 ppb for Bromate.
- (i) - Aluminum and copper both have primary and secondary standards.
- (j) - Metropolitan utilizes a flavor-profile analysis method that can detect odor occurrences more accurately. Call MWD at (213) 217-6850 for more information.

Summary of Vallecitos Water District's 2021 Water Quality Analysis - Continued

Other Detected Constituents That May be of Interest to Consumers

Parameter	Units	State or Federal MCL [MRDL]	PHG (MCLG) [MRDLG]	Range Average	Treatment Plant Effluents					Major Sources In Drinking Water
					Twin Oaks Treatment Plant	Skinner Treatment Plant	Weese Treatment Plant	Carlsbad Treatment Plant	Olivenhain Treatment Plant	
Alkalinity	ppm	NA	NA	Range	Single/Sample	121 - 123	100 - 136	46 - 92	NR	Runoff/leaching of natural deposits; carbonate, bicarbonate, hydroxide, and occasionally borate, silicate, and phosphate
				Average	120	122	125	63		
Boron	ppb	NL = 1,000	NA	Range	Single/Sample	140	NA	400 - 810	NR	Runoff/leaching from natural deposits; industrial wastes; naturally occurring in ocean water
				Average	120			590		
Calcium	ppm	NA	NA	Range	Single/Sample	62 - 64	46 - 76	16.72 - 34.92	NR	Runoff/leaching from natural deposits
				Average	67	63	67	20.63		
Chlorate	ppb	NL = 800	NA	Range	Single/Sample	160 - 370	49	NR	NR	By-product of drinking water chlorination; industrial processes
				Average	258					
Chromium VI (a)	ppb	NA	0.02	Range	Single/Sample	ND - 0.22	ND	NR	NR	Industrial waste discharge; could be naturally present as well
				Average	0.06					
Corrosivity (b) (Aggressiveness Index)	Al	NA	NA	Range	Single/Sample	12.4	NR	10.3 - 10.89	NR	Elemental balance in water; affected by temperature, other factors
				Average	13			10.54		
Corrosivity (c) (Saturation Index)	SI	NA	NA	Range	Single/Sample	0.61 - 0.62	NR	0.04 - 0.49	NR	Elemental balance in water; affected by temperature, other factors
				Average	0.74	0.62	0.24			
Hardness	ppm	NA	NA	Range	Single/Sample	264 - 273	190 - 310	41.8 - 87.3	NR	The sum of naturally occurring poly-valent cations present in the water
				Average	270	268	266	51.56		
Magnesium	ppm	NA	NA	Range	Single/Sample	23 - 25	18 - 29	0.86 - 1.2	NR	Runoff/leaching from natural deposits
				Average	24	24	24	1.06		
N-Nitrosodimethylamine (NDMA)	ppt	NL = 10	3	Range	Single/Sample	ND	NR	NA	NR	By-product of drinking water chloramination; industrial processes
				Average	ND					
pH	pH Units	NA	NA	Range	Single/Sample	8.1 - 8.2	8.1 - 8.2	7.9 - 8.5	NR	NA
				Average	8.2	8.1	8.1	8.51		
Potassium	ppm	NA	NA	Range	Single/Sample	4.3 - 4.7	NR	0.00 - 61.44	NR	Salt present in the water; naturally-occurring
				Average	4.6	4.5	10.95			
Sodium	ppm	NA	NA	Range	Single/Sample	92 - 95	NA	53 - 67	NR	The salt present in the water, generally naturally occurring
				Average	93	94	93	59		

ABBREVIATIONS, DEFINITIONS AND FOOTNOTES

Abbreviations and Definitions - (Please refer to main table for other abbreviations and definitions)

- NR** - Not Reported
- NL** - Notification Level - The level at which notification of the public water system's governing body is required.
- ppt** - parts per trillion or nanograms per liter (ng/L).
- NRA** - No Running Average - Single Sample Collected

Footnotes:

- (a) - Reporting level is 0.03 ppb for Chromium VI.
- (b) - Al <10.0 = Highly aggressive and very corrosive water
Al ≥ 12.0 = Non-aggressive water
Al (10.0 - 11.9) = Moderately aggressive water
- (c) - Positive SI index = non-corrosive; tendency to precipitate and/or deposit scale on pipes
Negative SI index = corrosive; tendency to dissolve calcium carbonate

Summary of Vallecitos Water District's 2021 Water Quality Analysis - Continued

Parameter	Units	State or Federal MCL [MRDL]	PHG (MCLG) [MRDLG]	Range Average	Within VWD's System	Major Sources in Drinking Water
Summary of Water Quality Tests Within VWD's Distribution System - Data Provided by Vallecitos Water District						
Total Coliform Bacteria (a)	%	5.0 (a)	(0)	Range	ND	Naturally present in the environment
				Average		
Fecal Coliform & E. coli (b)	(b)	(b)	(0)	Range	ND	Human and animal fecal waste
				Average		
Total Trihalomethanes (TTHM) (c)	ppb	80	NA	Range	ND - 31	By-product of drinking water chlorination
				Highest LRAA	36.0	
Haloacetic Acids (five) (HAA5) (d)	ppb	60	NA	Range	ND - 9.8	By-product of drinking water chlorination
				Highest LRAA	9.0	
Total Chlorine Residual (e)	ppm	[4.0]	[4.0]	Range	0.2 - 3.4	Drinking water disinfectant added for treatment
				Highest RAA	2.10	
General Physical Sampling (f)	(f)	(f)	(f)	Secondary Standards (aesthetics) testing required by SWRCB within VWD's Distribution System		
MONITORED AT CUSTOMERS' TAP						
Copper (g)	ppm	AL = 1.3	0.3	90th Percentile	0.190	House pipes internal corrosion; erosion of natural deposits; leaching from wood preservatives
Lead (g)	ppb	AL = 15	0.2	90th Percentile	ND	House pipes internal corrosion; erosion of natural deposits; discharges from industrial manufacturers

ABBREVIATIONS AND DEFINITIONS

- AL** - Action Level
- HAA5** - Haloacetic Acids (five)
- MCL** - Maximum Contaminant Level - The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste and appearance of drinking water.
- MCLG** - Maximum Contaminant Level Goal - The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U.S. Environmental Protection Agency.
- MRDL** - Maximum Residual Disinfectant Level - The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
- MRDLG** - Maximum Residual Disinfectant Level Goal - The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
- NL** - Notification Level
- PHG** - Public Health Goal - The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.
- ppb** - parts per billion or micrograms per liter (µg/L)
- ppm** - parts per million or milligrams per liter (mg/L)
- TTHM** - Total Trihalomethanes
- RAA** - Running Annual Average
- LRAA** - Locational Running Annual Average; highest LRAA is the highest of all Locational Running Annual Averages. Calculated as average of all samples collected within a 12-month period.

FOOTNOTES

- (a) - The District tested more samples than required by the SWRCB. 1,423 samples were analyzed in 2021 and all samples tested negative for Total Coliform bacteria. The District was in compliance with the Total Coliform MCL for 2021.
- (b) - The District tested more samples than required by the SWRCB. 1,423 samples were analyzed in 2021 and all samples tested negative for Fecal/E. coli bacteria. The District was in compliance with the Fecal/E. coli MCL for 2021.
- (c) - The MCL for Total Trihalomethanes (TTHM) is determined by using a Locational Running Annual Average (LRAA) of the last four quarterly tests. The District was in compliance with the regulations concerning Total Trihalomethanes (TTHM) for 2021.
- (d) - The MCL for Haloacetic Acids (HAA5) is determined by using a Locational Running Annual Average (LRAA) of the last four quarterly tests. The District was in compliance with the regulations concerning Haloacetic Acids (HAA5) for 2021.
- (e) - Total chlorine is the sum of free and combined chlorine. Free chlorine is defined as the concentration of residual chlorine in water present as dissolved gas (Cl₂), hypochlorous acid (HOCl), and/or hypochlorite ion (OCl⁻). Combined chlorine is defined as the residual chlorine existing in water in chemical combination with ammonia or organic amines which can be found in natural or polluted waters. Ammonia is sometimes deliberately added to chlorinated public water supplies to provide inorganic chloramines. This process is generally referred to as "chloramination". The water provided to you has had inorganic chloramines added as a disinfectant.
- (f) - These samples were tested for turbidity, odor, and color. The District was in compliance with the Secondary Standards for these tests in 2021.
- (g) - The federal and state standards for Lead and Copper are treatment techniques requiring agencies to optimize corrosion control treatment. The District is required to take 50 samples every three years. The data shown is from 50 samples taken during the 2021 period. Our next sample period is scheduled for July, 2024. The District was in compliance with the "Lead and Copper Rule" in 2021. In 2017, the District collected 73 samples from 19 schools and one daycare camp.

*If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Vallecitos is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your drinking water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.



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

- Special Edition - 2021 Water Quality Report

Management Staff

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

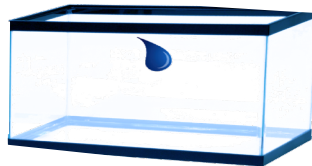
The public is welcome to attend the Vallecitos Board Meetings the first and third Wednesday of each month at 5:00 pm in the Administration building—201 Vallecitos de Oro in San Marcos.

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



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

Parts per million (ppm) =
 One drop in a 10-gallon aquarium



Parts per billion (ppb) =
 One drop in a residential swimming pool

FOR MORE INFORMATION: This report is only a summary of the water quality activities during the past year. If you have any questions about your water quality or Vallecitos Water District, please visit our website at www.vwd.org or call (760) 744-0460 during business hours (Monday through Friday, 8 a.m. to 5 p.m.). The District’s headquarters is located at 201 Vallecitos de Oro, San Marcos, CA 92069. Questions specific to water quality can be directed to Shawn Askine, Water Systems Supervisor, at (760) 744-0460, ext. 268. Este informe contiene información muy importante sobre su agua potable. Tradúzcalo o hable con alguien que lo entienda bien. Para más información llame al (760) 744-0460.
 For additional information, contact:

- * **U.S. Environmental Protection Agency (USEPA)** - (800) 426-4791 - <http://water.epa.gov/drink/index.cfm>
- * **National Center for Disease Control** - (404) 639-3311 - www.cdc.gov
- * **State Water Resources Control Board** - Division of Drinking Water (916) 449-5577 - http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/CCR.shtml
- * **Metropolitan Water District of Southern California** - (213) 217-6000 - www.mwdh2o.com
- * **San Diego County Water Authority** - (858)-522-6740 - www.sdcwa.org

DATE: JUNE 1, 2022
TO: BOARD OF DIRECTORS
SUBJECT: VALLECITOS WATER DISTRICT RECOMMENDED FISCAL YEAR 2022/2023 BUDGET

BACKGROUND:

At a special Board meeting on May 19, 2022, the Draft Proposed Budget for Fiscal Year 2022/2023 was presented to the Board. An update on the Draft Fiscal Year 2022/2023 Budget was presented at the Board of Directors meeting on May 10, 2022. The Finance Committee also met to discuss the budget at three meetings between February 15, 2022, and April 11, 2022. At each Committee meeting and Board meeting, the budget, or parts thereof, was reviewed and input from the Board and Committee members received. The input received has been incorporated into the recommended budget for the Vallecitos Water District presented today.

DISCUSSION:

The Recommended Fiscal Year 2022/2023 Vallecitos Water District Budget, provided under separate cover, has been prepared by staff and is being presented to the Board of Directors for consideration and approval.

The budget totals \$100.2 million comprised of \$61.9 million of Fiscal Year 2023 operational expenses, a commitment of \$31.8 million for capital items and projects as well as a reserve funding of \$6.5 million for debt service payments.

The Recommended Budget for Fiscal Year 2022/2023, exclusive of capital items and projects for Fiscal Year 2022/2023 and beyond, consists of operational commitments of \$61.9 million. This is made up of \$34.4 in water purchases, \$13.3 in water operating expenses, and \$14.2 million in wastewater operating expenses. Capital items and projects for fiscal year 2022/23 alone are \$29.7 million for projects and \$2.1 million for vehicles and equipment. Capital items and projects are funded through operating transfers set aside for capital replacement and other reserve sources. All existing debt service payments are funded by capacity reserves. Budgeted debt service payments for Fiscal Year 2022/23 are \$6.5 million.

RECOMMENDATION:

Staff recommends the following action:

1. Approve the Vallecitos Water District Recommended FY 2022/2023 Budget

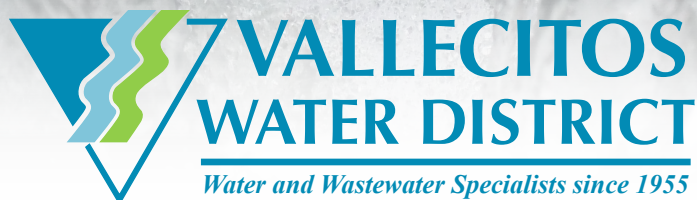
ATTACHMENT:

1. Vallecitos Water District Recommended Budget for Fiscal Year 2022-2023

RECOMMENDED BUDGET

Fiscal Year

2022-2023



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Our Mission

The water and wastewater specialists - providing reliable and sustainable services.

This mission of reliable and sustainable services is reflected in this budget and in the attitudes and commitment of the Vallecitos Water District staff and Board Members.



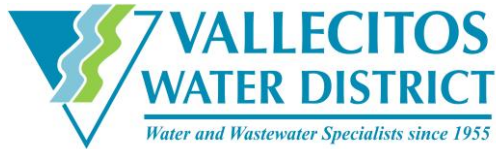
Clockwise: Tiffany Boyd-Hodgson, Craig Elitharp (center), Jim Pennock, Mike Sannella and James Hernandez

Board of Directors

Craig Elitharp, President
James Hernandez, Vice President
Mike Sannella
Tiffany Boyd-Hodgson, Ph.D.
Jim Pennock

Vallecitos Water District is a public agency organized in 1955, proudly serving the City of San Marcos, portions of Escondido, Carlsbad, Vista, and the surrounding unincorporated areas.

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201 Vallecitos de Oro · San Marcos, California · 92069-1453 · (760) 744-0460

Date: June 1, 2022
To: Honorable Board of Directors
Regarding: Fiscal Year 2022/23 Budget

Enclosed is the recommended **Budget** for Fiscal Year 2022/22 (FY 22/23). The FY 22/23 budget totals \$100.2 million compared to \$93.5 million in FY 21/22. The FY 22/23 Budget is comprised of \$61.9 million of operational expenses (a \$2.5 million or 4.7% increase from the \$59.4 million in 2021/22 operating budget), \$31.8 million for capital items and projects (\$26.1 million in 2021/22) and debt service of \$6.5 million (\$5.4 million in 2021/22). This budget includes a ten-year plan for capital items and projects of \$139.5 million (\$135.1 million in 2021/22). Inclusive of the ten-year capital plan the budget totals \$208.0 million compared to \$202.4 million in 2021/22.

The operational increase of \$2.5 million primarily is attributable to a \$1.8 million increase in water purchases as a result of San Diego County Water Authority (SDCWA) rate increases. The District estimated a 5.8% increase in the cost of water purchased from SDCWA. Budgeted water purchases for FY 22/23 reflect these projected rate increases. The remaining \$0.7 million is mainly a result of budgeted increases in costs for salaries and benefits and other operational increases budgeted by the District such as a \$0.2 million increase in chemical costs. In addition, \$7.4 million from operations is being transferred to reserves for capital replacement.

Rate increases contained in this budget for Sewer and Water Ready-to-Serve have been estimated to meet strategic and financial objectives of the budget. Water commodity rates effective for Calendar Year 2023 are conservatively estimated to absorb the water wholesale pass-through costs. Average combined bill increases are estimated between 3.5% and 4.0% for Calendar Year 2023, and between 4.0% and 4.5% over the following four years.

Long-range Financial Planning

As with recent budgets, this budget includes a ten-year projection of operating costs and capital needs in order to plan for a sound future in water supply and reliability. Fiscal sustainability is a necessary factor in the equation for future reliability and is a guiding influence in everything the District does.

All District employees are responsible to consider costs involved with activities and try to work as efficiently and effectively as possible. Consideration of controlling costs translates into the future financial viability of the District. Some of these considerations include rate affordability, maintaining reserves, assessing adequacy to cover debt obligations now and in the future, funding CalPERS Unfunded Accrued Liability (UAL), and a credit worthy cash position. We plan to meet our capital needs and maintain a strong financial position by minimizing new borrowing.

FINANCIAL HIGHLIGHTS

The following narratives are financial highlights and comparisons of this budget, FY 2022/23, and last budget, FY 2021/22.

Board of Directors

June 1, 2022

Page Two

Water Operations (pages 3-14)

Water purchases are projected to total 15,200 acre-feet, with sales of 14,200 acre-feet for 2022/23. The water operating budget increased by \$2.1 million from last year's budget, or 4.7%.

Wastewater Operations (pages 15-24)

Wastewater operating costs increased \$0.5 million, or 3.4%, over last year's budget, mainly due to the rising cost of chemicals and the need to hire a safety consultant to help with staffing issues and to ensure compliance with additional regulations as a result of COVID.

Personnel (pages 25-32)

Fiscal year 2022/23 includes no new positions. Salaries and benefits for 2022/23 increased from the last budget year by \$0.7 million, or 4.3%, mainly as a result of a budgeted Cost of Living Adjustment of \$0.4 million and funding normal salary step increases at a cost of \$0.1 million, inclusive of salaries and benefits. Management will continue to scrutinize the need for all positions and only fill positions if absolutely necessary.

Capital Budget (pages 34-123)

Capital projects are summarized on the Comprehensive Project List found on page 35. Details of each project, including timing of phases and spending, are presented on pages 37 through 122, followed by requests for easements, vehicles and equipment of \$2.1 million. Of the ten-year \$137.5 million capital budget, \$53.3 million are new requests and \$28.9 million are for future projects included for planning purposes. The remainder is from projects carried over from the prior year resulting in a capital budget increase of \$4.4 million. The amount of capital funding for FY 2022/23 is \$29.7 million.

Reserve Budget and Projection (pages 125-132)

The Reserve Budget includes revenues and transfers from various sources and summarizes appropriations and expected cash outflows for capital projects, and debt service. Page 126 displays the 2022/23 reserve budget for consideration. Pages 127 through 131 display detailed reserve projections for four subsequent years and a summary projection for the five years thereafter, followed by a graphical representation of reserve levels as they relate to policy limits.

As a final note, our projections are based on trends, anticipated large one-time expenditures, economic factors within our industry, and global factors influencing our operations. Obviously, a good amount of forethought and monitoring at both the Board and staff levels has been required to produce such a realistic and useable financial guide.

Respectfully submitted,



Glenn Pruum, General Manager

VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

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VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

BUDGETARY CONSIDERATIONS

Mission Statement

The water and wastewater specialists - providing reliable and sustainable services.

The budget reflects the mission statement

Budgetary Approach

Governmental agencies, such as cities and counties, usually approach their budgets from the “revenue end.” Since their revenues are somewhat predictable and restricted, their budgetary considerations are based on setting a level of service (expense total) that can be attained with those available funds.

A special district, however, must make a more thorough analysis. Normally, the expenses can be determined with a high degree of accuracy, and it’s the revenues that must be set to cover those expenses. To complicate matters, factors such as weather variability and customer usage habits can have a profound effect on the overall revenue projection.

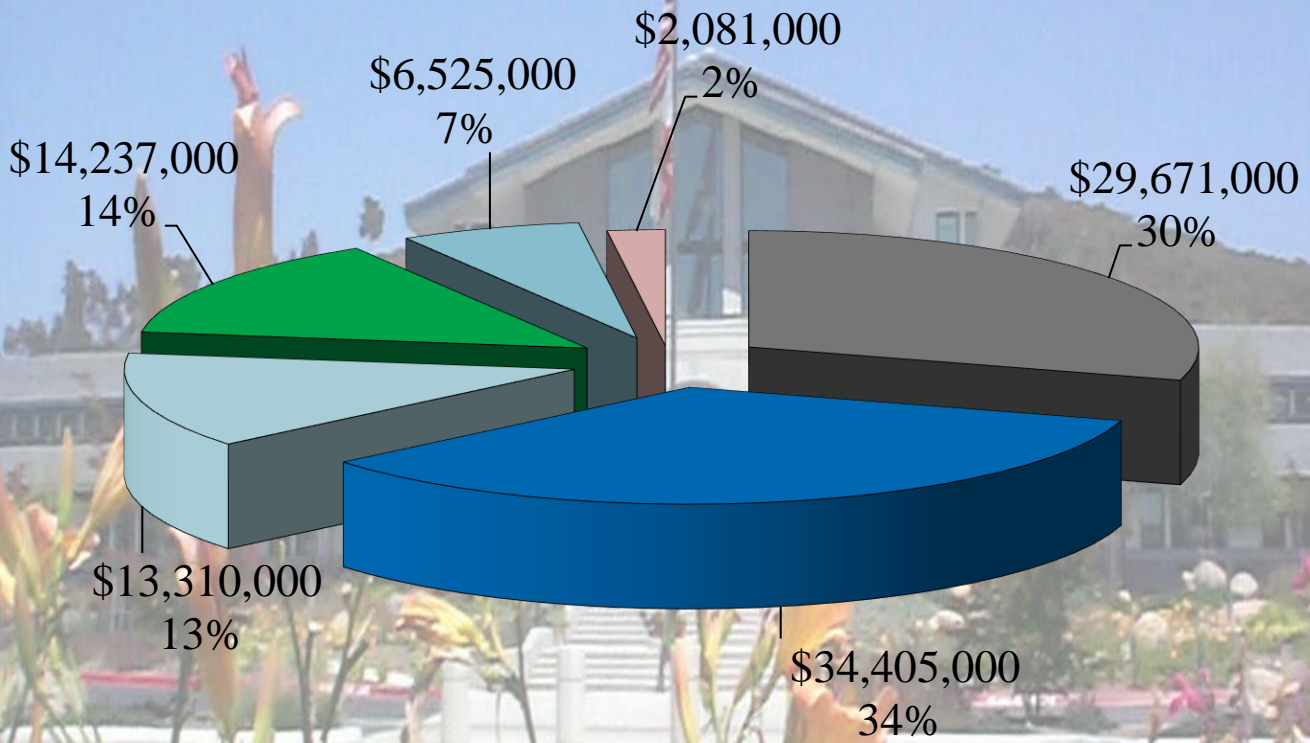
Operations vs. Capital Budget

The budget is designed to ensure various revenues and fees are used as intended. The Operations Budget, which covers the ongoing cost of running the District, is paid by the rate payers of the District through charges for water and sewer service. The Capital Facilities Budget is covered primarily by fees on new development and existing customers with increased demands.

Operating revenue in excess of operating expense is earmarked for transfer to the Replacement Reserve Fund for the future replacement of assets. This ensures the current users of our system are paying their fair share for the maintenance of existing facilities as they depreciate.

FISCAL YEAR 2022-2023 BUDGET

\$100,229,000



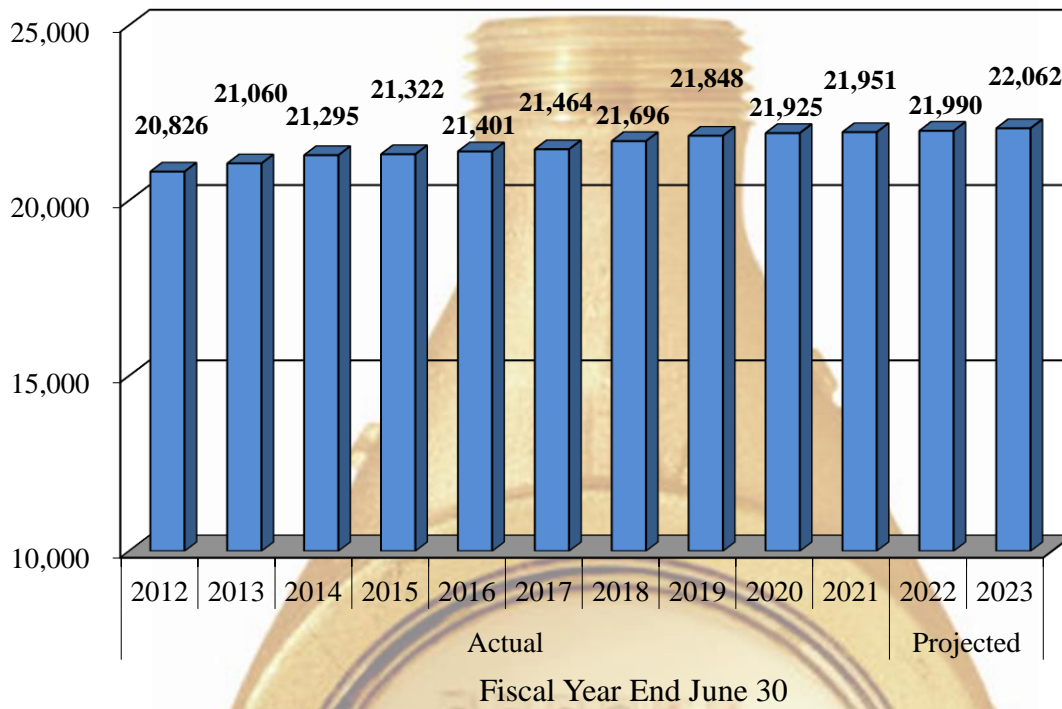
- Capital
- Water Operations
- Debt Service
- Water Purchases
- Wastewater Operations
- Easements, Vehicles & Equipment

2022-23 OPERATING BUDGET
WATER

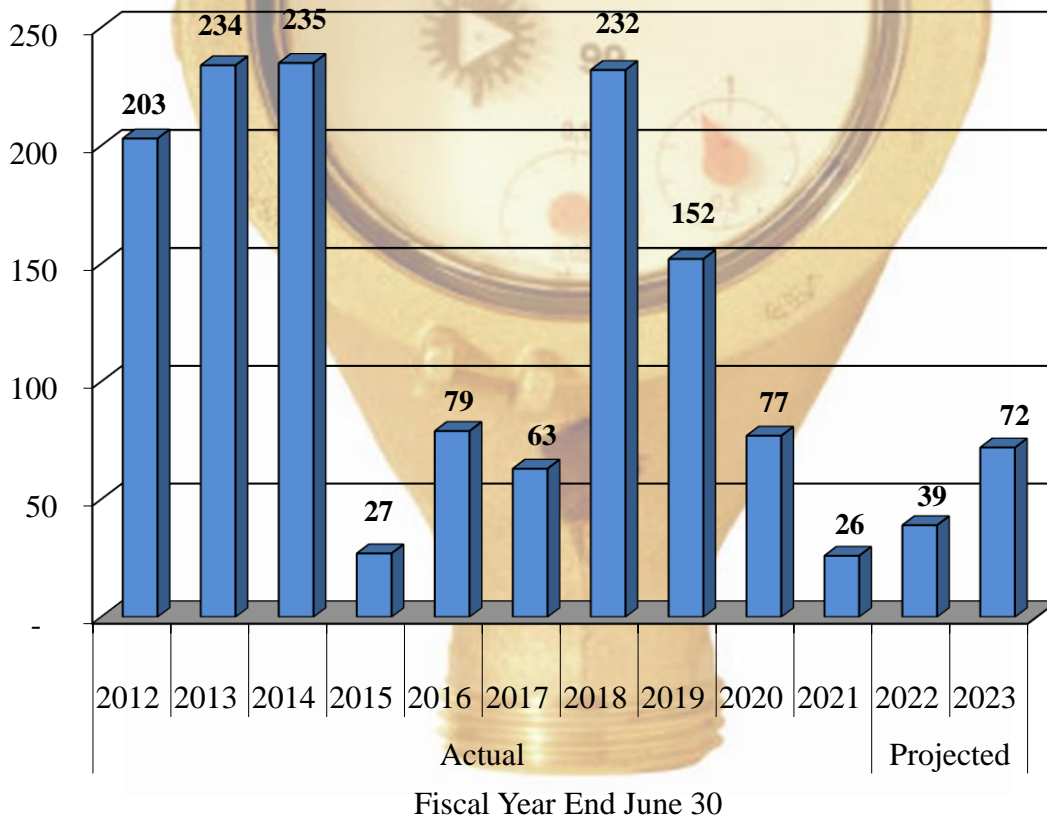


Double Peak Tank

METERS IN SERVICE

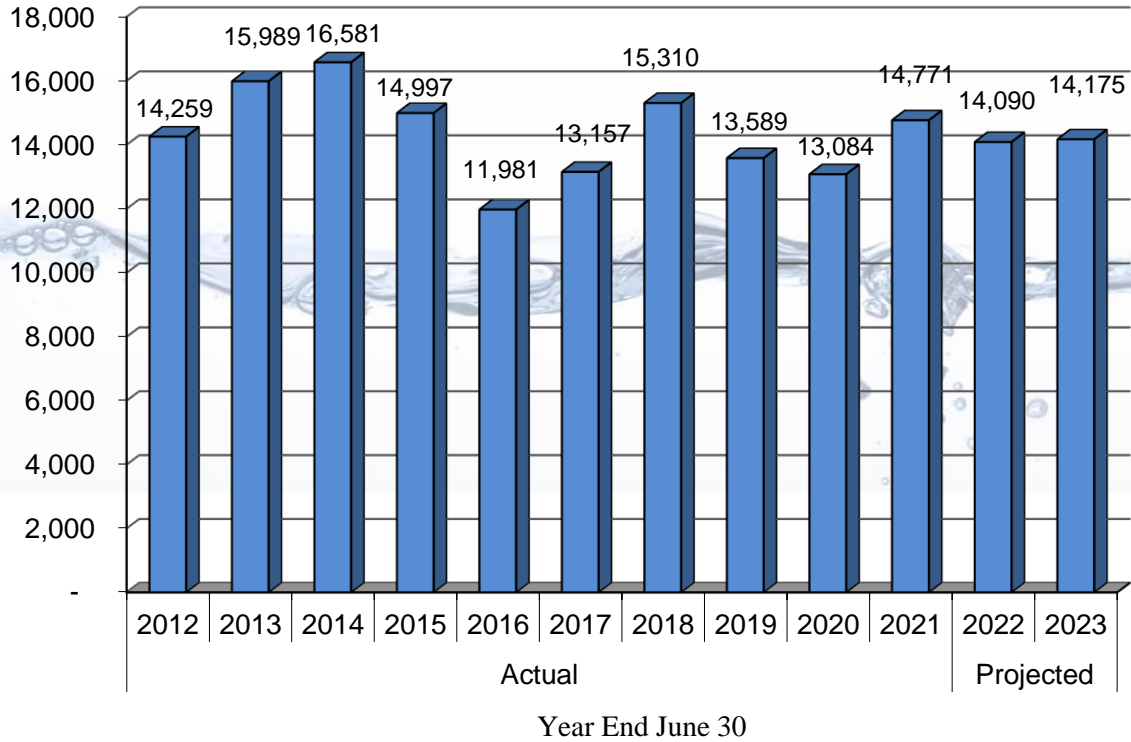


METER ADDITIONS

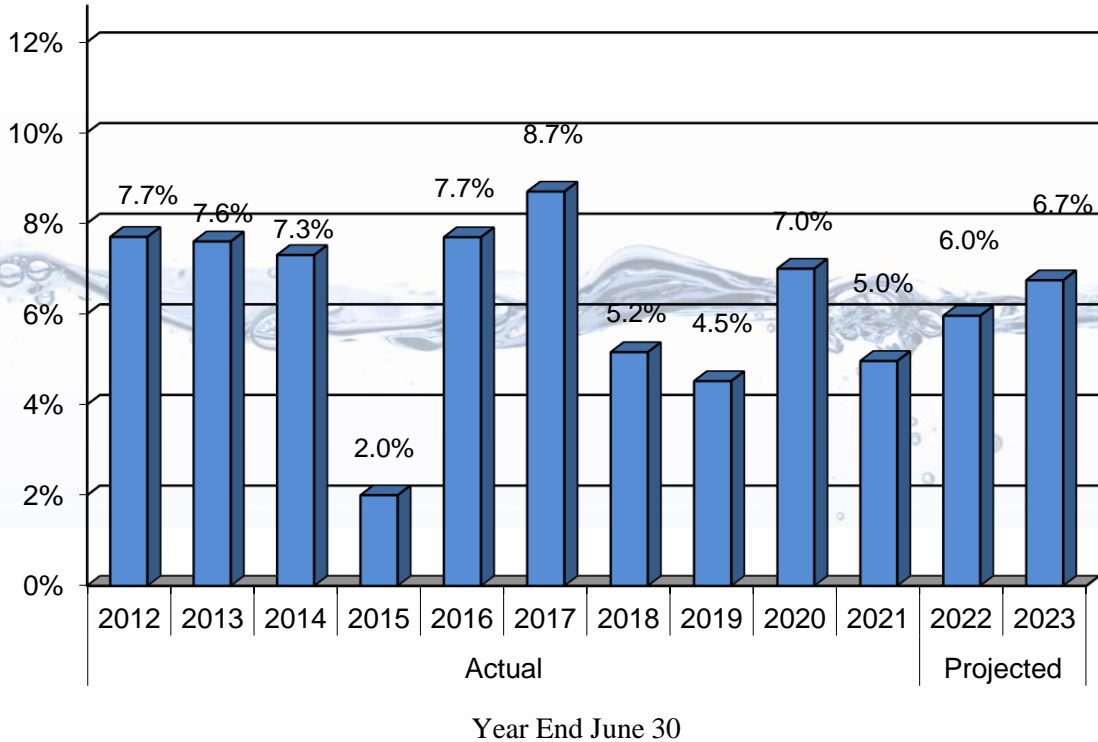


VALLECITOS WATER DISTRICT

WATER SALES IN ACRE FEET



UNBILLED WATER



Unbilled Water includes one-day permit use, tie-ins, operational use, fire hydrant damage and use, meter malfunctions, leaks, and timing differences

VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

FUNCTION DEFINITIONS - WATER OPERATIONS

REVENUES

Water Sales: Monthly charges to cover the wholesale cost of water, with a minimal markup targeted to cover some operating costs and provide funds for capital improvements and replacement.

Ready To Serve: Monthly charge to cover fixed costs, regardless of water sales. Examples include maintenance of reservoirs and transmission lines, meter reading and administrative costs such as insurance.

Pumping Charges: Charges to customers at high elevations, to cover the power costs required to deliver water.

Interest and Other: Interest revenue, late charges, backflow fees, engineering fees and other miscellaneous revenues.

OPERATING EXPENSES

Water Purchases: Vallecitos purchases its water from two sources: The San Diego County Water Authority (SDCWA) and the Olivenhain Municipal Water District. Desalinated water is included in the water purchased from SDCWA.

Pumping: To move water to various elevations, and to provide adequate pressure and storage to higher service connections. Includes maintenance of ten pump stations, readings, and power costs.

Water Quality: To monitor incoming water in accordance with federal and state regulations. Includes collecting samples and reporting results, and maintenance of monitoring equipment.

Water Treatment: To treat water in tanks, handle chemicals, and use and maintain injection equipment for pipelines.

Tanks and Reservoirs: Maintenance of 17 steel tanks and 2 reservoirs. Includes corrosion control, security, and water level monitoring.

Transmission and Distribution: Maintenance of pipeline system within 45 square miles, consisting of 379 miles of pipes. Includes 26 pressure reducing stations, 3 (internal) flow control facilities, all air releases/blow-offs, fire hydrant laterals (not including the hydrant), cross-tie valves with other districts, and valve exercising.

Services: Maintenance of all service lines located from main lines to meters.

VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

FUNCTION DEFINITIONS - WATER OPERATIONS (Continued)

Meters: Reading approximately 22,000 meters monthly for billing purposes as well as maintenance of all customer meters.

Backflow Prevention: Ensures compliance with Title 17, requiring backflow devices for specific connections to protect quality of water in our system.

Customer Accounts: Costs related to opening and closing accounts, response to customer concerns, billing costs (statements, mailing), and uncollectible accounts.

Equipment and Vehicles: Maintenance of District equipment. Includes all construction equipment, water, sewer and administrative vehicles, plus miscellaneous tools and equipment.

Buildings and Grounds: Maintenance of administrative and operations buildings, warehouse, and shops. Also includes power costs, alarmed security system, landscape service, janitorial, and pest control.

Engineering: All costs of engineering, capital facilities and inspection services. Includes review and monitoring of development to ensure compliance with standard design practices, impact on existing system and environment, and orderly planning to provide adequate water and sewer service as demand dictates.

Safety and Regulatory Affairs: Program to control unnecessary risks, hazardous conditions, and unsafe practices, and minimize physical losses, personnel injuries, and District liability, and to provide for regulatory compliance in environmental, public health and other mandated areas.

Information Technology: Centralization of the District's technology to maintain hardware, software, servers, networks, and interfaces.

General and Administrative

Cost of Labor:

- *Salaries* include administrative and conservation personnel salaries and all vacation, sick leave, and holiday time for administrative and water personnel.
- *Group Insurance* is health, vision, and dental costs for all administrative and water personnel.
- *Workers' Compensation Insurance* costs for all administrative and water personnel.
- *Public Employees Retirement System (PERS)* participation costs for all administrative and water personnel.
- *Social Security* costs for all administrative and water personnel.

VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

FUNCTION DEFINITIONS - WATER OPERATIONS (Continued)

General and Administrative (continued)

- *Other Taxes/Benefits* includes unemployment and other miscellaneous employee taxes and benefits such as annual luncheon, and awards for all personnel.

District Insurance premium costs protect District assets, such as buildings and vehicles, and provide liability coverage for potential claims.

Outside Services are provided by consultants and temporary help.

Legal costs are incurred for general legal counsel (presence at board meetings, contracts, employment issues, etc.)

Auditing is conducted by a certified public accounting firm to provide an opinion on the annual financial report.

Banking Services are provided to maintain the District's general checking account plus trust and custody services.

Office Supplies are purchased for necessary administration of the District including office equipment costing less than the capitalization threshold.

Postage not related to public relations or customer billing includes notifications, such as shutdowns and public hearing notification mailings.

Office Equipment Repair covers maintenance contracts on computer system, billing equipment, copiers, telephone system, and other repairs as needed.

Telephone costs are for service at administration and water operations, long distance, data lines, and cellular phone service for field and key personnel.

Travel costs are for administrative and water personnel.

Meetings and Seminars for administrative and water personnel provide District representation and professional development.

Dues and Subscriptions are for memberships and periodicals to various organizations, such as American Water Works Association (AWWA).

Public Awareness/Conservation is the "image and information" arm of the District, utilizing publications, special events, the speakers' bureau, and the VWD School Program to present Vallecitos as the "Water and Wastewater Specialists" and promote effective water conservation programs.

VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

FUNCTION DEFINITIONS - WATER OPERATIONS (Continued)

General and Administrative (continued)

Regulatory Fees are incurred for renewal fees for personnel certifications such as water distribution and treatment, notary, and professional memberships, state regulatory agencies, and other compliance matters.

Election and Annexations facilitation costs are assessed by the County.

Director Fees are paid for attendance of board meetings, professional conferences, and other District-sanctioned organizations.

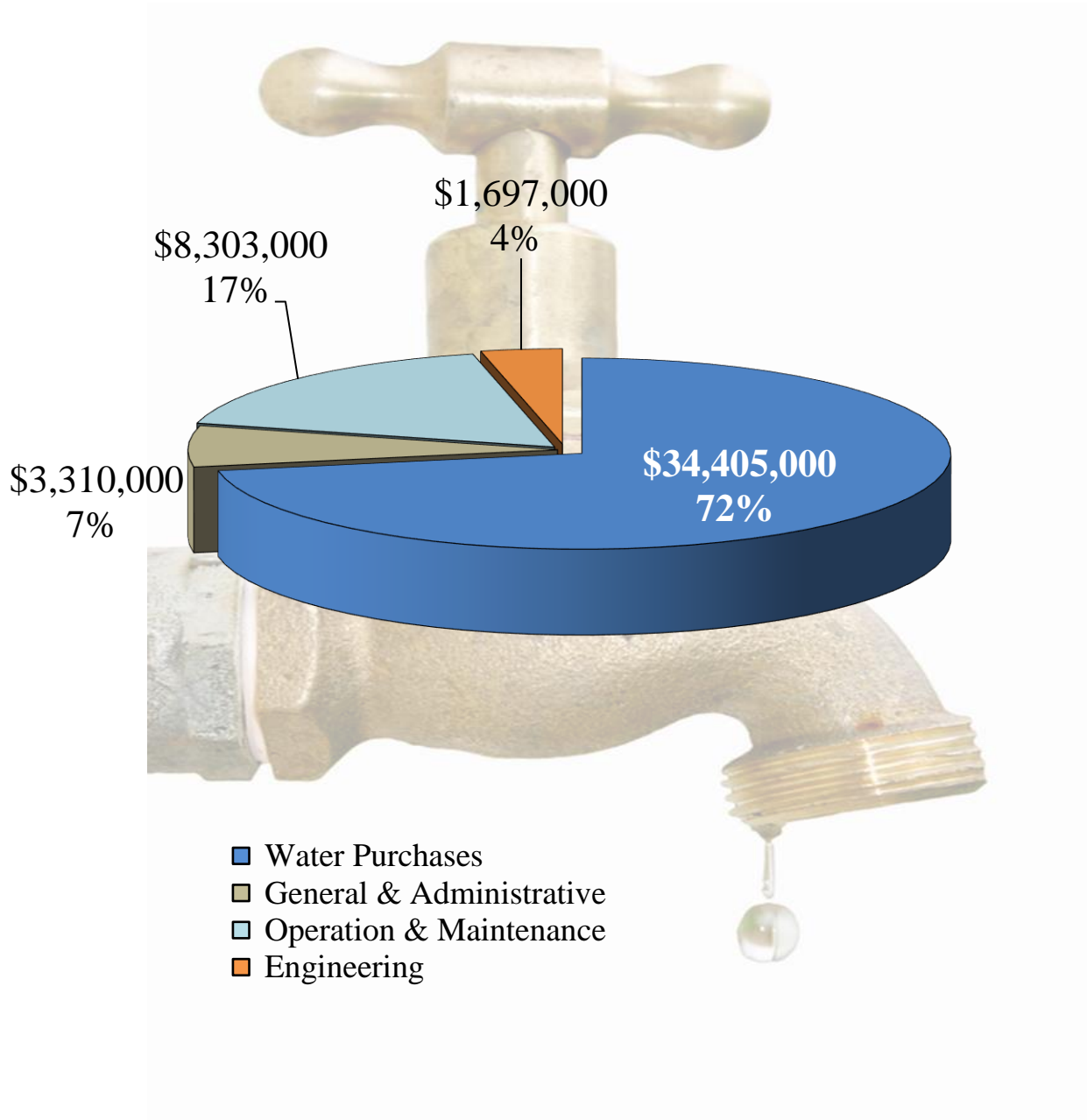
Director Expenses include all costs incurred by Directors, such as travel reimbursement and conference fees.

Other/Mandated Reimbursements include miscellaneous expenses that do not specifically apply to any of the above-referenced categories less mandated cost reimbursements due from the State.

Administrative Credit Transfer is a collection or recovery of overhead costs that are applied to all construction work orders.

2022-23 WATER OPERATING EXPENSE BUDGET

\$47,715,000



VALLECITOS WATER DISTRICT

WATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual</u> FY 20-21	<u>Budget</u> FY 21-22	<u>Projected</u> FY 21-22	<u>Budget</u> FY 22-23	<u>Estimated</u> FY 23-24
OPERATING REVENUES						
Water Sales	4001	\$ 32,717,315	\$ 31,180,000	\$ 31,547,000	\$ 31,732,000	\$ 33,080,000
Ready to Serve	4003	14,640,396	14,310,000	14,648,000	14,850,000	15,440,000
Pumping Charges	4002	445,178	415,000	405,000	435,000	445,000
Interest	4401	5,000	5,000	5,000	5,000	5,000
Other	Various	682,145	596,000	517,000	717,000	774,000
Total Revenue		<u>48,490,034</u>	<u>46,506,000</u>	<u>47,122,000</u>	<u>47,739,000</u>	<u>49,744,000</u>
OPERATING EXPENSES						
Water Purchases	1010	31,750,694	32,652,000	32,517,000	34,405,000	35,870,000
Pumping	2010	850,284	923,000	766,000	829,000	820,000
Water Quality	2020	99,924	211,000	241,000	144,000	154,000
Water Treatment	2030	483,347	476,000	463,000	508,000	535,000
Tanks & Reservoirs	2040	287,799	380,000	329,000	446,000	466,000
Transmission & Dist.	2050	1,675,893	1,910,000	1,669,000	1,889,000	2,031,000
Services	2060	82,366	82,000	67,000	82,000	88,000
Meters	2070	878,599	966,000	728,000	993,000	941,000
Backflow Prevention	2080	74,314	74,000	63,000	84,000	80,000
Customer Accounts	4010	800,957	888,000	697,000	887,000	846,000
Equipment & Vehicles	4210	252,023	339,000	218,000	357,000	391,000
Buildings & Grounds	4110	499,716	494,000	553,000	559,000	560,000
Engineering	5010	1,881,605	1,637,000	1,683,000	1,697,000	1,701,000
Safety & Reg. Affairs	5210	323,176	285,000	224,000	382,000	404,000
Information Technology	6230	936,648	1,130,000	980,000	1,143,000	1,184,000
General & Admin.	6xxx	2,823,202	3,134,000	2,582,000	3,310,000	3,410,000
Total Expense		<u>43,700,547</u>	<u>45,581,000</u>	<u>43,780,000</u>	<u>47,715,000</u>	<u>49,481,000</u>
OPERATING INCOME		4,789,487	925,000	3,342,000	24,000	263,000
LESS TRANSFERS TO/(FROM)						
REPLACEMENT RESERVE		<u>4,789,487</u>	<u>925,000</u>	<u>3,342,000</u>	<u>24,000</u>	<u>263,000</u>
NET INCOME		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VALLECITOS WATER DISTRICT

WATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>	<u>Estimated</u>
		<u>FY 20-21</u>	<u>FY 21-22</u>	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>FY 23-24</u>
WATER PURCHASES	5001	\$ 31,750,694	\$ 32,652,000	\$ 32,517,000	\$ 34,405,000	\$ 35,870,000
PUMPING						
Cost of Labor	2010xxx.51xx	86,325	116,000	73,000	122,000	131,000
Materials & Supplies	" .53xx	23,018	37,000	18,000	65,000	71,000
Outside Repair/Service	" .54xx	9,617	56,000	165,000	83,000	8,000
Power	" .5306	731,324	714,000	510,000	559,000	610,000
Total Pumping		<u>850,284</u>	<u>923,000</u>	<u>766,000</u>	<u>829,000</u>	<u>820,000</u>
WATER QUALITY						
Cost of Labor	2020000.51xx	43,023	55,000	68,000	58,000	60,000
Materials & Supplies	" .53xx	35,750	41,000	35,000	54,000	60,000
Outside Repair/Service	" .54xx	21,151	115,000	138,000	32,000	34,000
Total Water Quality		<u>99,924</u>	<u>211,000</u>	<u>241,000</u>	<u>144,000</u>	<u>154,000</u>
WATER TREATMENT						
Cost of Labor	2030000.51xx	408,570	394,000	422,000	415,000	429,000
Materials & Supplies	" .53xx	28,897	50,000	18,000	58,000	67,000
Outside Repair/Service	" .54xx	34,755	20,000	14,000	23,000	26,000
Power	" .5306	11,125	12,000	9,000	12,000	13,000
Total Water Treatment		<u>483,347</u>	<u>476,000</u>	<u>463,000</u>	<u>508,000</u>	<u>535,000</u>
TANKS & RESERVOIRS						
Cost of Labor	2040xxx.51xx	184,858	197,000	217,000	205,000	215,000
Materials & Supplies	" .53xx	29,474	24,000	21,000	24,000	25,000
Outside Repair/Service	" .54xx	67,232	152,000	85,000	209,000	217,000
Power	" .5306	6,235	7,000	6,000	8,000	9,000
Total Tanks & Reservoirs		<u>287,799</u>	<u>380,000</u>	<u>329,000</u>	<u>446,000</u>	<u>466,000</u>
TRANSMISSION & DISTRIBUTION						
Cost of Labor	2050xxx.51xx	1,151,621	1,164,000	1,161,000	1,185,000	1,243,000
Materials & Supplies	" .53xx	140,497	263,000	265,000	331,000	347,000
Outside Repair	" .54xx	371,337	470,000	232,000	360,000	426,000
Power	" .5306	12,438	13,000	11,000	13,000	15,000
Total Trans. & Dist.		<u>1,675,893</u>	<u>1,910,000</u>	<u>1,669,000</u>	<u>1,889,000</u>	<u>2,031,000</u>
SERVICES						
Cost of Labor	2060xxx.51xx	44,299	45,000	44,000	45,000	48,000
Materials & Supplies	" .53xx	10,390	12,000	12,000	12,000	12,000
Outside Repair	" .54xx	27,677	25,000	11,000	25,000	28,000
Total Services		<u>82,366</u>	<u>82,000</u>	<u>67,000</u>	<u>82,000</u>	<u>88,000</u>

VALLECITOS WATER DISTRICT

WATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>	<u>Estimated</u>
		<u>FY 20-21</u>	<u>FY 21-22</u>	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>FY 23-24</u>
METERS						
Cost of Labor	2070xxx.51xx	\$ 826,854	\$ 792,000	\$ 679,000	\$ 829,000	\$ 871,000
Materials & Supplies	" .53xx	48,410	137,000	47,000	123,000	59,000
Outside Service/Repair	" .54xx	3,335	37,000	2,000	41,000	11,000
Total Meters		<u>878,599</u>	<u>966,000</u>	<u>728,000</u>	<u>993,000</u>	<u>941,000</u>
BACKFLOW PREVENTION						
Cost of Labor	2080000.51xx	17,244	23,000	22,000	25,000	26,000
Materials & Supplies	" .53xx	547	1,000	1,000	7,000	2,000
Outside Service	" .54xx	56,523	50,000	40,000	52,000	52,000
Total Backflow		<u>74,314</u>	<u>74,000</u>	<u>63,000</u>	<u>84,000</u>	<u>80,000</u>
CUSTOMER ACCOUNTS						
Cost of Labor	4010000.51xx	517,869	561,000	549,000	593,000	613,000
Materials & Supplies	" .53xx	26,964	91,000	32,000	127,000	130,000
Outside Service/Repair	" .54xx	40,854	42,000	28,000	48,000	57,000
Uncollectible Accts.	" .5703	215,270	194,000	88,000	119,000	46,000
Total Cust. Accts.		<u>800,957</u>	<u>888,000</u>	<u>697,000</u>	<u>887,000</u>	<u>846,000</u>
EQUIPMENT & VEHICLES						
Cost of Labor	4210000.51xx	103,341	140,000	89,000	148,000	153,000
Materials & Supplies	" .53xx	41,186	59,000	36,000	69,000	72,000
Fuel	" .5307	92,257	100,000	82,000	100,000	140,000
Outside Repair	" .54xx	15,239	40,000	11,000	40,000	26,000
Total Equip. & Vehicles		<u>252,023</u>	<u>339,000</u>	<u>218,000</u>	<u>357,000</u>	<u>391,000</u>
BUILDINGS & GROUNDS						
Cost of Labor	4110000.51xx	221,909	209,000	268,000	223,000	215,000
Materials & Supplies	" .53xx	61,180	78,000	53,000	83,000	85,000
Outside Services	" .54xx	135,289	132,000	137,000	153,000	157,000
Power	" .5306	81,338	75,000	95,000	100,000	103,000
Total Bldg. & Grnd.		<u>499,716</u>	<u>494,000</u>	<u>553,000</u>	<u>559,000</u>	<u>560,000</u>
ENGINEERING						
Cost of Labor	5010000.51xx	1,709,914	1,446,000	1,554,000	1,530,000	1,598,000
Materials & Supplies	" .53xx	18,594	31,000	21,000	34,000	38,000
Outside Services	" .54xx	153,097	160,000	108,000	133,000	65,000
Total Engineering		<u>1,881,605</u>	<u>1,637,000</u>	<u>1,683,000</u>	<u>1,697,000</u>	<u>1,701,000</u>

VALLECITOS WATER DISTRICT

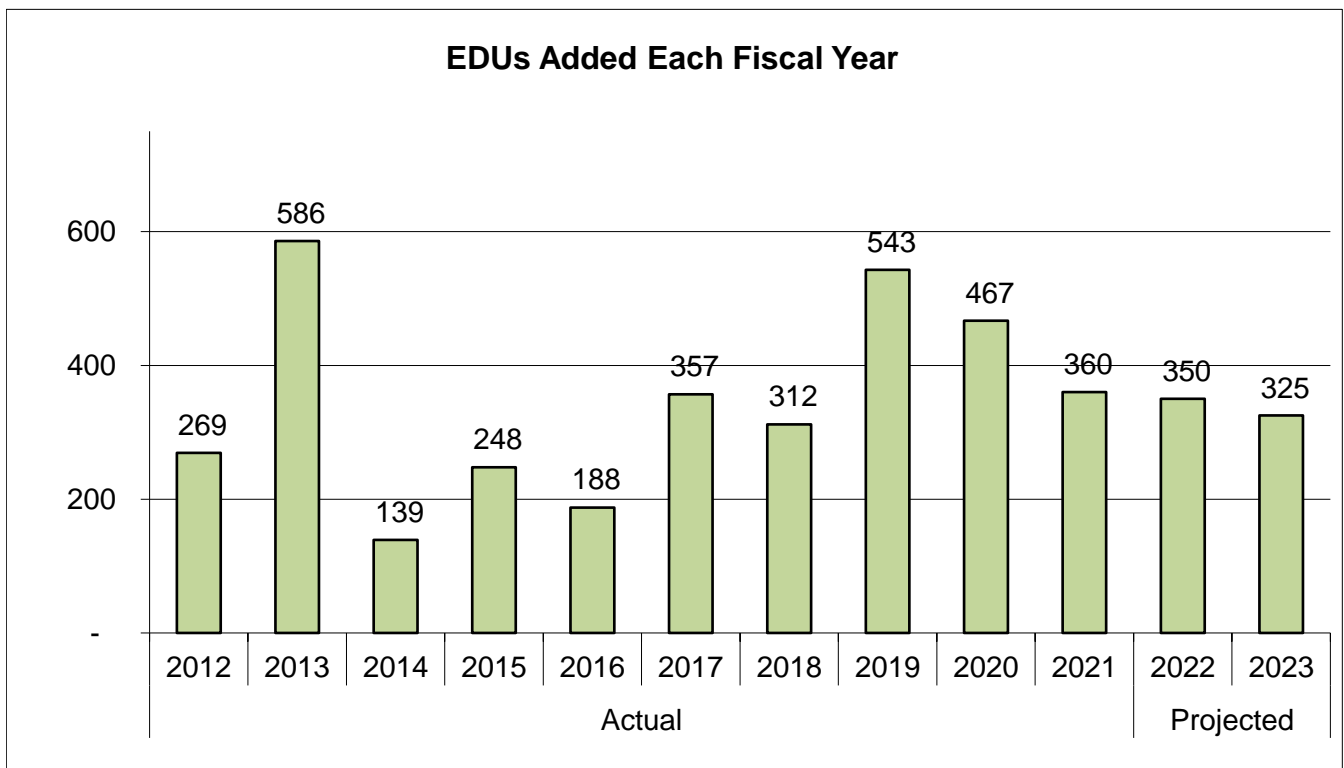
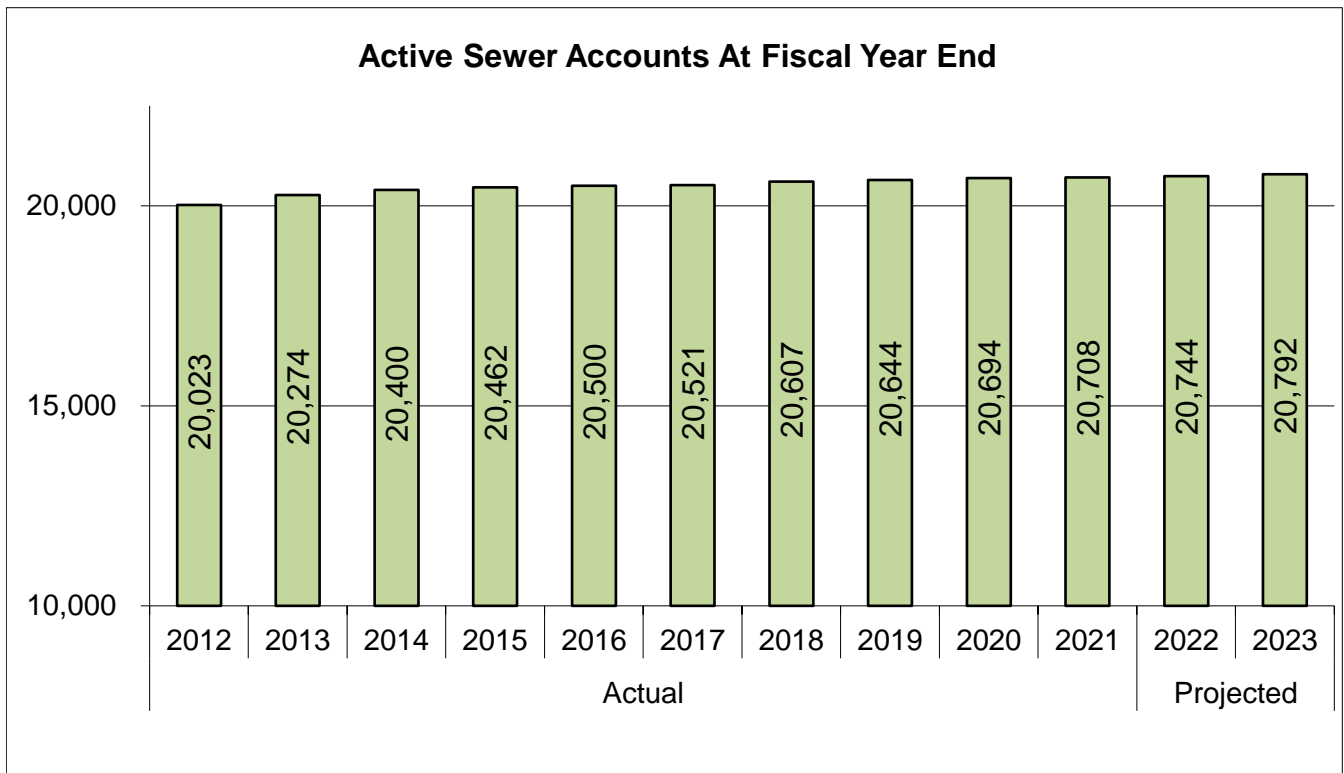
WATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual</u>	<u>Budget</u>	<u>Projected</u>	<u>Budget</u>	<u>Estimated</u>
		<u>FY 20-21</u>	<u>FY 21-22</u>	<u>FY 21-22</u>	<u>FY 22-23</u>	<u>FY 23-24</u>
SAFETY & REG. AFFAIRS						
Cost of Labor	5210000.51xx	\$ 211,802	\$ 237,000	\$ 159,000	\$ 251,000	\$ 269,000
Materials & Supplies	" .53xx	22,064	18,000	17,000	21,000	22,000
Safety Support	" .54xx	89,310	30,000	48,000	110,000	113,000
Total Safety		<u>323,176</u>	<u>285,000</u>	<u>224,000</u>	<u>382,000</u>	<u>404,000</u>
INFORMATION TECHNOLOGY						
Cost of Labor	6230000.51xx	524,936	611,000	534,000	641,000	669,000
Materials & Supplies	" .53xx	92,500	84,000	97,000	36,000	37,000
Outside Services	" .54xx	<u>319,212</u>	<u>435,000</u>	<u>349,000</u>	<u>466,000</u>	<u>478,000</u>
Total Information Tech		<u>936,648</u>	<u>1,130,000</u>	<u>980,000</u>	<u>1,143,000</u>	<u>1,184,000</u>
GENERAL & ADMINISTRATION						
Cost of Labor	6xxxxxx.51xx	2,820,290	3,024,000	2,704,000	3,145,000	3,288,000
Directors Fees	" .5101	88,835	75,000	86,000	94,000	96,000
District Insurance	" .5201	118,236	168,000	125,000	180,000	198,000
Travel	" .5202	177	6,000	4,000	23,000	25,000
Meetings & Seminars	" .5203	10,323	36,000	8,000	24,000	25,000
Dues & Subscriptions	" .5204	84,069	80,000	83,000	85,000	87,000
Directors Expenses	" .5205	6,769	50,000	23,000	50,000	51,000
Office Supplies	" .5301	20,890	41,000	17,000	39,000	40,000
Awareness/Conservation	" .5303	63,430	113,000	74,000	119,000	122,000
Postage	" .5304	2,115	3,000	2,000	3,000	3,000
Outside Services	" .5401	101,847	83,000	95,000	105,000	94,000
Legal	" .5402	203,254	180,000	139,000	170,000	183,000
Auditing	" .5403	13,229	13,000	12,000	13,000	15,000
Bank/Investment Svcs	" .5501	24,405	25,000	18,000	25,000	26,000
Regulatory Fees	" .5502	73,122	51,000	79,000	118,000	121,000
Election & Annexation	" .5503	5,301	2,000	2,000	2,000	2,000
Other/Reimbursements		6,002	10,000	16,000	10,000	10,000
Admin Credit Transfer.	4702	<u>(819,092)</u>	<u>(826,000)</u>	<u>(905,000)</u>	<u>(895,000)</u>	<u>(976,000)</u>
Total Gen. & Admin.		<u>2,823,202</u>	<u>3,134,000</u>	<u>2,582,000</u>	<u>3,310,000</u>	<u>3,410,000</u>
TOTAL EXPENSES		<u>\$ 43,700,547</u>	<u>\$ 45,581,000</u>	<u>\$ 43,780,000</u>	<u>\$ 47,715,000</u>	<u>\$ 49,481,000</u>

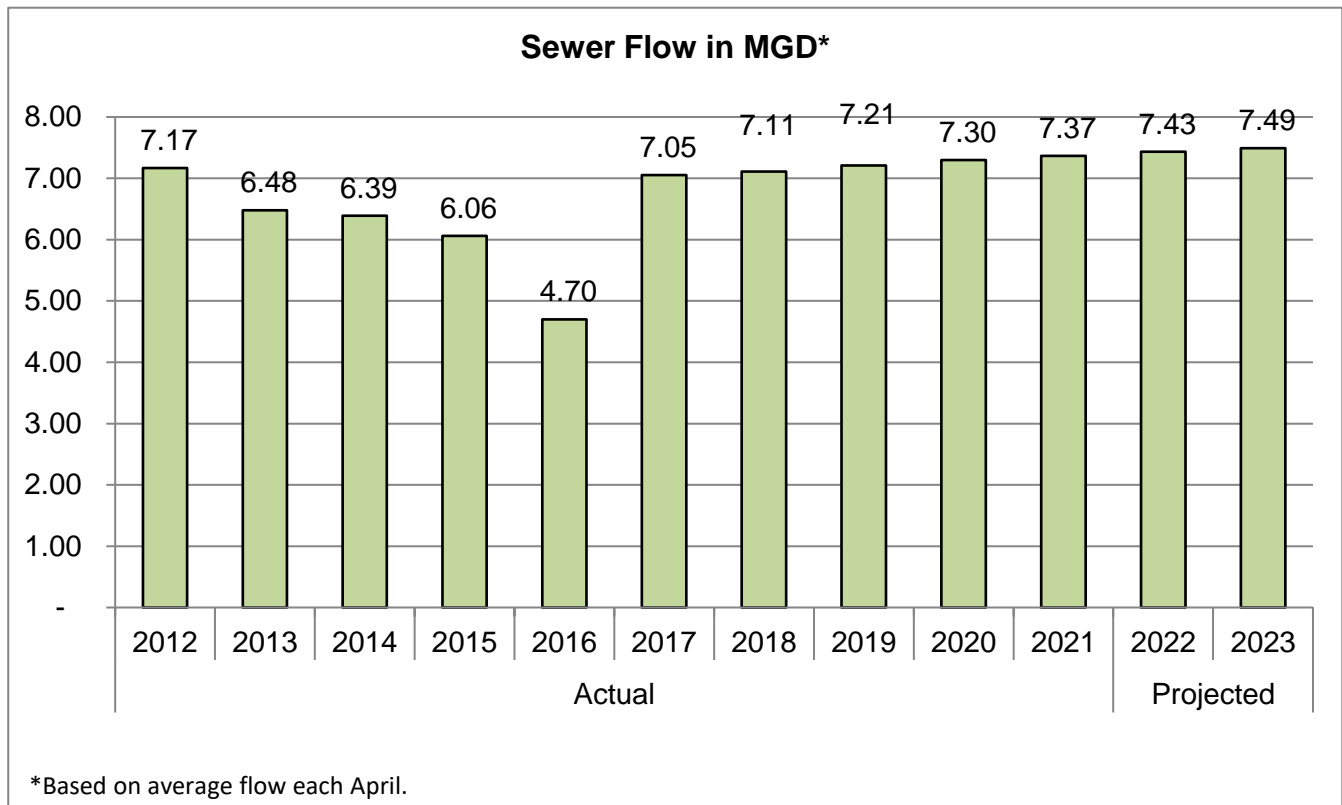
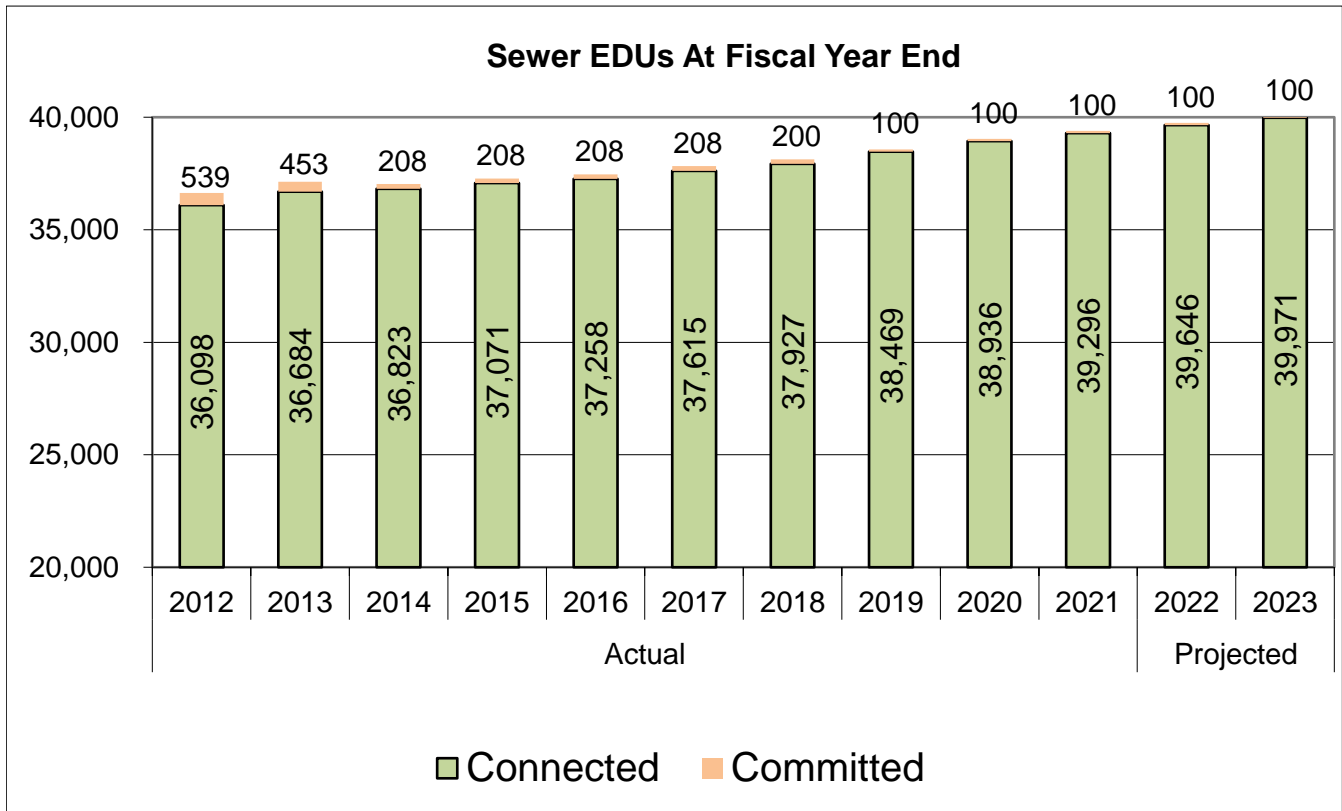
2022-23 OPERATING BUDGET
WASTEWATER



Chlorine Contact Tank at Meadowlark Wastewater Reclamation Facility



VALLECITOS WATER DISTRICT



VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

FUNCTION DEFINITIONS - WASTEWATER OPERATIONS

REVENUES

Sewer Service: Monthly charges to cover the cost to collect, treat and dispose of wastewater plus maintain the various wastewater facilities.

Reclaimed Water Sales: Revenue generated from contractual sale of reclaimed water to the Carlsbad Municipal Water District and the Olivenhain Municipal Water District on a cost recovery basis.

Other: Interest revenue, late charges, engineering fees and other miscellaneous revenues.

OPERATING EXPENSES

Collection and Conveyance: Maintaining flow in 276 miles of District sewer lines. Includes blockage removal, television inspection, and maintenance of pipeline system and manholes.

Lift Stations: Cost of lifting sewage flows at the Montiel Lift Station, Lake San Marcos Lift Station and Questhaven Lift Station. Includes maintenance and power costs of the pumping systems.

Source Control: Costs to ensure compliance with federal, state, and local regulations as administered through the Encina Wastewater Authority.

Encina Disposal: Cost reimbursement to the Encina Wastewater Authority for processing wastewater and returning clean water to the environment.

Meadowlark Plant: All costs attributed to treating wastewater and for production and sale of reclaimed water to City of Carlsbad, and OMWD including operation and maintenance of the plant, No. 1 Lift Station, and Mahr Reservoir.

Customer Accounts: Responds to customers, associated billing costs, and uncollectible accounts.

Equipment and Vehicles: Maintenance of sewer vehicles and equipment and transfer of a portion of administrative and water operations vehicle costs attributable to sewer.

Buildings and Grounds: A transfer of costs attributable to sewer.

Engineering: All attributable sewer engineering, capital facilities and inspection costs.

VALLECITOS WATER DISTRICT

BUDGET FOR THE YEAR ENDING JUNE 30, 2023

FUNCTION DEFINITIONS - WASTEWATER OPERATIONS (Continued)

Safety and Compliance: A transfer of safety and regulatory affairs costs attributable to sewer operations.

Information Technology: Centralization of the District's technology to maintain hardware, software, servers, networks, and interfaces.

General and Administrative

Cost of Labor:

- *Salaries* include all vacation, sick leave, and holiday time for sewer personnel.
- *Group Insurance* is health, vision, and dental costs for all sewer personnel.
- *Workers' Compensation Insurance* covers all sewer personnel.
- *Public Employees Retirement System (PERS)* participation costs for all sewer personnel.
- *Social Security* cost for all sewer personnel.
- *Other Taxes* include unemployment and other miscellaneous employee taxes for sewer personnel.

Travel costs for sewer personnel.

Meetings and Seminars fees for sewer personnel are to provide District representation and professional development.

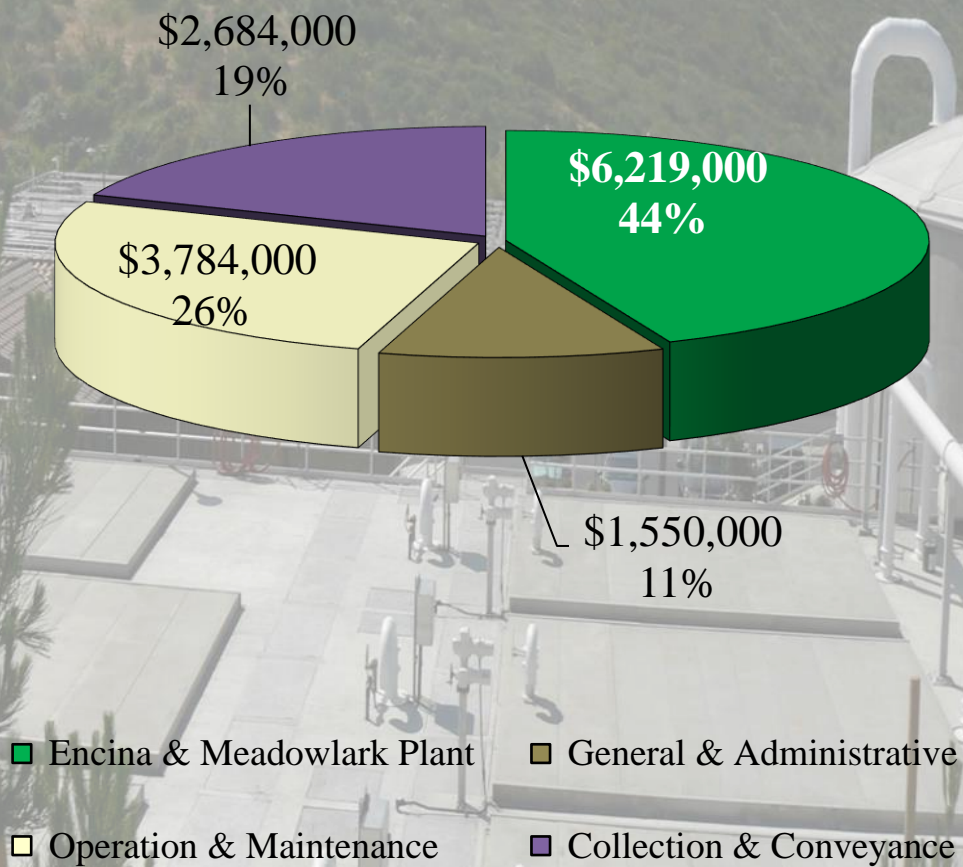
Dues and Subscriptions are periodical costs for sewer-related activities.

Other includes miscellaneous expenses that do not specifically apply to any of the above-referenced categories.

Administrative Credit Transfer is the collection or recovery of overhead costs that apply to all construction work orders.

2022-23 WASTEWATER OPERATING EXPENSE BUDGET

\$14,237,000



VALLECITOS WATER DISTRICT

WASTEWATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual FY 20-21</u>	<u>Budget FY 21-22</u>	<u>Projected FY 21-22</u>	<u>Budget FY 22-23</u>	<u>Estimated FY 23-24</u>
OPERATING REVENUES						
Sewer Service	4101	\$ 18,151,779	\$ 17,763,000	\$ 18,396,000	\$ 18,222,000	\$ 18,680,000
Reclaimed Water Sales	4102	3,007,732	2,975,000	2,726,000	3,080,000	3,099,000
Other	Various	<u>284,423</u>	<u>317,000</u>	<u>237,000</u>	<u>281,000</u>	<u>288,000</u>
Total Revenue		<u>21,443,934</u>	<u>21,055,000</u>	<u>21,359,000</u>	<u>21,583,000</u>	<u>22,067,000</u>
OPERATING EXPENSES						
Collection & Conveyance	3010000	2,378,043	2,384,000	2,179,000	2,684,000	2,792,000
Lift Stations	3020000	242,591	236,000	244,000	273,000	284,000
Source Control	3060000	185,273	203,000	190,000	212,000	221,000
Encina Disposal	3070000	2,946,474	3,339,000	3,036,000	3,304,000	3,403,000
Meadowlark Plant	3410000	2,817,315	3,066,000	2,548,000	2,915,000	2,925,000
Customer Accounts	4010000	465,622	565,000	508,000	596,000	617,000
Equipment & Vehicles	4210000	198,868	262,000	198,000	287,000	290,000
Buildings & Grounds	4110000	279,671	329,000	349,000	382,000	400,000
Engineering	5010000	953,234	899,000	749,000	875,000	840,000
Safety & Compliance	5210000	166,789	189,000	152,000	280,000	294,000
Information Technology	6230000	774,639	873,000	771,000	879,000	908,000
General & Admin.	6xxx000	<u>1,434,052</u>	<u>1,427,000</u>	<u>1,297,000</u>	<u>1,550,000</u>	<u>1,541,000</u>
Total Expense		<u>12,842,571</u>	<u>13,772,000</u>	<u>12,221,000</u>	<u>14,237,000</u>	<u>14,515,000</u>
OPERATING INCOME		<u>8,601,363</u>	<u>7,283,000</u>	<u>9,138,000</u>	<u>7,346,000</u>	<u>7,552,000</u>
LESS: TRANSFERS TO REPLACEMENT RESERVE		<u>8,601,363</u>	<u>7,283,000</u>	<u>9,138,000</u>	<u>7,346,000</u>	<u>7,552,000</u>
NET INCOME		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VALLECITOS WATER DISTRICT

WASTEWATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual</u> <u>FY 20-21</u>	<u>Budget</u> <u>FY 21-22</u>	<u>Projected</u> <u>FY 21-22</u>	<u>Budget</u> <u>FY 22-23</u>	<u>Estimated</u> <u>FY 23-24</u>
COLLECTION/CONVEYANCE						
Cost of Labor	3010xxx.51xx	\$ 1,701,799	\$ 1,668,000	\$ 1,685,000	\$ 1,775,000	\$ 1,860,000
Materials & Supplies	" .53xx	91,914	157,000	112,000	145,000	149,000
Chemicals	" .5350	330,422	315,000	293,000	485,000	497,000
Outside Services/Power	" .5xxx	253,908	244,000	175,000	279,000	286,000
Total Collection/Conveyance		<u>2,378,043</u>	<u>2,384,000</u>	<u>2,265,000</u>	<u>2,684,000</u>	<u>2,792,000</u>
LIFT STATIONS						
Cost of Labor	3020xxx.51xx	123,264	133,000	165,000	140,000	147,000
Materials & Supplies	" .53xx	60,924	35,000	29,000	30,000	31,000
Outside Services	" .54xx	4,770	20,000	7,000	71,000	73,000
Power	" .5306	53,633	48,000	43,000	32,000	33,000
Total Lift Stations		<u>242,591</u>	<u>236,000</u>	<u>244,000</u>	<u>273,000</u>	<u>284,000</u>
SOURCE CONTROL						
Cost of Labor	3060000.51xx	167,629	170,000	174,000	177,000	185,000
Materials & Supplies	" .53xx	17,644	25,000	14,000	27,000	28,000
Outside Services	" .54xx	-	8,000	2,000	8,000	8,000
Total Industrial Waste		<u>185,273</u>	<u>203,000</u>	<u>190,000</u>	<u>212,000</u>	<u>221,000</u>
ENCINA DISPOSAL	3070000.551	<u>2,946,474</u>	<u>3,339,000</u>	<u>3,036,000</u>	<u>3,304,000</u>	<u>3,403,000</u>
MEADOWLARK LIFT STATION						
Cost of Labor	3710000.51xx	63,481	72,000	60,000	75,000	80,000
Materials & Supplies	" .53xx	5,279	37,000	18,000	62,000	64,000
Chemicals	" .5350	78,692	125,000	97,000	175,000	179,000
Outside Services	" .54xx	4,406	40,000	36,000	43,000	44,000
Power	" .5306	79,446	90,000	73,000	35,000	36,000
Total Lift Sta.		<u>231,304</u>	<u>364,000</u>	<u>284,000</u>	<u>390,000</u>	<u>403,000</u>

VALLECITOS WATER DISTRICT

WASTEWATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		Actual FY 20-21	Budget FY 21-22	Projected FY 21-22	Budget FY 22-23	Estimated FY 23-24
MEADOWLARK PLANT						
Cost of Labor	3410000.51xx	\$ 1,090,694	\$ 1,107,000	\$ 1,025,000	\$ 1,097,000	\$ 1,156,000
Materials & Supplies	" .53xx	333,447	365,000	226,000	381,000	327,000
Chemicals	" .5350	196,043	205,000	224,000	245,000	251,000
Outside Services	" .54xx	350,830	335,000	239,000	279,000	251,000
Power	" .5306	405,892	400,000	353,000	210,000	216,000
Telephone	" .5305	-	1,000	-	-	-
Total Meadowlark		<u>2,376,906</u>	<u>2,413,000</u>	<u>2,067,000</u>	<u>2,212,000</u>	<u>2,201,000</u>
MAHR RESERVOIR						
Cost of Labor	3810000.51xx	87,141	100,000	82,000	101,000	105,000
Materials & Supplies	" .53xx	15,067	18,000	18,000	25,000	26,000
Chemicals	" .5350	29,505	40,000	33,000	40,000	39,000
Outside Services	" .54xx	20,035	76,000	17,000	82,000	84,000
Power	" .5306	57,357	55,000	47,000	65,000	67,000
Total Mahr Reservoir		<u>209,105</u>	<u>289,000</u>	<u>197,000</u>	<u>313,000</u>	<u>321,000</u>
CUSTOMER ACCOUNTS						
Cost of Labor	4010000.51xx	350,464	349,000	358,000	368,000	382,000
Materials & Supplies	" .53xx	25,907	87,000	62,000	119,000	122,000
Outside Services	" .54xx	38,668	35,000	27,000	47,000	48,000
Uncollectible Accts.	" .5703	50,583	94,000	61,000	62,000	65,000
Total Cust. Accts.		<u>465,622</u>	<u>565,000</u>	<u>508,000</u>	<u>596,000</u>	<u>617,000</u>
EQUIPMENT & VEHICLES						
Cost of Labor	4210000.51xx	128,261	151,000	130,000	160,000	165,000
Materials & Supplies	" .53xx	13,200	47,000	19,000	57,000	58,000
Fuel	" .5307	38,452	39,000	37,000	45,000	56,000
Outside Services	" .54xx	18,955	25,000	12,000	25,000	11,000
Total Equip. & Veh.		<u>198,868</u>	<u>262,000</u>	<u>198,000</u>	<u>287,000</u>	<u>290,000</u>
BUILDINGS & GROUNDS						
Cost of Labor	4110000.51xx	78,902	78,000	83,000	84,000	94,000
Materials & Supplies	" .53xx	27,197	68,000	46,000	65,000	67,000
Outside Services	" .54xx	95,725	111,000	130,000	138,000	141,000
Power	" .5306	77,847	72,000	90,000	95,000	98,000
Total Buildings & Grounds		<u>279,671</u>	<u>329,000</u>	<u>349,000</u>	<u>382,000</u>	<u>400,000</u>
ENGINEERING						
Cost of Labor	5010000.51xx	762,713	686,000	620,000	694,000	723,000
Materials & Supplies	" .53xx	3,162	22,000	7,000	33,000	34,000
Outside Services	" .54xx	187,359	191,000	122,000	148,000	83,000
Total Engineering		<u>953,234</u>	<u>899,000</u>	<u>749,000</u>	<u>875,000</u>	<u>840,000</u>

VALLECITOS WATER DISTRICT

WASTEWATER OPERATIONS BUDGET FOR THE YEAR ENDING JUNE 30, 2023

		<u>Actual</u> <u>FY 20-21</u>	<u>Budget</u> <u>FY 21-22</u>	<u>Projected</u> <u>FY 21-22</u>	<u>Budget</u> <u>FY 22-23</u>	<u>Estimated</u> <u>FY 23-24</u>
SAFETY & REGULATORY AFFAIRS						
Cost of Labor	5210000.51xx	\$ 114,916	\$ 141,000	\$ 99,000	\$ 151,000	\$ 161,000
Materials & Supplies	" .53xx	11,883	18,000	7,000	21,000	22,000
Safety Support	" .54xx	39,990	30,000	46,000	108,000	111,000
Total Safety/Reg Affairs		<u>166,789</u>	<u>189,000</u>	<u>152,000</u>	<u>280,000</u>	<u>294,000</u>
INFORMATION TECH						
Cost of Labor	6230000.51xx	378,991	364,000	318,000	376,000	392,000
Materials & Supplies	" .53xx	79,720	77,000	93,000	35,000	36,000
Outside Services	" .54xx	315,928	432,000	360,000	468,000	480,000
Total Information Tech		<u>774,639</u>	<u>873,000</u>	<u>771,000</u>	<u>879,000</u>	<u>908,000</u>
GENERAL & ADMINISTRATION						
Cost of Labor	6xxxxxx.51xx	1,422,153	1,430,000	1,318,000	1,506,000	1,543,000
Directors Fees	" .5101	32,529	58,000	62,000	65,000	67,000
District Insurance	" .5201	113,710	113,000	103,000	115,000	127,000
Travel	" .5202	-	4,000	4,000	16,000	16,000
Meetings & Seminars	" .5203	3,877	15,000	2,000	19,000	19,000
Dues & Subscriptions	" .5204	21,884	48,000	45,000	52,000	53,000
Office Supplies	" .5301	14,053	13,000	9,000	18,000	18,000
Postage	" .5304	2,032	4,000	2,000	3,000	3,000
Outside Services	" .5401	52,252	87,000	56,000	123,000	103,000
Legal	" .5402	193,988	184,000	138,000	170,000	183,000
Auditing	" .5403	12,711	13,000	11,000	13,000	15,000
Bank/Investment Svcs	" .5501	23,379	25,000	17,000	25,000	26,000
Regulatory Fees	" .5502	444	51,000	16,000	44,000	45,000
Other	" .5702	-	5,000	2,000	5,000	5,000
Admin Credit Trans	4702	(458,960)	(623,000)	(488,000)	(624,000)	(682,000)
Total Gen. & Admin.		<u>1,434,052</u>	<u>1,427,000</u>	<u>1,297,000</u>	<u>1,550,000</u>	<u>1,541,000</u>
TOTAL EXPENSES		<u>\$ 12,842,571</u>	<u>\$ 13,772,000</u>	<u>\$ 12,307,000</u>	<u>\$ 14,237,000</u>	<u>\$ 14,515,000</u>

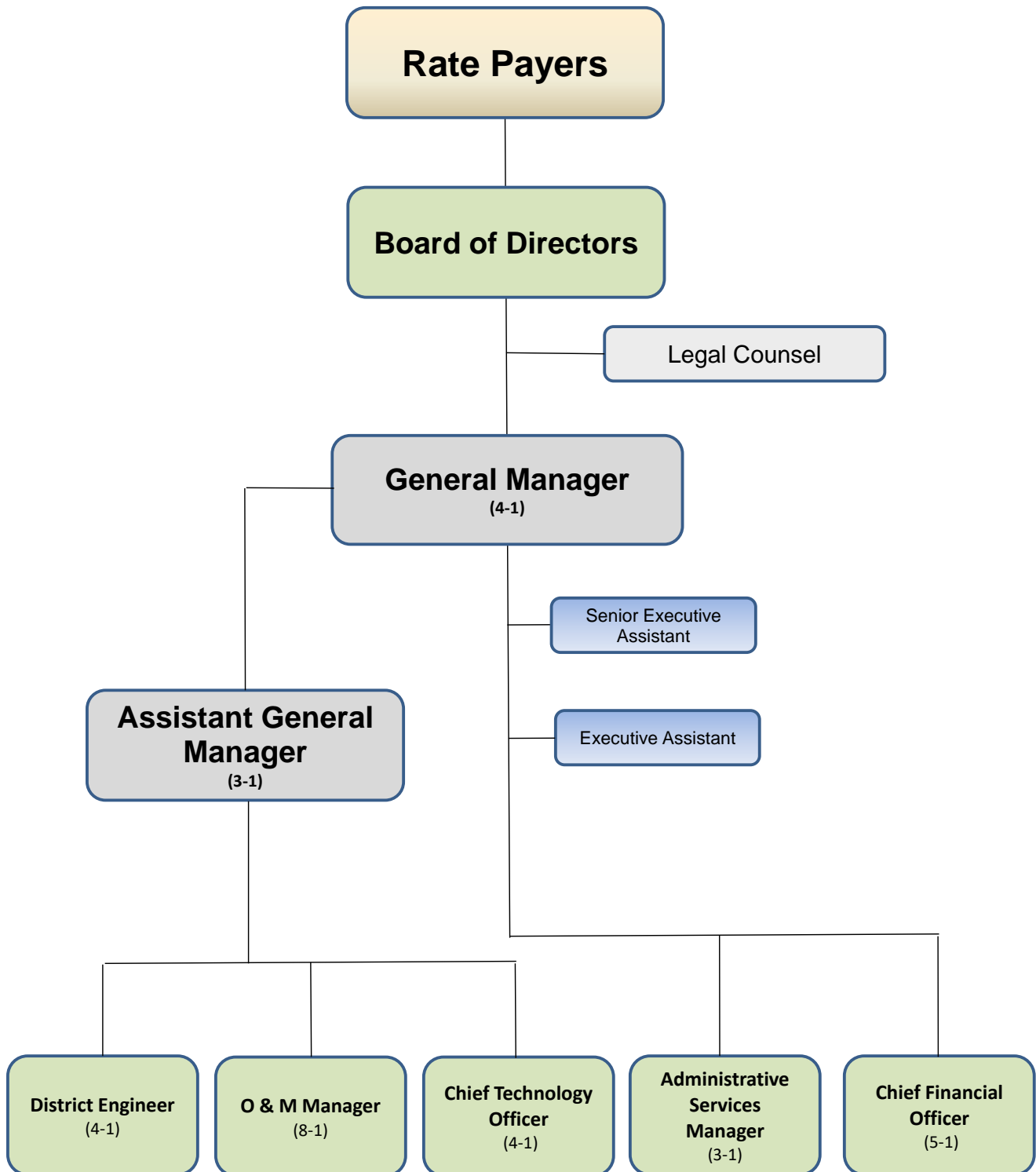
VALLECITOS WATER DISTRICT

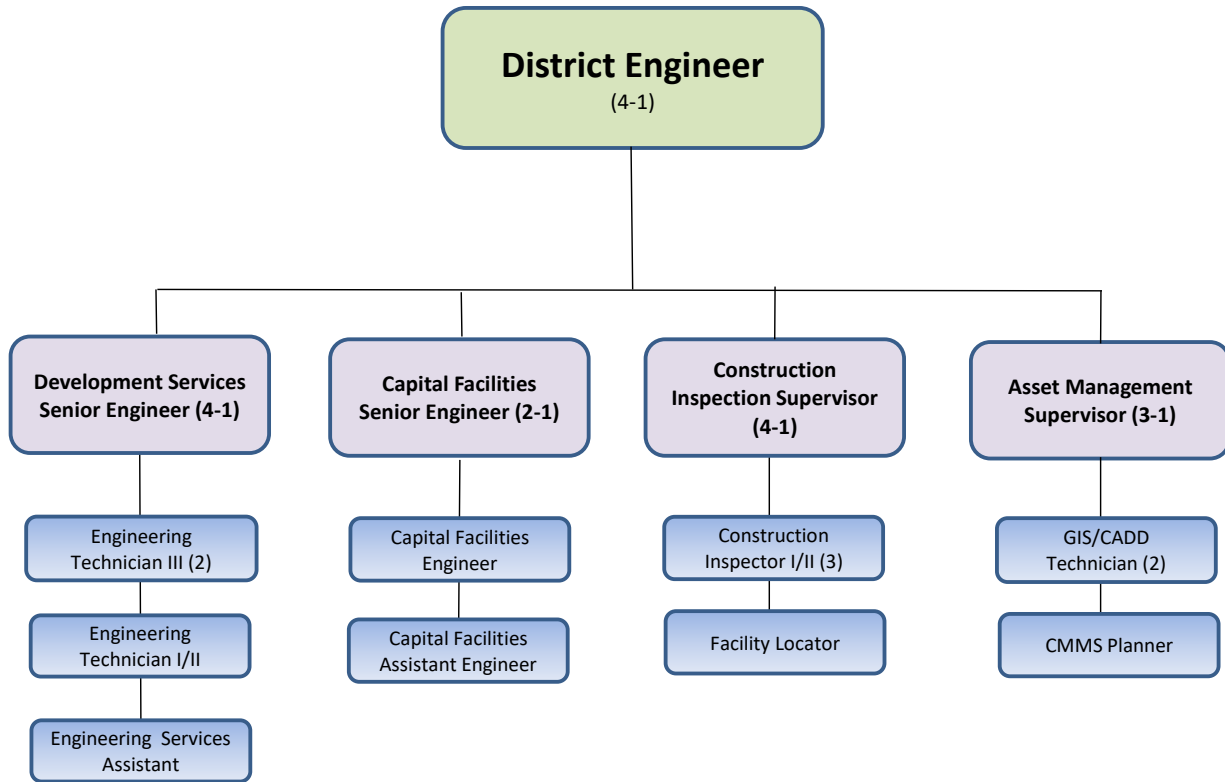
BUDGET FOR THE YEAR ENDING JUNE 30, 2023

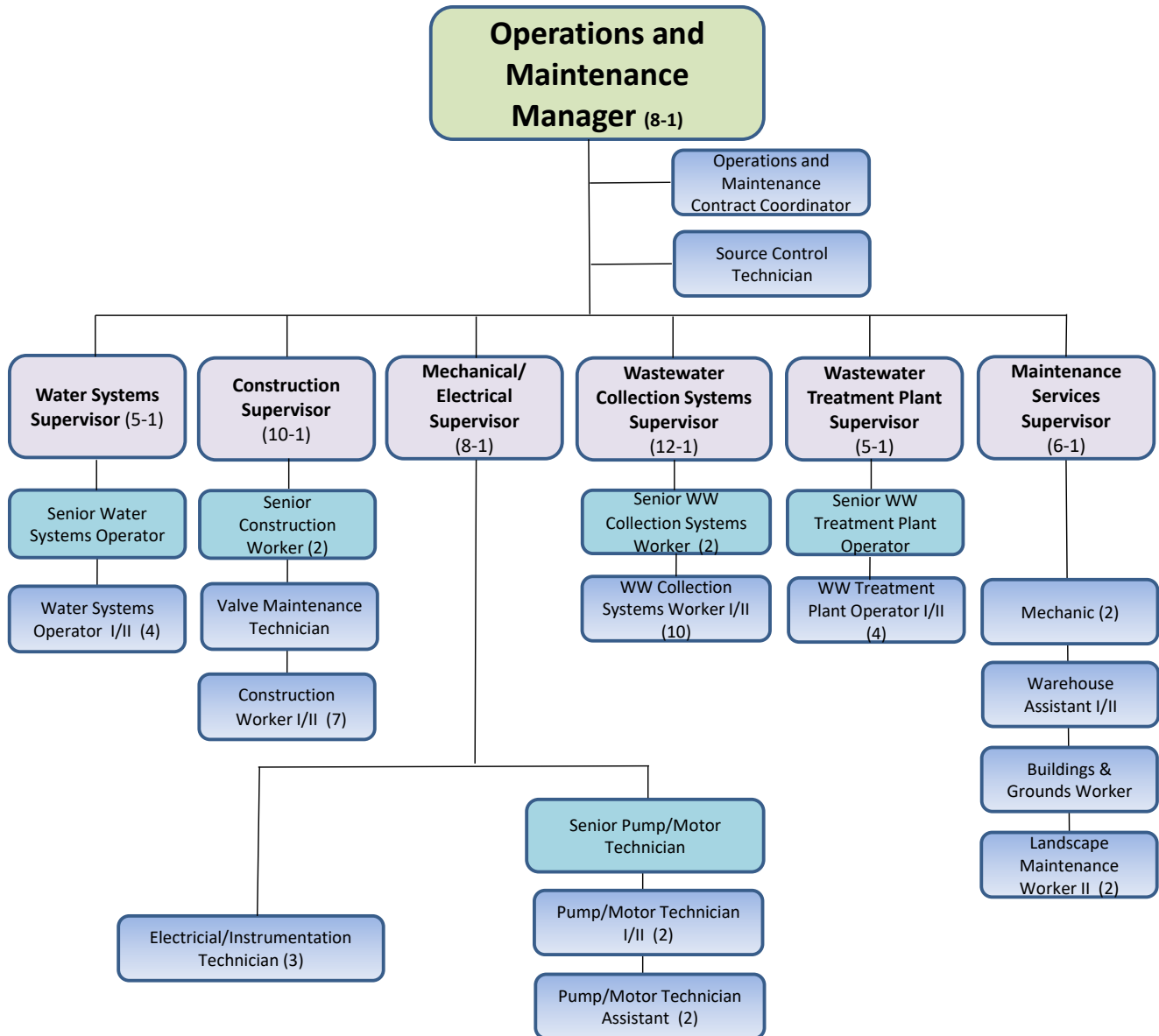
SALARY AND BENEFIT RECAP

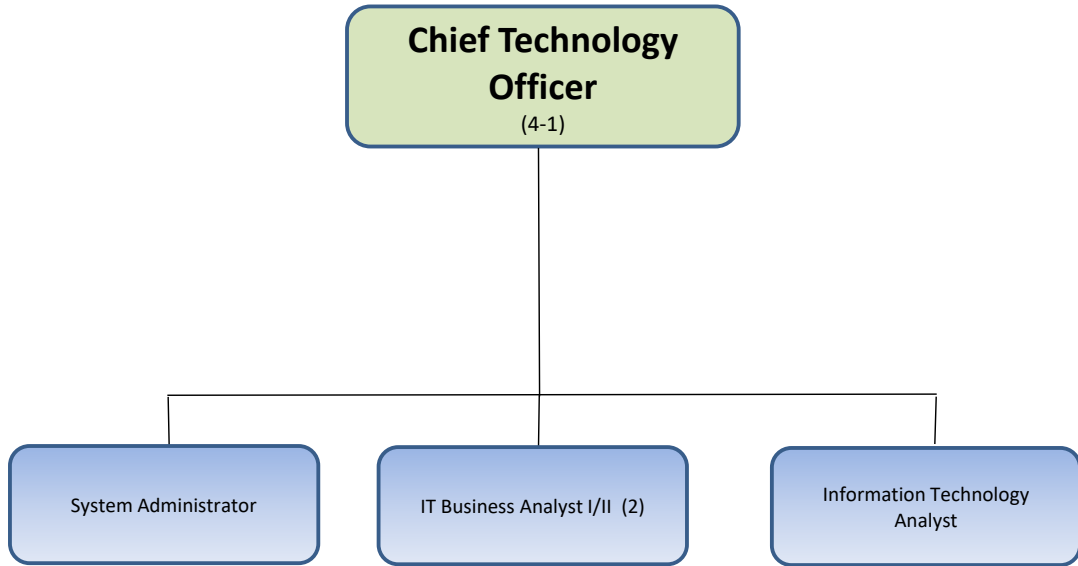
	Actual FY 20-21	Budget FY 21-22	Projected FY 21-22	Budget FY 22-23	Estimated FY 23-24
SALARIES					
Water Operations	\$ 5,721,299	\$ 5,606,000	\$ 5,513,000	\$ 5,981,000	\$ 6,278,000
Wastewater Operations	4,084,163	4,010,000	3,808,000	4,259,000	4,468,000
Subtotal	9,805,462	9,616,000	9,321,000	10,240,000	10,746,000
Labor Posted to Work Orders*	600,296	682,000	727,000	715,000	753,000
TOTAL SALARIES	10,405,758	10,298,000	10,048,000	10,955,000	11,499,000
BENEFITS					
Public Employee Retirement	2,261,543	2,074,000	1,940,000	2,134,000	2,212,000
Group Insurance	2,310,204	2,540,000	2,372,000	2,477,000	2,536,000
Social Security	766,771	788,000	749,000	838,000	880,000
Workers' Comp Insurance	127,751	205,000	164,000	190,000	205,000
457 Contribution Match	186,196	218,000	165,000	218,000	218,000
Other Taxes and Benefits	21,522	22,000	19,000	22,000	24,000
TOTAL BENEFITS	5,673,987	5,847,000	5,409,000	5,879,000	6,075,000
TOTAL SALARIES & BENEFITS	\$ 16,079,745	\$ 16,145,000	\$ 15,457,000	\$ 16,834,000	\$ 17,574,000
 Benefits as a Percentage of Salaries	 <u>54.5%</u>	 <u>56.8%</u>	 <u>53.8%</u>	 <u>53.7%</u>	 <u>52.8%</u>
 Operations	 54.00	 55.00	 55.00	 55.00	 55.00
Engineering	17.00	18.00	18.00	18.00	18.00
Finance	21.00	20.00	20.00	20.00	20.00
Administration	15.75	15.75	15.75	15.75	15.75
Total Funded FTEs	<u>107.75</u>	<u>108.75</u>	<u>108.75</u>	<u>108.75</u>	<u>108.75</u>

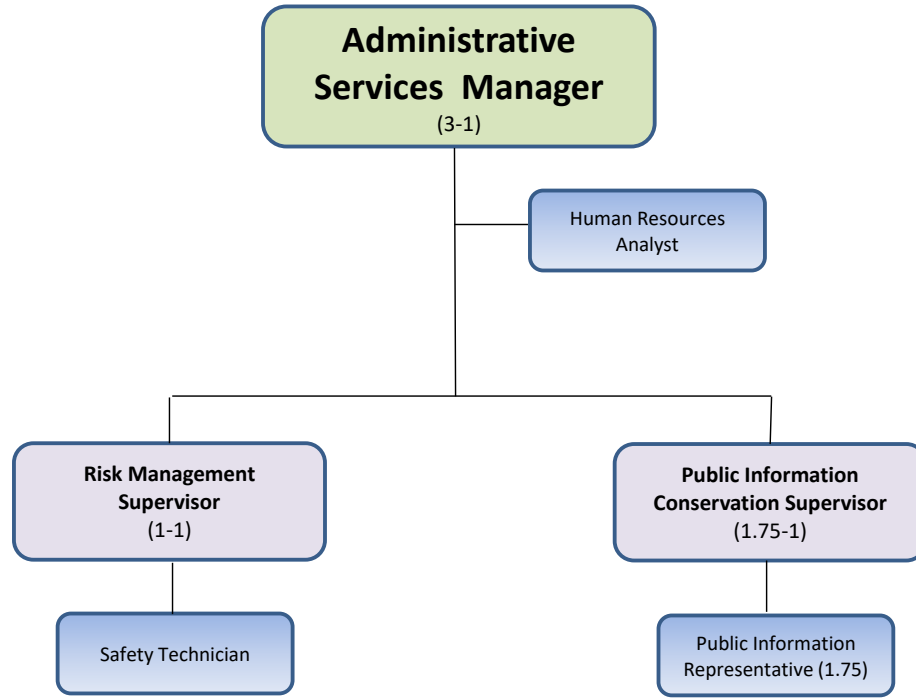
* There is also a labor overhead charge to work orders to cover benefit costs which are a part of the credit in the General and Administration sections of Water and Wastewater operations.

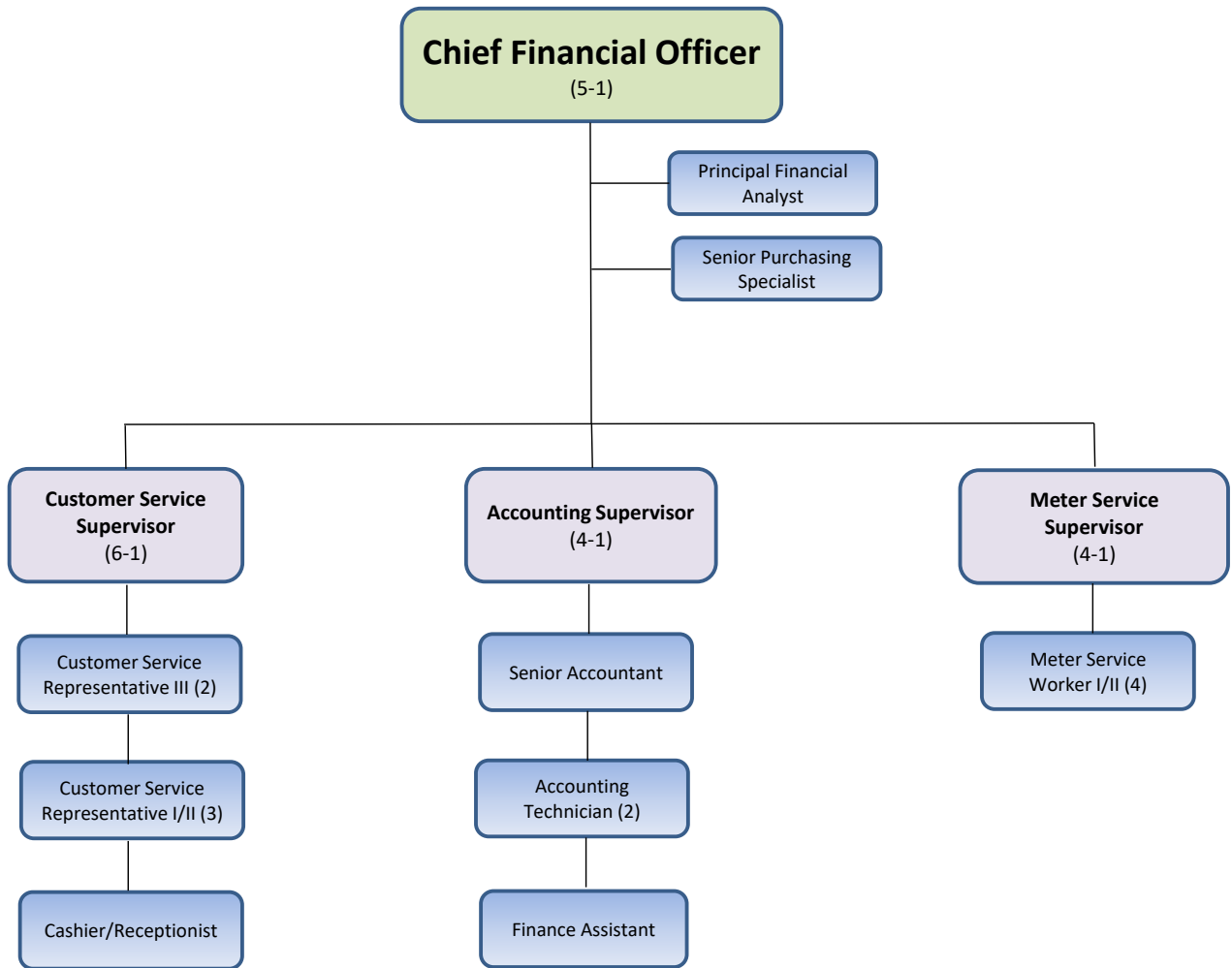












VALLECITOS WATER DISTRICT

2022-23 PERSONNEL BUDGET

POSITIONS/PERSONNEL:

Management will scrutinize the need for all positions and only fill positions if absolutely necessary. The fiscal year 2022-23 budget includes 4 retitles as outlined below. There are no new positions or reclassifications.

RETITLES:

Finance Manager to Chief Financial Officer - Estimated Annual Cost: \$0

This is a retitle only and will have no fiscal impact as there is no salary change.

Application Specialist I to IT Business Analyst I - Estimated Annual Cost: \$0

This is a retitle only and will have no fiscal impact as there is no salary change.

Application Specialist II to IT Business Analyst II - Estimated Annual Cost: \$0

This is a retitle only and will have no fiscal impact as there is no salary change.

Information Technology Technician to Information Technology Analyst - Estimated Annual Cost: \$0

This is a retitle only and will have no fiscal impact as there is no salary change.

VALLECITOS WATER DISTRICT

2022-23 PUBLIC AWARENESS AND CONSERVATION PROGRAM BUDGET

<u>REBATE PROGRAMS *</u>	Prj 2023100064	W/O 117447	
To encourage the purchase of qualified low flow devices, appliances, artificial turf or rebates to customers who remove their existing truf grass and install a low-water landscape (i.e., Cash for Grass program.)			\$ 1,000
<u>OUTREACH & ADVERTISING</u>	Prj 2023100065	W/O 117448	
For purchase of items and services used to assist customers in becoming better informed about water related issues. Includes but not limited to: purchase of videos, books, displays and promotional items; advertising; cost to participate in community events; employee education; and to provide tours of District facilities. Includes cost to produce and mail newsletters, consumer confidence report, brochures, bill inserts, special hearing notifications, and others as needed.			52,900
<u>VIDEO PRODUCTION</u>	Prj 2023100066	W/O 123555	
Cost to hire outside production company to produce videos highlighting the District or for internal staff to purchase supplies and services to create videos. Videos to be shown during tours of the District, speaking engagements, on the VWD website and/or on social media.			9,900
<u>EDUCATION</u>	Prj 2023100067	W/O 117451	
For continued development and purchase of materials designed to promote and implement K-12 education programs. This includes the Splash Science Mobile Lab visits to area elementary schools and payment for bus transportation to Jack's Pond Park and Heritage Park to listen to educational water history information by District staff. Also includes bus transportation for school tours of the District. Includes materials and costs to participate in annual Water Awareness Campaign (4th grade calendar/poster contest), such as the purchase of calendars, entry forms, prizes for entrants and poster contest winners. Also includes participation in Palomar College GEAR UP program.			41,500
<u>COOPERATIVE PROGRAMS*</u>	Prj 2023100068	W/O 117452	
For participation in cost-sharing programs such as residential surveys; large property audits, which are outsourced due to extensive staff time that would be required; customer service surveys; and supplies such as dye tablets, showerheads and moisture probes.			3,000
<u>WATERWISE LANDSCAPE</u>	Prj 2023100069	W/O 117453	
To promote low water use landscape and irrigation practices. Includes the cost for sponsoring, maintaining and upgrading water-wise demonstration gardens**, landscape irrigation/plant selection workshops, signage and promotion of demonstration gardens, waterwise plant promotions, and purchase of waterwise landscape brochures and publication reprints. ** Demonstration gardens include: Sustainable Demonstration Garden at VWD Administration building, Heritage Park native plant garden and Jack's Pond Park native plant garden.			7,300
<u>MEMBERSHIPS & EQUIPMENT</u>	Prj 2023100070	W/O 117454	
To maintain memberships in related organizations and committees and for the purchases of new or replacement equipment.			2,400
<u>COMMERCIAL/INDUSTRIAL</u>	Prj 2023100071	W/O 117455	
To assist large commercial and public agency customers by providing workshops, written materials, monetary incentives, and using outside consultants.			1,000
TOTAL PUBLIC AWARENESS/CONSERVATION PROGRAM BUDGET			<u>\$ 119,000</u>

* Uncertainty in the funding from the Metropolitan Water District may adversely impact the availability of programs.

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2022-23 CAPITAL BUDGET



VALLECITOS WATER DISTRICT

Comprehensive Project List

Page Number	Project Number	Project Title	Funding Source	Previous Budget & Amendments		Estimated Amt Expended @ 6/30/22	Fiscal Year 2022-23	
							Carryforward	New Request
Carryover Projects								
37	2021100002	Land Outfall Parallel Sewer Section A	210 & 220	\$ 11,320,000	\$ 5,000	\$ 11,315,000	\$ -	
38	90001	Land Outfall Gravity Sewer Section D	210 & 220	8,700,000	210,000	8,490,000	-	
39	2020100002	Montiel Lift Station and Forcemain Replacement	210 & 220	5,580,000	960,000	4,620,000	1,635,000	
40	2020100003	Tres-Amigos Water Line Replacement Phase 1	110	3,035,000	335,000	2,700,000	3,535,000	
41	2022100001	Encina Wastewater Authority FY 21/22	210	4,156,000	3,667,000	489,000	1,057,000	
42	2016100002	Chlorine Contact Tank Expansion	250	4,719,000	175,000	4,544,000	166,000	
43	2017100224	City of San Marcos Creek District Phase 1	110 & 210	3,578,000	320,000	3,258,000	732,000	
44	2017100002	MRF Conversion to Sodium Hypochlorite	250	1,845,000	310,000	1,535,000	2,040,000	
45	2020100005	Meadowlark Failsafe Rehabilitation (Buena Reach)	210	2,985,000	205,000	2,780,000	865,000	
46	2021100003	16-Inch Emergency Bypass Pipeline Rehabilitation	210	3,210,000	430,000	2,780,000	95,000	
47	2020100006	Sage Canyon Tank Refurbishment	110	1,706,000	815,000	891,000	34,000	
48	2012100002	Richland Invert Replacement	210 & 220	1,540,000	80,000	1,460,000	50,000	
49	2019100002	MRF - Biological Selector Improvements	250	1,575,000	1,326,000	249,000	(209,000)	
50	2021100008	Coggan Pump Station Improvements	110	325,000	-	325,000	935,000	
51	2020100004	District-wide SCADA Upgrade Project	110 & 210	1,250,000	890,000	360,000	-	
52	2018100011	MRF - Tertiary Structural Rehab and Repairs	250	1,034,000	218,000	816,000	73,000	
53	2020100010	Ductile Iron Pipe Condition Assessment	110	1,300,000	40,000	1,260,000	(320,000)	
54	2018100004	Las Posas Water Line Replacement	110	503,000	127,000	376,000	384,000	
55	2020100007	Steel Pipeline Condition Assessment	110	855,000	-	855,000	-	
56	2022100003	Sewer Lining and Rehab 2022	210	870,000	285,000	585,000	(65,000)	
57	2014100004	Asset Management Replacement Schedule	110 & 210	704,000	300,000	404,000	-	
58	2022100008	Meadowlark Stabilization and Maintenance Improvements	210	180,000	70,000	110,000	490,000	
59	2021100006	MRF Direct Potable Reuse	210	650,000	10,000	640,000	-	
60	2021100005	Coronado Hills Tank Exterior Refurbishment	110	460,000	-	460,000	80,000	
61	2022100009	Maintenance Services Department - Offices	110 & 210	150,000	80,000	70,000	260,000	
62	2022100055	Richland I Tank Exterior Refurbishment	110	405,000	-	405,000	-	
63	2016100007	Rock Springs Valve Replacement	110	300,000	-	300,000	62,000	
64	2022100006	Energy Management Systems	110 & 210	230,000	135,000	95,000	130,000	
65	2020100022	Redundancy for Admin. Wireless Radio Network	110 & 210	347,000	48,000	299,000	-	
66	2022100005	Lake San Marcos Lift Station Improvements	210	235,000	50,000	185,000	65,000	
67	2021100007	Rancheros Drive Easement Sewer Replacement and Rehabilitation	210	300,000	15,000	285,000	-	
68	2020100011	Palos Vista Pump Station - Motor Starters Upgrade	110	517,000	155,000	362,000	(242,000)	
69	2022100004	Maximo Mobility	110 & 210	270,000	-	270,000	-	
70	2021100013	City of San Marcos Joint Projects Relocate/Adjust	110	81,000	51,000	30,000	184,000	
71	2016100014	Via Vera Cruz Tank Hill Stabilization	110	250,000	35,000	215,000	-	
72	2020100012	DHS- Upgrades for Critical Infrastructure Hardware	110 & 210	239,000	10,000	229,000	-	
73	2022100010	Wulff Pressure Regulating Valve	120	412,000	40,000	372,000	(182,000)	
74	2020100016	Door Access Control System Expansion -MRF & Mahr	110 & 210	150,000	10,000	140,000	50,000	
75	2022100007	Reclaimed Pumps - Evaluation and Design	250	190,000	-	190,000	-	
76	2020100026	Upgrades to Surveillance Video Management System	110 & 210	150,000	12,000	138,000	-	
77	2022100011	Maximo - GIS interface	110 & 210	120,000	-	120,000	-	
78	2020100021	Update Restrooms to ADA Compliance	110 & 210	135,000	-	135,000	(37,000)	
79	2022100017	Meadowlark - Concrete and Asphalt Improvements	210	50,000	-	50,000	-	
80	2022100028	Sodium Bisulfite Secondary Containment	250	25,000	-	25,000	-	
81	2022100031	OpenGOV Digital Transparency and Reporting	110 & 210	20,000	-	20,000	-	
				\$ 66,656,000	\$ 11,419,000	\$ 55,237,000	\$ 11,867,000	
New Projects								
82	2023100001	Encina Wastewater Authority Five Year Plan	210	-	-	-	32,385,000	
83	2023100002	Storage Building & Shop	110 & 210	-	-	-	1,280,000	
84	2023100003	HVAC System for District Headquarters	110 & 210	-	-	-	1,100,000	
85	2023100004	Pipeline Corrosion Protection Improvements	110 & 210	-	-	-	1,050,000	
86	2023100005	Land Outfall West Repair and Rehabilitation	210	-	-	-	800,000	
87	2023100006	MRF Headworks Assessment	210	-	-	-	775,000	
88	2023100007	San Marcos Blvd at Pacific Street Sewer Relocation	210	-	-	-	647,000	
89	2023100008	Technology Infrastructure Upgrades	110 & 210	-	-	-	575,000	
90	2023100009	5 Year PC / Laptop Refresh Plan	110 & 210	-	-	-	375,000	
91	2023100010	MRF Battery Energy Storage System Retaining Wall	210 & 250	-	-	-	290,000	
92	2023100011	Fire Services - Backflow Preventer Upgrades	110	-	-	-	250,000	
93	2023100012	Managed Operating System Patching Services	110 & 210	-	-	-	200,000	
94	2023100013	Repairs & Painting of Meadowlark Lift Station	250	-	-	-	160,000	
95	2023100014	AMI Pilot	110	-	-	-	150,000	
96	2023100015	Heli-Hydrant	110	-	-	-	150,000	
97	2023100016	MRF: Circuit Breaker Program	210	-	-	-	130,000	
98	2023100017	Repairs and Coating of Concrete Yard Wall	110 & 210	-	-	-	125,000	
99	2023100018	Coggan Pump Station: Facility Improvements	110	-	-	-	120,000	
100	2023100019	District-wide Valve Replacement Program	110	-	-	-	100,000	
101	2023100020	MRF - Replacement of South Influent Pump	210	-	-	-	75,000	
102	2023100021	Construction of IT Offices	110 & 210	-	-	-	70,000	
103	2023100022	Northstar – Server Migration and Upgrade to NS 6.6	110 & 210	-	-	-	68,000	
104	2023100023	Boardroom: HVAC Repairs & Ceiling Replacement	110 & 210	-	-	-	65,000	
105	2023100024	Primary Clarifier Sludge Pump Replacement	210	-	-	-	60,000	
106	2023100025	Repairs and Painting of the Warehouse	110 & 210	-	-	-	55,000	
107	2023100026	Wulff Pump Station: Circuit Breaker Program	110	-	-	-	48,000	
108	2023100027	Deer Springs Pump Station: Circuit Breaker Program	110	-	-	-	48,000	
109	2023100028	Twin Oaks Reservoir: Asphalt Repair & Sealcoat	110	-	-	-	46,000	
110	2023100029	GEMS – Upgrade to ABSuite 7.0	110 & 210	-	-	-	36,000	
111	2023100030	South Lake Pump Station: Asphalt Repair & Sealcoat	110	-	-	-	30,000	
112	2023100031	Manhole and RAS Valve Box Rehabilitation	210	-	-	-	30,000	
113	2023100032	Service Line Replacement & Meter Relocations	110	-	-	-	28,000	
114	2023100033	MRF Aeration Basin Compressor - Redundant System	250	-	-	-	20,000	
115	2023100034	Replacement of District Radio Repeater	110 & 210	-	-	-	20,000	
116	2023100035	Schoolhouse PS: Safety Nets and Climbing Systems	110	-	-	-	19,000	
117	2023100036	Electronic Signature Initiative for District Docs	110 & 210	-	-	-	15,000	
118	2023100037	Schoolhouse Tank: Safety Nets and Climbing Systems	110	-	-	-	13,000	
119	2023100038	NTOT #2: Safety Nets and Climbing Systems	110	-	-	-	13,000	
120	2023100039	Mahr Reservoir Road: Asphalt Repair & Sealcoat	250	-	-	-	12,000	
121	2023100040	Double Peak Tank: Asphalt Repair & Sealcoat	110	-	-	-	11,000	
122	TBA	Future Projects	-	-	-	-	28,915,000	
				\$ -	\$ -	\$ -	\$ 70,359,000	
				\$ 66,656,000	\$ 11,419,000	\$ 55,237,000	\$ 82,226,000	
							\$137,463,000	

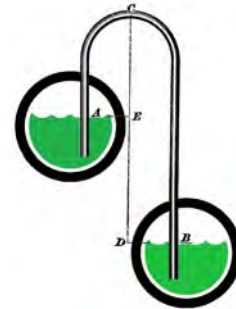
VALLECITOS WATER DISTRICT

Comprehensive Project List

Project Total	Spending by Fiscal Year						Page Number
	2022-23	2023-24	2024-25	2025-26	2026-27	2027 to 2032	
\$ 11,320,000	\$ 45,000	\$ 750,000	\$ 1,820,000	\$ 4,000,000	\$ 4,700,000	\$ -	37
8,700,000	30,000	160,000	200,000	110,000	7,990,000	-	38
7,215,000	2,856,000	3,399,000	-	-	-	-	39
6,570,000	200,000	6,035,000	-	-	-	-	40
5,213,000	1,546,000	-	-	-	-	-	41
4,885,000	360,000	1,145,000	3,205,000	-	-	-	42
4,310,000	2,484,000	1,506,000	-	-	-	-	43
3,885,000	1,540,000	2,035,000	-	-	-	-	44
3,850,000	2,200,000	1,445,000	-	-	-	-	45
3,305,000	2,875,000	-	-	-	-	-	46
1,740,000	925,000	-	-	-	-	-	47
1,590,000	180,000	635,000	695,000	-	-	-	48
1,366,000	40,000	-	-	-	-	-	49
1,260,000	60,000	1,200,000	-	-	-	-	50
1,250,000	200,000	160,000	-	-	-	-	51
1,107,000	889,000	-	-	-	-	-	52
980,000	40,000	300,000	300,000	300,000	-	-	53
887,000	760,000	-	-	-	-	-	54
855,000	25,000	355,000	250,000	225,000	-	-	55
805,000	520,000	-	-	-	-	-	56
704,000	245,000	159,000	-	-	-	-	57
670,000	600,000	-	-	-	-	-	58
650,000	340,000	300,000	-	-	-	-	59
540,000	30,000	510,000	-	-	-	-	60
410,000	330,000	-	-	-	-	-	61
405,000	45,000	360,000	-	-	-	-	62
362,000	137,000	225,000	-	-	-	-	63
360,000	75,000	50,000	50,000	50,000	-	-	64
347,000	299,000	-	-	-	-	-	65
300,000	250,000	-	-	-	-	-	66
300,000	15,000	270,000	-	-	-	-	67
275,000	120,000	-	-	-	-	-	68
270,000	170,000	100,000	-	-	-	-	69
265,000	214,000	-	-	-	-	-	70
250,000	-	20,000	195,000	-	-	-	71
239,000	229,000	-	-	-	-	-	72
230,000	160,000	30,000	-	-	-	-	73
200,000	190,000	-	-	-	-	-	74
190,000	40,000	150,000	-	-	-	-	75
150,000	138,000	-	-	-	-	-	76
120,000	-	75,000	45,000	-	-	-	77
98,000	98,000	-	-	-	-	-	78
50,000	50,000	-	-	-	-	-	79
25,000	25,000	-	-	-	-	-	80
20,000	20,000	-	-	-	-	-	81
\$ 78,523,000	\$ 21,595,000	\$ 21,374,000	\$ 6,760,000	\$ 4,685,000	\$ 12,690,000	\$ -	
32,385,000	4,917,000	6,044,000	7,197,000	7,245,000	6,982,000	-	82
1,280,000	180,000	1,100,000	-	-	-	-	83
1,100,000	100,000	1,000,000	-	-	-	-	84
1,050,000	58,000	483,000	297,000	212,000	-	-	85
800,000	50,000	250,000	500,000	-	-	-	86
775,000	175,000	150,000	450,000	-	-	-	87
647,000	89,000	558,000	-	-	-	-	88
575,000	175,000	100,000	100,000	100,000	100,000	-	89
375,000	75,000	75,000	75,000	75,000	75,000	-	90
290,000	290,000	-	-	-	-	-	91
250,000	250,000	-	-	-	-	-	92
200,000	40,000	40,000	40,000	40,000	40,000	-	93
160,000	160,000	-	-	-	-	-	94
150,000	150,000	-	-	-	-	-	95
150,000	150,000	-	-	-	-	-	96
130,000	130,000	-	-	-	-	-	97
125,000	125,000	-	-	-	-	-	98
120,000	120,000	-	-	-	-	-	99
100,000	100,000	-	-	-	-	-	100
75,000	75,000	-	-	-	-	-	101
70,000	70,000	-	-	-	-	-	102
68,000	68,000	-	-	-	-	-	103
65,000	65,000	-	-	-	-	-	104
60,000	20,000	20,000	20,000	-	-	-	105
55,000	55,000	-	-	-	-	-	106
48,000	48,000	-	-	-	-	-	107
48,000	48,000	-	-	-	-	-	108
46,000	46,000	-	-	-	-	-	109
36,000	36,000	-	-	-	-	-	110
30,000	30,000	-	-	-	-	-	111
30,000	30,000	-	-	-	-	-	112
28,000	28,000	-	-	-	-	-	113
20,000	20,000	-	-	-	-	-	114
20,000	20,000	-	-	-	-	-	115
19,000	19,000	-	-	-	-	-	116
15,000	15,000	-	-	-	-	-	117
13,000	13,000	-	-	-	-	-	118
13,000	13,000	-	-	-	-	-	119
12,000	12,000	-	-	-	-	-	120
11,000	11,000	-	-	-	-	-	121
28,915,000	-	1,010,000	2,325,000	5,195,000	13,575,000	6,810,000	122
\$ 70,359,000	\$ 8,076,000	\$ 10,830,000	\$ 11,004,000	\$ 12,867,000	\$ 20,772,000	\$ 6,810,000	
\$ 148,882,000	\$ 29,671,000	\$ 32,204,000	\$ 17,764,000	\$ 17,552,000	\$ 33,462,000	\$ 6,810,000	

Capital Improvement Program Land Outfall Parallel Sewer Section A

Description: The existing 20 to 24-inch Siphon Section A, and 30-inch Gravity Section A of the Land Outfall are under capacity and will require a parallel 30-inch siphon pipeline and a new 42-inch gravity pipe to be installed.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2021100002

Funding Source: 76% Fund 220 – Sewer Capacity
24% Fund 210 – Sewer Replacement

Comments: The Land Outfall comprises approximately 34,000 feet of sewer pipe (total) installed in 1985, connecting Lift Station No. 1 to the Encina Water pollution Control Facility. The Siphon Section A comprises approximately 12,000-feet of 20 to 24-inch ductile iron pipe (DIP) and operates as a pressurized inverted siphon. The Siphon Section A corridor begins just west of Acacia Drive and ends just east of El Camino Real. Currently Siphon Section A is overcapacity during peak wet weather flow conditions. A 30-inch siphon pipeline, parallel to Siphon Section A, needs to be installed to provide additional capacity and to accommodate ultimate build out demands. A diversion structure between the existing siphon and the new parallel siphon will be necessary. Additionally, this project will include a meter vault with pipeline interconnects west of Melrose Avenue, a new connection to the solids forcemain, and connection to the City of Carlsbad’s Poinsettia lift station.

Approximately 1,625 feet of existing 30-inch vitrified clay pipe (VCP), referred to a Gravity Section A, was installed in 1985 as part of the 34,000-foot Land Outfall project, located immediately east of Siphon A. Gravity Section A is currently under capacity for build out demands and will need to be replaced with new 42-inch PVC.

Operations Impact: Reduce the risk of sewer spills. Increase capacity. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000	\$45,000					\$50,000
Design			\$750,000	\$320,000			\$1,070,000
Construction				\$1,500,000	\$4,000,000	\$4,700,000	\$10,200,000
Total	\$5,000	\$45,000	\$750,000	\$1,820,000	\$4,000,000	\$4,700,000	\$11,320,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Jul 2021	Dec 2022	Sep 2023	Mar 2025	Apr 2025	Jun 2027	Jun 2027

Capital Improvement Program Land Outfall Gravity Sewer Section D

Description: Gravity Section D of the Land Outfall consists of pipeline sections under capacity during current or build out conditions and will need to be upsized to new 36-inch to 48-inch PVC pipes.



Project Manager: Ryan Morgan

Department: Engineering

Project: 90001

Funding Source: 20% Fund 220 - Sewer Capacity
80% Fund 210 - Sewer Replacement

Work Order: 090001

Comments: The Land Outfall comprises approximately 34,000 feet of sewer pipe (total) installed in 1985, connecting Lift Station No. 1 to the Encina Water pollution Control Facility. A portion of the Land Outfall, referred to as Gravity Section D, is made up of approximately 12,800 feet of sewer pipe ranging in size from 30 to 39-inch from east of Interstate 5 to the end of Siphon C, located near Palomar Oaks Way and Camino Vida Roble. Approximately 7,900 feet of Gravity Section D is currently under capacity and needs to be upsized to new 36-inch to 48-inch PVC pipelines. Approximately 4,900 feet of Gravity Section D may need to be upsized to new 36-inch to 42-inch PVC pipelines to provide additional capacity to meet build-out demands. The District will work with other interested agencies (City of Carlsbad, Buena Sanitation District & City of Vista) when possible in pursuit of cost-sharing alternatives. After project completion, the District estimates \$3,515,000 will be received in reimbursements.

The existing Land Outfall capacity ownership percentages for Section D for the three agencies are:

Carlsbad 23.98%
Vista 17.99%
VWD 58.03%

Operations Impact: Reduce the risk of sewer spills. Increase capacity. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$210,000	\$30,000	\$10,000				\$250,000
Design			\$150,000	\$200,000	\$110,000		\$460,000
Construction						\$7,990,000	\$7,990,000
Total	\$210,000	\$30,000	\$160,000	\$200,000	\$110,000	\$7,990,000	\$8,700,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2008	Jan 2009	Jun 2024	Jul 2024	Dec 2025	Jan 2026	Dec 2027	Jan 2028

Capital Improvement Program Montiel Lift Station and Forcemain Replacement

Description: The Montiel Lift Station and the discharge forcemain have surpassed the end of their design life and require replacement. In addition, the lift station is undersized to handle peak wet weather build out flows for the area.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2020100002

Funding Source: 51% Fund 210 – Sewer Replacement
49% Fund 220 – Sewer Capacity

Work Order: 217904

Comments: The Montiel Lift Station is a small facility just north of State Route-78 and east of Nordahl Road. This lift station was constructed in 1985 and was originally designed to serve as a temporary purpose. The lift station collects and conveys wastewater flows from a 200-acre area east of Nordahl Road near the District's eastern service area boundary. The lift station's discharge consists of 1,830-feet of 6-inch diameter ductile iron pipe (DIP) forcemain which has surpassed the end of its design life. The District has prepared a planning document and determined that a gravity outfall solution, in partnership with the City of Escondido will not be realized. This project is identified in the 2018 Master Plan as Project LS-1.

The existing forcemain discharge connection to the gravity manhole in Nordahl Road will be replaced as part of this project. An additional 2,350 feet of forcemain piping may be included downstream of this location to reduce the quantity/cost of future CIP replacements of the existing gravity sewer in the Nordahl Shopping Center. Additional replacements of existing 10" diameter DIP influent gravity sewer segments upstream of the lift station may be replaced. Applying these project components under one scope of work presents an estimated savings of over \$1,000,000 compared to executing individually as separate capital improvement projects.

Operations Impact: Routine monitoring and maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$375,000						\$375,000
Design	\$585,000	\$75,000					\$660,000
Construction		\$2,781,000	\$3,399,000				\$6,180,000
Total	\$960,000	\$2,856,000	\$3,399,000	\$0	\$0	\$0	\$7,215,000

FY 2022/23 Budget Request - \$1,635,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019	Feb 2016	Jul 2021	Jan 2020	Sep 2022	Dec 2022	Dec 2023	Jan 2024

Capital Improvement Program Tres-Amigos Water Line Replacement Phase 1

Description: Replace approximately 7,800 feet of the Tres-Amigos thin-wall steel water line. The aging 6-inch to 8-inch steel pipe will be replaced with new PVC pipe.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2020100003

Funding Source: 100% Fund 110 – Water Replacement

Work Order: 226509

Comments: The Tres-Amigos water line consists of approximately 19,000 feet of pipelines ranging from 6-inch to 12-inch diameter. The water pipelines located in the northern limits of VWD boundary were installed in the 1950s and 1960s, extending from the North Twin Oaks Tank No. 2 in Pleasant Heights Drive to north of Carrio Drive. The original Tres Amigos Line Extension Project occurred in 1958 which installed 6-inch and 8-inch diameter tar wrapped 12-14-gauge steel pipelines. This material is considered steam pipeline and is not adequate for use in pressurized water distribution systems. The Project will design the replacement of existing 6-inch and 8-inch diameter steel water mains with 8-inch (minimum) diameter C-900 PVC water pipeline.

Due to the frequency of pipeline ruptures, this project will replace approximately 7,800-feet of the Tres Amigos water pipelines beginning at the tee junction in Green Hills Way, traveling northbound in VWD easements and in Ormsby Way. The pipeline corridor veers east in an existing VWD easement from Ormsby Way and travels northbound in alignment with Fairview Drive and crosses Gopher Canyon Road, continuing northbound in Fairview Drive. North of the Carrio Drive/ Fairview Drive intersection, the pipeline travels northeast in VWD easements through private properties to a dead-end at VWD’s northern boundary (end of Project). A key Project objective includes the relocation of the existing pipelines out of private backyards and into more accessible areas.

Operations Impact: Reduced risk of water line breakage. Annual and routine pipeline maintenance is expected with the completion of this project.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$50,000						\$50,000
Design	\$285,000	\$200,000					\$485,000
Construction			\$6,035,000				\$6,035,000
Total	\$335,000	\$200,000	\$6,035,000	\$0	\$0	\$0	\$6,570,000

FY 2022/23 Budget Request - \$3,535,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019	Jul 2019	Jun 2020	Jul 2020	Feb 2023	Jul 2023	Mar 2024	Apr 2024

Capital Improvement Program Encina Wastewater Authority FY 21/22

Description: The District is a member agency of the Encina Wastewater Authority (EWA). The District shares in the cost of planned asset replacements and capital acquisitions.



Project Manager: Wes Owen

Department: Finance

Project: 2022100001

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: These miscellaneous Encina Wastewater Authority capital projects are budgeted each year based on the District's 22.4% ownership share.

Operations Impact: No significant increase in costs or changes in efficiencies are anticipated from this project

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction	\$3,667,000	\$1,546,000					\$5,213,000
Total	\$3,667,000	\$1,546,000	\$0	\$0	\$0	\$0	\$5,213,000

FY 2022/23 Budget Request - \$1,057,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2009							Aug 2023

Capital Improvement Program Chlorine Contact Tank Expansion

Description: Expand the existing Chlorine Contact Tank (CCT) at the Meadowlark Water Reclamation Facility (MRF) from 5 million gallons a day (MGD) to 6.5 MGD. Evaluate updating CCT process to utilize Ultraviolet Sterilization.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2016100002

Funding Source: 100% Fund 250 - Reclaimed

Work Order: 167177

Comments: The existing CCT were part of the original expansion of MRF in the 1980's. During the latest expansion of MRF which started in 2005, the CCTs were re-rated to handle the expanded flow but were not updated. Currently the CCTs remain one of the bottlenecks in the process at MRF.

Chlorine contact tanks (CCTs) at Meadowlark Water Reclamation Facility (MRF) can process up to 5 million gallons per day (MGD) of reclaimed water; all of the other treatment components at MRF has the ability to process up to 6.5 MGD. This was identified in the draft Nutrient Removal Study, which indicated that MRF has the ability to increase the daily treatment capacity to 6.5 MGD. The District as a member of the North San Diego County Water Reuse Coalition secured a grant of \$90,000 under Prop 84, awarded by the State Water Resources Control Board (SWRCB). The District is seeking 25% Grant funding for the project budget total. Reimbursement for project costs will also be acquired from current recycled water customers (City of Carlsbad and Olivenhain Municipal Water District) through the Recycled Water Rates. Construction of the CCT expansion will be contingent on acquiring these grant funds and reimbursement agreements. The net result will be 'no cost' to the District.

Operations Impact: Normal maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$75,000						\$75,000
Design	\$100,000	\$360,000	\$75,000				\$535,000
Construction			\$1,070,000	\$3,205,000			\$4,275,000
Total	\$175,000	\$360,000	\$1,145,000	\$3,205,000	\$0	\$0	\$4,885,000

FY 2022/23 Budget Request - \$166,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2015	Apr 2016	Jun 2022	Jun 2022	Feb 2024	Mar 2024	Apr 2025	Jun 2025

Capital Improvement Program City of San Marcos Creek District Phase 1

Description: This amount is set-aside to cover services rendered in conjunction with the City of San Marcos' Creek District Phase 1 projects involving District infrastructure per the District/City of San Marcos Cost Sharing Agreement dated March 31, 2009. This includes District staff time involved in inspection and project management, as well as reimbursements to the City for District infrastructure relocations and adjustments.



Project Manager: Elizabeth Lopez

Department: Engineering

Project: 2017100224

Funding Source: See Below

Comments:

Project:	Amount:	Source:
Discovery St Widening*	\$929,666	Water/Sewer 85% / 15%
Bent Ave Bridge*	\$1,404,277	Water/Sewer 25% / 75%
Via Vera Cruz Bridge*	\$1,976,057	Water/Sewer 70% / 30%
Total	\$4,310,000	

*These projects are in conjunction with the City's Capital Improvement Plan. Totals do not include potential construction change orders.

Operations Impact: Normal maintenance for infrastructure.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$90,000						\$90,000
Design							
Construction	\$230,000	\$2,484,000	\$1,506,000				\$4,220,000
Total	\$320,000	\$2,484,000	\$1,506,000	\$0	\$0	\$0	\$4,310,000

FY 2022/23 Budget Request - \$732,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2016	Aug 2016	Feb 2020			Mar 2020	May 2024	Jul 2024

Capital Improvement Program MRF Conversion to Sodium Hypochlorite

Description: Replace the use of chlorine gas at the Meadowlark Water Reclamation Facility (MRF) with bulk storage of sodium hypochlorite (bleach) and perform a structural retrofit to meet the current State seismic standards for buildings.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2017100002

Funding Source: 100% Fund 250 - Reclaimed

Work Order: 213334

Comments: The Meadowlark Water Reclamation Facility (MRF) currently uses 100% chlorine gas as a disinfectant in order to meet State regulations for reclaimed water. Chlorine gas is an acute hazard that presents a danger to District staff and the immediate area. Use of this gas requires the District to maintain several expensive State and Federal safety programs, equipment, and a Hazardous Materials response team; requiring a considerable amount of staff time. The conversion to bulk storage of sodium hypochlorite removes the acute hazard of chlorine gas and replaces it with a bleach solution (12.5%) that removes the District’s requirement to maintain several of the extensive safety programs for that site. Use of the bleach will not create an acute hazard in the event of a leak.

The project will proceed with an agreement from the Recycled Water customers (City of Carlsbad and OMWD) to reimburse the District through Recycled Water rates.

During the Process Hazard Analysis of 2019, ventilation openings in the Chlorine Building were identified as having seismic deficiencies. These deficiencies need to be seismically retrofitted to the current building code.

Operations Impact: Removal of an acute hazard. Reduction in regulatory requirements and staff time at the Meadowlark Reclamation Facility. Economic benefit of no longer needing to import chlorine gas or maintain a HazMat team. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$35,000						\$35,000
Design	\$275,000	\$180,000					\$455,000
Construction		\$1,360,000	\$2,035,000				\$3,395,000
Total	\$310,000	\$1,540,000	\$2,035,000	\$0	\$0	\$0	\$3,885,000

FY 2022/23 Budget Request - \$2,040,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2016	Jul 2018	Jun 2021	Jul 2021	Dec 2022	Jan 2023	Jan 2024	Jan 2024

Capital Improvement Program Meadowlark Failsafe Rehabilitation (Buena Reach)

Description: This project will install manholes to provide access to the pressured system for cured-in-place pipe rehabilitation, repair, and/or replacement alternatives.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2020100005

Funding Source: 100% Fund 210 – Sewer Replacement

Work Order: 232898

Comments: The Meadowlark Failsafe Sewer Outfall is composed of approximately 9,900 feet of 16-inch ductile iron pipe (DIP) installed in 1980 from Aviara Parkway and Palomar Airport Road to Yarrow Road and Camino Vida Roble in Carlsbad. Recent repairs in the Buena Reach have determined that there is a significant need to improve the condition of this pipeline. This project will install manholes to provide access to the pressured system to allow for the identification of structural and flow capacity deficiencies and recommend potential cured-in-place pipe rehabilitation, repair, and/or replacement alternatives.

Buena Sanitation District is responsible for 50% of any repairs or improvements in the Buena Reach and a letter agreement as a rider to the 1980 agreement will be required. After project completion, VWD expects to receive approximately \$1,450,000 in project design and construction reimbursements.

Operations Impact: Improve maintenance access. Reduce risk of sewer spills. Annual and routine pipeline maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$25,000						\$25,000
Design	\$180,000	\$25,000					\$205,000
Construction		\$2,175,000	\$1,445,000				\$3,620,000
Total	\$205,000	\$2,200,000	\$1,445,000	\$0	\$0	\$0	\$3,850,000

FY 2022/23 Budget Request - \$865,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019	Jan 2020	Nov 2020	Nov 2020	Jul 2022	Nov 2022	Aug 2023	Aug 2023

Capital Improvement Program 16-Inch Emergency Bypass Pipeline Rehabilitation

Description: Rehabilitate approximately 4,550 feet of existing 16-inch reinforced plastic mortar sewer pipeline and 3,500 feet of existing 12-inch ductile iron pipeline with a cured-in-place pipe (CIPP) liner and replace necessary isolation valves and appurtenances. Provide new permanent access locations at incremental lengths along both alignments.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2021100003

Funding Source: 100% Fund 210 – Sewer Replacement

Work Order: 232899

Comments: The 16-inch Emergency Bypass pipeline was installed in 1969 and connects to the District's 24-inch Land Outfall pipeline in the City of Carlsbad. The pipeline extends from Melrose Drive near Poinsettia Lane and follows a natural canyon easterly to Rancho Santa Fe Road near Via Cancion. The pipeline is primarily composed of reinforced plastic mortar (RPM) pipe, commonly referred to as "Techite", with some section of ductile iron pipe (DIP). The pipeline, controlled by a series of valves, serves as an emergency bypass of sewer flows to and from the Meadowlark Water Reclamation Facility (MRF) and the Land Outfall pipeline to the Encina Water Pollution Control Facility (EWPCF) in Carlsbad. Due to age, material, and corrosive environment, the pipeline has suffered breaks in recent years and several of the control valves are no longer functional.

This project will also incorporate necessary rehabilitation to the District's Failsafe 12-inch DIP Outfall located approximately 5-feet offset of the 16-inch Emergency Bypass pipeline. Both utilities are considered at-risk critical infrastructure assets to the District. Combining the work under this project will result in an overall savings in excess of \$500,000 when compared to executing the two pipeline rehabilitation projects under individual capital improvement projects.

Operations Impact: Restore operation to broken valves and increase longevity of the Emergency Bypass Sewer and the Failsafe Outfall pipelines.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$90,000						\$90,000
Design	\$340,000						\$340,000
Construction		\$2,875,000					\$2,875,000
Total	\$430,000	\$2,875,000	\$0	\$0	\$0	\$0	\$3,305,000

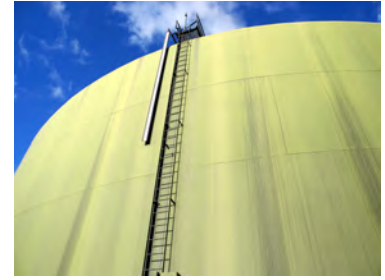
FY 2022/23 Budget Request - \$95,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2020	Jul 2020	Jan 2021	Feb 2021	Apr 2022	Aug 2022	Jun 2023	Jun 2023

Capital Improvement Program Sage Canyon Tank Refurbishment

Description: Sage Canyon Tank requires interior refurbishment.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2020100006

Funding Source: 100% Fund 110 – Water Replacement

Work Order: 240051

Comments: The existing interior lining of the 3.7 million gallon (MG) tank has deteriorated and requires full refurbishment. This project will remove the existing lining and coating and install a new lining and coating. Structural repairs to the ceiling rafters and equipment upgrades may also be necessary.

Operations Impact: Prevent further delamination of the existing lining. Routine maintenance

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000						\$5,000
Design	\$60,000						\$60,000
Construction	\$750,000	\$925,000					\$1,675,000
Total	\$815,000	\$925,000	\$0	\$0	\$0	\$0	\$1,740,000

FY 2022/23 Budget Request - \$34,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019	Nov 2019	Dec 2020	Jan 2021	Oct 2021	Mar 2022	Sep 2022	Dec 2022

Capital Improvement Program Richland Invert Replacement

Description: This project calls for the replacement of the existing 100-foot wastewater siphon pipeline that travels under San Marcos Creek from the Diamond Environmental Services parking lot south of Mission Road to the 18-inch Richland Interceptor. The existing 8-inch and 10-inch pipelines will be replaced with either a new 15-inch or 18-inch diameter siphon to be located at the existing pipelines' location.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2012100002

Funding Source: 55% Fund 220 – Sewer Capacity
45% Fund 210 – Sewer Replacement

Work Order: 123749

Comments: The existing 8-inch and 10-inch invert pipelines were installed over 27 years ago and were originally designed to be temporary. Because of their size restrictions, surcharging occurs in the upstream gravity pipelines during peak flows. In addition, recent inspections by the District's Collections crew have revealed damage to the existing pipe. This project will evaluate whether a new, larger capacity siphon underneath the San Marcos Creek or a gravity line in the City right-of-way is the most cost effective option. If the creek crossing is selected, staff anticipates environmental wetland permitting will be required. The 2018 Master Plan has identified this replacement as project SP-10.

Operations Impact: The project increases sewage handling capacity in the collections system and solves an existing sewer surcharge issue during daily peak and wet weather events. Annual, routine sewer pipeline maintenance is expected with the completion of this project.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$80,000						\$80,000
Design		\$180,000	\$175,000				\$355,000
Construction			\$460,000	\$695,000			\$1,155,000
Total	\$80,000	\$180,000	\$635,000	\$695,000	\$0	\$0	\$1,590,000

FY 2022/23 Budget Request - \$50,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jun 2011	Apr 2012	Jun 2022	Jan 2023	Dec 2023	Mar 2024	Oct 2024	Dec 2024

Capital Improvement Program MRF - Biological Selector Improvements

Description: Construct modifications to the existing aeration basins to reduce sludge bulking, improve treatment, and reduce operation and maintenance costs at the Meadowlark Water Reclamation Facility (MRF).



Project Manager: Ryan Morgan

Department: Engineering

Project: 2019100002

Funding Source: 100% Fund 250 - Reclaimed

Work Order: 209696

Comments: Using biological modeling, this project will make improvements to the aeration basin operation and capacity. With the addition of a anaerobic selector to the existing aeration basin, overall treatment will improve, lowering operational costs. In addition flexibility will be added to the process by allowing treatment to occur without running the roughing filters. Infrastructure modifications will be made to the aeration basin including changing to ceramic disc diffusers and adding geo-membrane baffling, a new compressed air mixing system, and process control probes.

The construction of the biological selector will only proceed with an agreement from the current recycled water customers (City of Carlsbad and Olivenhain Municipal Water District) to reimburse the District through the Recycled Water Rates.

Operations Impact: Reduce operation and maintenance costs.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$50,000						\$50,000
Design	\$210,000						\$210,000
Construction	\$1,066,000	\$40,000					\$1,106,000
Total	\$1,326,000	\$40,000	\$0	\$0	\$0	\$0	\$1,366,000

FY 2022/23 Budget Request - (\$209,000)

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2018	Jul 2018	Feb 2019	Mar 2019	Jun 2021	Nov 2021	Jul 2022	Aug 2022

Capital Improvement Program Coggan Pump Station Improvements

Description: Install new permanent generator with automatic transfer switch. Upgrade motor starters and controls.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2021100008

Funding Source: 100% Fund 110 – Water Replacement

Comments: Coggan Pump Station has no permanent generator for emergency power. To insure reliability to this facility, an Air Pollution Control District (APCD) / California Air Resources Board (CARB) compliant generator will need to be installed at the station. Improvements will also include an automatic transfer switch, enclosure, concrete pad, and conduit. This project will also replace and upgrade the stations motor starters and controls to current industry standards.

Operations Impact: Provide reliability to the pump station in the event of a power failure. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design		\$60,000					\$60,000
Construction			\$1,200,000				\$1,200,000
Total	\$0	\$60,000	\$1,200,000	\$0	\$0	\$0	\$1,260,000

FY 2022/23 Budget Request - \$935,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2020	Jul 2021	Jun 2022	Jul 2023	Jan 2024	Mar 2024	Jun 2024	Jun 2024

Capital Improvement Program MRF - Tertiary Structural Rehab and Repairs

Description: The Tertiary Treatment Area at the Meadowlark Water Reclamation Facility (MRF) requires rehabilitation and repairs to the influent chamber, an associated air line, a joint seal and pipe opening to Filter Basin No. 3, the existing sluice gate located in the Chlorine Contact Tank - Effluent and Backwash Pump Station, and various related areas.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2018100011

Funding Source: 100% Fund 250 - Reclaimed

Work Order: 218021

Comments: The Meadowlark Water Reclamation Facility's (MRF) Tertiary Treatment Area needs various repairs due to the corrosive nature of the treatment process. The existing high solids epoxy coating the tertiary influent chamber is failing. A stainless steel mixing air line inside the chamber has also developed leaks. Using bypass methods, the chamber's protective lining will need to be repaired and the airline replaced. Associated with the tertiary influent chamber is a concrete mixer platform that has deteriorated and will need to be replaced with new steel beams and platform.

Downstream from the influent chamber are six tertiary filter basins. The joint seal in Filter Basin No. 3 is failing, resulting in corrosion to a pipe opening at the bottom of the filter and corrosion to the associated pipe located outside of the basin in the Filter Pipe Gallery. This isolated area will need to be repaired and recoated. All work will need to be scheduled during low production of recycled water.

To get more competitive pricing, and due to the coordinated scheduling of the related work, these individual repairs will be grouped together under one construction contract.

Operations Impact: Restore operational functionality. Maintains the integrity of tertiary treatment area and operational processes. Normal maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000						\$5,000
Design	\$108,000						\$108,000
Construction	\$105,000	\$889,000					\$994,000
Total	\$218,000	\$889,000	\$0	\$0	\$0	\$0	\$1,107,000

FY 2022/23 Budget Request - \$73,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2017	Apr 2018	Jun 2019	Jul 2019	Jan 2022	Apr 2022	Jan 2023	Nov 2022

Capital Improvement Program Ductile Iron Pipe Condition Assessment

Description: Leverage the District's Asset Management Program to perform condition assessment on targeted areas of the ductile iron pipe system that have been experiencing breaks in recent years. Results will be evaluated to minimize future replacement projects and reduce chances of emergency repairs.



Project Manager: Susan Bowman (Inactive)

Department: Engineering

Project: 2020100010

Funding Source: 100% Fund 110 – Water Replacement

Work Order: 241676

Comments: The District will plan and implement a phased, multi-year condition assessment program. This program will use pipeline condition assessment technology in conjunction with the District's Asset Management Program, to target specific areas in the ductile iron pipe (DIP) water line system for evaluation. The program will determine whether pipelines are in need of repair, rehabilitation, or full replacement. Coordination with Operations staff will minimize disruption to customers and provide invaluable insight to developing implementation plans. Implementation plans will establish where pipe tools will be inserted into the water line to measure pipeline wall thickness. Results will be evaluated to maximize the beneficial use of the District's existing infrastructure.

Operations Impact: Reduce risk of water line breakage by identifying potential repairs. Extend the useful life of the existing water lines, reduce operational costs of annual and routine pipeline maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$4,000	\$20,000	\$20,000	\$20,000	\$20,000		\$84,000
Design	\$10,000	\$20,000	\$20,000	\$20,000	\$20,000		\$90,000
Construction	\$26,000		\$260,000	\$260,000	\$260,000		\$806,000
Total	\$40,000	\$40,000	\$300,000	\$300,000	\$300,000	\$0	\$980,000

FY 2022/23 Budget Request - (\$320,000)

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019			Jul 2019	Dec 2025	Jan 2020	Jun 2026	Jun 2026

Capital Improvement Program Las Posas Water Line Replacement

Description: Replace an existing 10-inch water line crossing underneath an existing double reinforced box culvert on Las Posas Road.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2018100004

Funding Source: 100% Fund 110 – Water Replacement

Work Order: 241017

Comments: A 10-inch ductile iron (DIP) water main underneath a double reinforced box culvert (RBC) on Las Posas Road, between Linda Vista Drive and Stone Drive is aging and in need of replacement. It has experienced a break in recent years and control valves associated with this water main are non-operational. The replacement will involve installing a new parallel PVC water main in a steel casing and reconnecting to the existing asbestos-cement pipe (ACP) located on either side of the double RBC.

Operations Impact: Prevent future breaks. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$7,000						\$7,000
Design	\$120,000						\$120,000
Construction		\$760,000					\$760,000
Total	\$127,000	\$760,000	\$0	\$0	\$0	\$0	\$887,000

FY 2022/23 Budget Request - \$384,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jun 2017	Jun 2018	Apr 2021	May 2021	Jun 2022	Dec 2022	Jun 2023	Jun 2023

Capital Improvement Program Steel Pipeline Condition Assessment

Description: Leverage the District's Asset Management Program to perform condition assessment on targeted areas of the District's highest priority steel water line. Results will be evaluated to minimize future replacement projects and reduce chances of emergency repairs.



Project Manager: Jason Hubbard

Department: Engineering

Project: 2020100007

Funding Source: 100% Fund 110 – Water Replacement

Work Order: 213264

Comments: The District will plan and implement a phased, multi-year condition assessment program. This program will use pipeline condition assessment technology in conjunction with the District's Asset Management Program, to target specific areas in the District's steel (CML&C) water line system for evaluation. The program will determine whether pipelines are in need of repair, rehabilitation, or full replacement. Coordination with Operations staff will minimize disruption to customers and provide invaluable insight to developing work plans. Work plans will establish where pipe tools will be inserted into the water line to measure pipeline wall thickness. Results will be evaluated to maximize the beneficial use of the District's existing infrastructure.

Operations Impact: Reduce risk of water line breakage by identifying potential repairs. Extend the useful life of the existing water lines. Annual and routine pipeline maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design		\$25,000	\$75,000	\$75,000	\$50,000		\$225,000
Construction			\$280,000	\$175,000	\$175,000		\$630,000
Total	\$0	\$25,000	\$355,000	\$250,000	\$225,000	\$0	\$855,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019			Jan 2020	Jun 2026	Jan 2023	Jun 2026	Jun 2026

Capital Improvement Program Sewer Lining and Rehab 2022

Description: The project consists of constructing approximately 9,900 feet of gravity sewer trenchless rehabilitation at locations throughout the District.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2022100003

Funding Source: 100% Fund 210 – Sewer Replacement

Work Order: 247465

Comments: Gravity sewer line segments throughout the District totaling approximately 9,900 feet are in need of rehabilitation to restore structural integrity and flow capacity. These pipe sections have become compromised due to a combination of O&M deficiencies (age, pipe material type, ground settlement, grease deposits, root intrusion) and Structural Defects (cracks, voids, collapse). Significant costs will be accrued upon line failures if the sections of sewer pipeline are not rehabilitated. The project will utilize trenchless cured-in-place pipe (CIPP) liners, to rehabilitate the existing pipelines. To take advantage of volume pricing discounts and to solicit more competitive bids, multiple sewer pipe segments are grouped together in one bid package, rather than broken into smaller projects.

Operations Impact: Restored structural integrity and flow capacity and increased service life of sewer line sections.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000						\$5,000
Design	\$40,000						\$40,000
Construction	\$240,000	\$520,000					\$760,000
Total	\$285,000	\$520,000	\$0	\$0	\$0	\$0	\$805,000

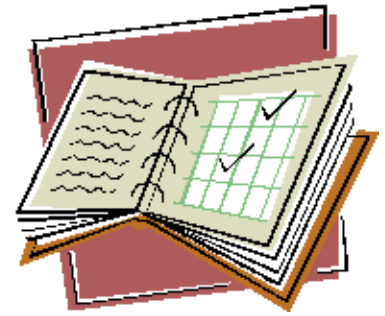
FY 2022/23 Budget Request - (\$65,000)

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Jul 2021	Dec 2021	Oct 2021	Feb 2022	May 2022	Sep 2022	Oct 2022

Capital Improvement Program Asset Management Replacement Schedule

Description: Create a comprehensive Asset Management Plan integrating the District's own computerized maintenance management system (CMMS), prioritized Asset/Infrastructure replacement schedule, including condition assessment, for the District Facilities. This item is part of the VWD Strategic Plan – Strategic Focus Area 1.2.



Project Manager: Jason Hubbard

Department: Engineering

Project: 2014100004

Funding Source: 50% Fund 110 – Water Replacement
50% Fund 210 – Sewer Replacement

Work Order: 189410

Comments: The District’s infrastructure is aging and proper planning requires an understanding of when, where, and how much replacing that infrastructure will cost. Proper preventative maintenance helps ensure the District obtains the maximum beneficial life out of its infrastructure. The District has already taken steps towards this by implementing a computerized maintenance management system (CMMS) known as Maximo to implement and track preventative, corrective, and emergency maintenance/repairs on all assets/ infrastructure. This project will take the CMMS, Geographical Information System (GIS) and condition information to develop an Asset Management Plan that will provide a prioritized, risk-based replacement schedule with cost estimates over the expected life of all assets/infrastructure. This, plus a Business Risk Exposure analysis and performance of condition assessments on infrastructure, will help the the Asset Management Plan identify future renewal and replacement projects.

Operations Impact: An Asset Management Plan with schedule will help to prevent costly line breaks, prioritize resource allocation, improve efficiency and reduce overall asset lifecycle costs.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$40,000	\$20,000	\$30,000				\$90,000
Design	\$90,000	\$100,000	\$35,000				\$225,000
Construction	\$170,000	\$125,000	\$94,000				\$389,000
Total	\$300,000	\$245,000	\$159,000	\$0	\$0	\$0	\$704,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2013	Jul 2017	Jun 2024	Jan 2019	Jun 2024	Jul 2021	Jun 2024	Jun 2024

Capital Improvement Program Meadowlark Stabilization and Maintenance Improvements

Description: Design and installation of new slope stabilization, access pathways, and landscaping at the Meadowlark Water Reclamation Facility



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2022100008

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The Meadowlark Water Reclamation Facility (MRF) needs improvements to address the high maintenance erosion on steeper slopes, lack of access to facilities in steep or vegetated areas, and deficiencies in the irrigation system. The project will address slope stabilization with a mix of landscape, erosion control, and structural features. Improvements will help maintain regulatory requirements for storm water runoff. Additionally access will be enhanced with new hardscape to complement slope stabilization and landscape improvements. Aesthetically inconsistent landscape themes will be corrected and repairs and upgrades to the irrigation system will be completed. The existing landscaping at MRF has not responded well to reclaimed water and will shift focus to drought tolerant plants, improving the aesthetics for public tours throughout the year and will reflect the District's message to the public of the importance of low water usage landscaping..

Operations Impact: Reduced maintenance and water usage.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design	\$70,000	\$20,000					\$90,000
Construction		\$580,000					\$580,000
Total	\$70,000	\$600,000	\$0	\$0	\$0	\$0	\$670,000

FY 2022/23 Budget Request - \$490,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Nov 2021	Mar 2022	Apr 2022	Aug 2022	Dec 2022	Jun 2023	Jun 2023

Capital Improvement Program MRF Direct Potable Reuse

Description: VWD would like to explore the feasibility of repurposing or expanding MRF Plant Capacity and providing potable reuse.



Project Manager: Elizabeth Lopez

Department: Engineering

Project: 2021100006

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The Meadowlark Water Reclamation Facility (MRF) currently provides approximately 4 MGD of recycled water to the Olivenhain Municipal Water District and the City of Carlsbad. VWD would like to explore the feasibility of repurposing some of this capacity, or expanding MRF, to create potable water for distribution to VWD’s water customers. The evaluation is the first step in determining if this concept is technically and financially feasible.

Operations Impact: Potential to provide alternative water supply source

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$10,000	\$340,000	\$300,000				\$650,000
Design							
Construction							
Total	\$10,000	\$340,000	\$300,000	\$0	\$0	\$0	\$650,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2020	Apr 2021	Jun 2024					Jun 2035

Capital Improvement Program Coronado Hills Tank Exterior Refurbishment

Description: Coronado Hills Tank requires exterior refurbishment.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2021100005

Funding Source: 100% Fund 110 – Water Replacement

Comments: The existing exterior coating of the 2.6 million gallon (MG) tank has deteriorated and requires full refurbishment. As part of the refurbishment, some equipment upgrades may be necessary.

Operations Impact: Prevent further deterioration of the exterior coating and corrosion of the metal tank shell. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$5,000					\$5,000
Design		\$25,000	\$10,000				\$35,000
Construction			\$500,000				\$500,000
Total	\$0	\$30,000	\$510,000	\$0	\$0	\$0	\$540,000

FY 2022/23 Budget Request - \$80,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2020	Oct 2022	Feb 2023	Mar 2023	Aug 2023	Nov 2023	Apr 2024	May 2024

**Capital Improvement Program
Maintenance Services Department - Offices**

Description: Create new supervisor and crew offices in the C Building.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2022100009

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The recently created Maintenance Services department in the Operations & Maintenance division does not have an office space. This project will be to create office space for the supervisor and department staff in the C Building using an underutilized shop area.

Operations Impact: Improved work environment for the Maintenance Services department.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000						\$5,000
Design	\$75,000						\$75,000
Construction		\$330,000					\$330,000
Total	\$80,000	\$330,000	\$0	\$0	\$0	\$0	\$410,000

FY 2022/23 Budget Request - \$260,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Nov 2021	Dec 2021	Jan 2022	Apr 2022	Jul 2022	Nov 2022	Jun 2023

Capital Improvement Program Richland I Tank Exterior Refurbishment

Description: Richland I Tank requires exterior refurbishment.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2022100055

Funding Source: 100% Fund 110 – Water Replacement

Comments: The existing exterior coating of the 1.3 million gallon (MG) tank has deteriorated and requires full refurbishment. As part of the refurbishment, some equipment upgrades may be necessary.

Operations Impact: Prevent further deterioration of the exterior coating and corrosion of the metal tank shell. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$5,000					\$5,000
Design		\$40,000					\$40,000
Construction			\$360,000				\$360,000
Total	\$0	\$45,000	\$360,000	\$0	\$0	\$0	\$405,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Jul 2021	Jun 2022	Jul 2022	Jun 2023	Jul 2023	Dec 2023	Dec 2023

Capital Improvement Program Rock Springs Valve Replacement

Description: Replace the existing 12-inch and 14-inch valve cluster at Rock Springs Road and Bennet Avenue and associated piping. The valves are non-operational and the nearby pipeline has failed in recent years.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2016100007

Funding Source: 100% Fund 110 – Water Replacement

Comments: The Rock Springs Rd and Bennett Avenue intersection has a cluster of three 10-inch, two 12-inch and one 14-inch gate valve that are not working properly and have caused the nearby pipelines to fail in the past. By replacing the non-functioning valves and affected pipeline this project will allow proper isolation and control of the water system and reduce the number of customers affected during future pipeline failures or shutdowns.

Operations Impact: Replacement of non-operational valves. Future operations and maintenance repair costs will be minimized at this location.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$7,000					\$7,000
Design		\$30,000					\$30,000
Construction		\$100,000	\$225,000				\$325,000
Total	\$0	\$137,000	\$225,000	\$0	\$0	\$0	\$362,000

FY 2022/23 Budget Request - \$62,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2015	Jun 2018	Aug 2022	Sep 2022	Mar 2023	Apr 2023	Aug 2023	Dec 2023

Capital Improvement Program Energy Management Systems

Description: The Energy Management System is an on-going project approach to energy management for the District.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2022100006

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Work Order: 248402

Comments: The District entered into a power purchase agreement in November 2019 to develop new solar sites which will ultimately reduce future energy costs at the following two locations:

1. Net Energy Metering at Lift Station No. 1
2. RES-BCT Project at Twin Oaks Reservoirs 1 & 2 Site

Additional SGIP grant funding opportunities through Tesla for multiple battery sites throughout the District are in various stages of design and construction. The combination of District Wide Solar Power Purchase Agreement with the future energy storage capacity bandwidth at the District required a comprehensive Energy Management Study. The Energy Management Study outlined recommendations to further investigate and manage opportunities to reduce peak-use power consumption at various sites through the integration of available renewable resource assets.

Operations Impact: Determining optimal usage of District renewable energy assets to achieve long-term savings in District's monthly payments to electrical utility.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$10,000						\$10,000
Design	\$125,000	\$50,000	\$40,000	\$40,000	\$40,000		\$295,000
Construction		\$25,000	\$10,000	\$10,000	\$10,000		\$55,000
Total	\$135,000	\$75,000	\$50,000	\$50,000	\$50,000	\$0	\$360,000

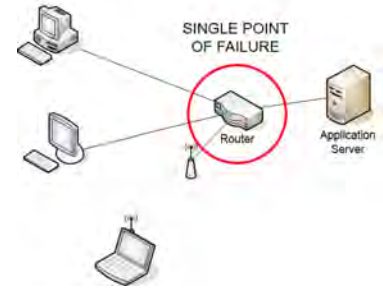
FY 2022/23 Budget Request - \$130,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Jul 2021	Oct 2021	Nov 2021	Jun 2026	Jul 2022	Jun 2026	Jun 2026

Capital Improvement Program Redundancy for Admin. Wireless Radio Network

Description: The District provides network connectivity between facilities via wireless radio infrastructure. Additional redundancy of radio network is necessary in order to provide continuity of data communications between sites in the event of a radio failure.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2020100022

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Upgrades to District Wireless Radio network. Additional radio stations are needed to support redundancy of data communications between the following district locations: Admin/Operations Buildings, Meadowlark Reclamation Facility, Twin Oaks Reservoir. Current Administrative Wireless radio architecture has a single point of failure - one fault or malfunction will cause the entire communications system to stop operating in the event of a single radio outage.

Operations Impact: Additional redundancy must be added to the Administrative radio network in order to provide continuity of data communications in the event of radio failures.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$48,000	\$16,000					\$64,000
Design		\$58,000					\$58,000
Construction		\$225,000					\$225,000
Total	\$48,000	\$299,000	\$0	\$0	\$0	\$0	\$347,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019							Jun 2023

Capital Improvement Program Lake San Marcos Lift Station Improvements

Description: Determine if existing generator is sufficient for station requirements and replace if needed.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2022100005

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The existing generator may not be large enough to power the entire facility with all pumps running. Having sufficient available backup power during a major storm event is critical as this is usually when SDG&E power is unstable or becomes unavailable.

A hydraulic study will be performed to determine if the pumps in the station can be modified to meet required flows or if the generator needs to be replaced.

Operations Impact: Improved pumping capacity and reliability. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design	\$50,000						\$50,000
Construction		\$250,000					\$250,000
Total	\$50,000	\$250,000	\$0	\$0	\$0	\$0	\$300,000

FY 2022/23 Budget Request - \$65,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Mar 2022	Apr 2022	May 2022	Jan 2023	Jan 2023	Jun 2023	Jun 2023

Capital Improvement Program Rancheros Drive Easement Sewer Replacement and Rehabilitation

Description: Rehabilitate approximately 350-feet of corroded sewer pipe with a cured-in-place liner, replace approximately 70-feet with PVC pipe, and construct a new manhole to allow for servicing of the line.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2021100007

Funding Source: 100% Fund 210 – Sewer Replacement

Work Order: 248644

Comments: The Rancheros Drive Easement Sewer Replacement and Rehabilitation includes approximately 350-feet of deteriorated ductile iron and clay pipeline in need of rehabilitation and approximately 70-feet of pipeline that requires replacement due to miscellaneous structural and operational defects. This pipeline was originally installed in 1972 and with the current corrosion and operational defects, District staff is no longer able to safely clean and maintain the sewer line.

Operations Impact: Improve maintenance. Prevent sewer spills.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 25/26 & Thereafter	Total
Planning	\$15,000						\$15,000
Design		\$15,000					\$15,000
Construction			\$270,000				\$270,000
Total	\$15,000	\$15,000	\$270,000	\$0	\$0	\$0	\$300,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Sep 2021	Jun 2022	Jul 2022	Jun 2023	Sep 2023	Jun 2024	Jul 2024

Capital Improvement Program Palos Vista Pump Station - Motor Starters Upgrade

Description: Upgrade four auto-transformer motor starters to solid state soft starters.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2020100011

Funding Source: 100% Fund 110 – Water Replacement

Comments:

Replace four auto-transformer motor starters. Replacement is required due to wear from a long service life of over 25 years and a lack of support for replacement parts. New solid state soft starters will improve reliability and operating efficiency of electric motors.

Operations Impact: Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000						\$5,000
Design	\$25,000						\$25,000
Construction	\$125,000	\$120,000					\$245,000
Total	\$155,000	\$120,000	\$0	\$0	\$0	\$0	\$275,000

FY 2022/23 Budget Request - (\$242,000)

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019					Apr 2022	Oct 2022	Nov 2022

Capital Improvement Program Maximo Mobility

Description: Develop a mobile enhancement to the CMMS Maximo Asset Management system.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2022100004

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The District has implemented a computerized maintenance management system (CMMS) in IBM Maximo to track asset specifications, installation information, purchasing details and the work performed to maintain those assets. The standard Maximo system is designed to be used on a desktop computer in the office. The District desires to use the Maximo system in the field by staff to record maintenance activities as it occurs. An enhancement to the Maximo software will create a user interface suitable for use by field staff using tablet computers or smart phones. Many solutions exist to mobilize the Maximo system, building on top of the core system, which provide for simple-to-use data entry forms, allow for non-connected field use and also present the assets and work orders on a map, facilitating location identification for field use. This enhancement will bring about labor time savings, more accurate and timely data capture, and improve information access for staff as they are working in the field. This project will develop the requirements, business processes, key performance metrics, system design, implementation and user training.

Operations Impact: Enhance the usage of the CMMS by field crews, optimizing labor time, improving data capture, and providing information to field crews.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$70,000					\$70,000
Design		\$100,000					\$100,000
Construction			\$100,000				\$100,000
Total	\$0	\$170,000	\$100,000	\$0	\$0	\$0	\$270,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021							Jun 2024

Capital Improvement Program City of San Marcos Joint Projects Relocate/Adjust

Description: This amount is set-aside to cover services rendered in conjunction with various City of San Marcos projects involving District infrastructure per the District/City of San Marcos Cost Sharing Agreement dated March 31, 2009. This includes District staff time involved in inspection and project management, as well as reimbursements to the City for District infrastructure relocations and adjustments.



Project Manager: Elizabeth Lopez

Department: Engineering

Project: 2021100013

Funding Source: See Below

Work Order: 207141, 250092

Comments:

Miscellaneous relocations/adjustments resulting from City of San Marcos joint projects. These projects are in conjunction with the City’s Capital Improvement Plan. Currently two projects are proposed:

Project:	Amount:	Source:
San Marcos Blvd. & Discovery St.*	\$202,000	100% Fund 110 - Water Replacement
Rancho Coronado Park Improvements**	\$63,000	100% Fund 110 - Water Replacement
Total	\$265,000	

* Totals do not include potential construction change orders.

** Per the Cost Sharing Agreement, construction of District facilities will be paid for by the City.

Operations Impact: Normal maintenance for infrastructure.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design	\$34,000						\$34,000
Construction	\$17,000	\$214,000					\$231,000
Total	\$51,000	\$214,000	\$0	\$0	\$0	\$0	\$265,000

FY 2022/23 Budget Request - \$184,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2020							Jun 2023

Capital Improvement Program Via Vera Cruz Tank Hill Stabilization

Description: A side slope adjacent to the Via Vera Cruz Tank requires slope stabilization treatment.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2016100014

Funding Source: 100% Fund 110 – Water Replacement

Work Order: 162901

Comments: A portion of the existing slope adjacent to the Via Vera Cruz Tank on District property is failing due to steep terrain and material composition. The foundation of a property line fence is being eroded and exposed and material washes down to the tank elevation. Routine clean-up of the area is done and falling rocks threaten to damage the tank. Phase 1 of the project installed a rigid barrier at the toe of slope along a portion of the perimeter to catch failing rocks. Phase 2 will apply a mesh or tensioned slope stabilization system to approximately 2200 square feet (SF) of steep slope to prevent further failures. Repairs to the property line fence will also be performed and landscaping repairs may be necessary.

Operations Impact: Reduced risk of damage to the tank from falling rocks. Eliminate clean-up of the area from debris. Maintain security of property with intact fence. Annual and routine monitoring of the slope.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design	\$7,000		\$20,000				\$27,000
Construction	\$28,000			\$195,000			\$223,000
Total	\$35,000	\$0	\$20,000	\$195,000	\$0	\$0	\$250,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2015	Jan 2016	Mar 2016	Jul 2023	Jun 2024	Jul 2024	Dec 2024	Jan 2025

Capital Improvement Program DHS- Upgrades for Critical Infrastructure Hardware

Description: The Department of Homeland Security (DHS) performed an audit of the District Industrial Control System (ICS) Information Technology Network on 11/27-28/2018. As a result of the audit, several recommendations were provided to enhance system architecture on the Supervisory Control and Data Acquisition (SCADA) network. Initiatives contained within this CIP aim to strengthen the cybersecurity posture of the District's industrial control systems (ICS).



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2020100012

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: As a core part of its mission to reduce risk to the Nation’s critical infrastructure (CI), Department of Homeland Security (DHS) National Cyber Assessments and Technical Services (NCATS) subject matter experts provide cybersecurity assessments to CI asset owners and operators to strengthen the cybersecurity posture of their industrial control systems (ICS). NCATS on behalf of the National Cybersecurity and Communications Integration Center (NCCIC) provides voluntary assessments based on standards, guidelines, and best practices. The assessment methodology provides a structured framework that asset owners and operators can leverage to evaluate and validate the cybersecurity of their ICS networks. The information gained from these reviews provided the District with additional understanding and context necessary to build effective defense-in-depth processes for enhancing our cybersecurity posture. The DHS team worked directly with the information technology (IT), operations technology (OT), and management staff at the VWD facilities to determine the overall cybersecurity posture of its ICS. DHS recommends physical isolation of the control systems network from the business network.

Operations Impact: Hardware upgrades contained within this CIP aim to strengthen the cybersecurity posture of the District's industrial control systems (ICS) per DHS recommendations.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$44,000					\$44,000
Design		\$44,000					\$44,000
Construction	\$10,000	\$141,000					\$151,000
Total	\$10,000	\$229,000	\$0	\$0	\$0	\$0	\$239,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019							Jun 2023

Capital Improvement Program Wulff Pressure Regulating Valve

Description: This project will install a new 4-inch diameter pressure regulating valve to allow the water level in the 350,000 gallon Wulff Tank to be regulated from the High Point hydro-pneumatic pump station to provide redundancy to the existing Wulff pressure zone.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2022100010

Funding Source: 100% Fund 120 – Water Capacity

Work Order: 244896

Comments: After the High Point residential development is completed to the south, an offsite waterline and pressure regulating valve will be built to provide an additional source of water from the High Point/Palos Vista area. This provides additional redundancy to the VWD water system in this area.

Operations Impact: The new pressure regulating valve will regulate the water elevation in the Wulff Tank when in operation which provides a redundant water supply to the Wulff pressure zone.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$30,000						\$30,000
Design	\$10,000	\$40,000					\$50,000
Construction		\$120,000	\$30,000				\$150,000
Total	\$40,000	\$160,000	\$30,000	\$0	\$0	\$0	\$230,000

FY 2022/23 Budget Request - (\$182,000)

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021	Jun 2021	Aug 2022	Sep 2022	Jan 2023	Apr 2023	Jul 2023	Aug 2023

Capital Improvement Program Door Access Control System Expansion -MRF & Mahr

Description: Access control for a total of thirty-nine (39) doors between Meadowlark Reclamation, Mahr, and Administrative facilities.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2020100016

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: There is a need to convert keyed locks at Meadowlark Reclamation, Mahr, and Administrative buildings to keyless entry and add them to our existing BlueWave access control system. This upgrade will allow dual access to doors through the use of a fob or a security code and will eliminate the need for keys at Meadowlark, Mahr, and Administrative buildings. This initiative will allow for improved control over access to VWD facilities while minimizing reliance on the management of physical keys.

Upgrades contained within this CIP are broken down in the following manner:

- Access Control upgrades for Administrative Building - \$50,000
- Access Control upgrades for Meadowlark and Mahr Facilities - \$140,000
- Re-Key of existing locks for Administrative Building - \$5,000
- Re-Key of existing locks for Meadowlark and Mahr Facilities- \$5,000

Operations Impact: Increased security, time savings, and eliminate the cost of replacing keys

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction	\$10,000	\$190,000					\$200,000
Total	\$10,000	\$190,000	\$0	\$0	\$0	\$0	\$200,000

FY 2022/23 Budget Request - \$50,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019							Jun 2023

Capital Improvement Program Reclaimed Pumps - Evaluation and Design

Description: Evaluate and construct piping for the backwash pumps to operate during low reclaimed flow periods.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2022100007

Funding Source: 100% Fund 250 - Reclaimed

Comments: The large reclaimed pumps are used to pump tertiary treated water into the distribution system and Mahr Reservoir. During low demand periods, the reclaimed pumps cycle on and off throughout the day. This requires significant electrical power as well as adding wear to the pumping system. Next to the reclaimed pumps are two smaller backwash pumps that are used to pump reclaimed water for backwashing of the tertiary filters. If the pump curves of these two smaller pumps indicate they can be used to pump during low flow periods, then they could be tied into the header piping of the larger reclaimed pumps and be programmed to operate during low flow periods. This would reduce power consumption and maintenance costs.

Operations Impact: There will be some interruption to reclaimed effluent pumping during construction.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$40,000	\$150,000				\$190,000
Total	\$0	\$40,000	\$150,000	\$0	\$0	\$0	\$190,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021							Jun 2024

Capital Improvement Program Upgrades to Surveillance Video Management System

Description: Upgrades to existing Video Recording systems are required to obtain additional coverage, fidelity, and performance of the District's centralized recording system.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2020100026

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Upgrades to the District's video recording systems have been recommended by the Department of Homeland Security (DHS). Long-range IR illuminators and additional cameras are recommended to provide additional coverage for dimly lit facilities. Current limitations of installed hardware adversely affect the quality of video recording during the night.

Operations Impact: Increased security, resiliency, and performance of existing video recording system.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning	\$5,000	\$38,000					\$43,000
Design		\$50,000					\$50,000
Construction	\$7,000	\$50,000					\$57,000
Total	\$12,000	\$138,000	\$0	\$0	\$0	\$0	\$150,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019							Jun 2023

Capital Improvement Program Maximo - GIS interface

Description: Develop an interface to replicate data between the CMMS and GIS to ensure accurate and consistent asset information.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2022100011

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The District has implemented a computerized maintenance management system (CMMS) in IBM Maximo to track asset specifications, installation information, purchasing details and the work performed to maintain those assets. The District also maintains asset information in the geographic information system (GIS) which primarily documents asset location and connectivity in the water and sewer systems with cartography and maps, using the ESRI GIS software. It also tracks asset specifications, maintenance information and installation dates. These two systems have unique, non-redundant purposes but share asset information and work together to form a complete, complementary Asset Management system. Currently, the common information is not synchronized so updates to one system do not occur in the other. Staff strive to maintain the information manually but this is not efficient. To keep the information on our assets accurate and consistent, these two systems must be interfaced so that replication of data is occurring. This project will develop the data rules, interface design and technology to interface these two asset systems.

Operations Impact: Integration between these two systems will improve asset tracking and reduce inaccurate data.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning			\$20,000	\$15,000			\$35,000
Design			\$20,000	\$15,000			\$35,000
Construction			\$35,000	\$15,000			\$50,000
Total	\$0	\$0	\$75,000	\$45,000	\$0	\$0	\$120,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021							Jun 2025

Capital Improvement Program Update Restrooms to ADA Compliance

Description: Remove and replace the existing counters, sinks, mirrors, and paint. Fire system lights will need to be installed in the restrooms for compliance.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2020100021

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Several restrooms in the Administration building need new counters, sinks, mirrors, and paint. When quotes were solicited for these updates, we were informed certain locations were not ADA compliant. Two areas of concern are the Lobby and Engineering restrooms.

Operations Impact: Some restrooms will be unavailable while under construction.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$98,000					\$98,000
Total	\$0	\$98,000	\$0	\$0	\$0	\$0	\$98,000

FY 2022/23 Budget Request - (\$37,000)

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2019							Jun 2023

Capital Improvement Program Meadowlark - Concrete and Asphalt Improvements

Description: Concrete and asphalt improvements needed at the Meadowlark Water Reclamation Facility.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2022100017

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: There are various concrete and asphalt modifications and repairs that need to be made at the Meadowlark Water Reclamation Facility. Some of the modifications needed are: 1) The front entrance to the Meadowlark Control Building is not ADA compliant. The wheelchair accessible ramp does not have wheelchair access leading up to the ramp and there is not enough space for a wheelchair to turn around. 2) A berm is needed at the top of the plant to keep rainwater from outside the District property from entering the plant storm water sampling location. Storm water currently enters the plant from the surrounding community, carrying debris that has a direct impact on the plant’s storm water sampling analysis. 3) A ramp is needed to allow access for the forklift to reach the secondary deck. The forklift access will allow Meadowlark staff to lift equipment and supplies to the secondary deck, reducing the potential for injury. 4) Various points around the plant need general concrete repair. 5) The rock area that used to be the site of the rotating biological contactors needs to be paved. This will allow maintenance vehicles to access the aeration deck, secondary deck and odor scrubber. It will also increase the staging area for future projects.

Operations Impact: Minimal impact to plant operations during construction.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$50,000					\$50,000
Total	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021							Jun 2023

**Capital Improvement Program
Sodium Bisulfite Secondary Containment**

Description: Install a secondary containment system for the sodium bisulfite chemical tank, pumps and piping system.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2022100028

Funding Source: 100% Fund 250 - Reclaimed

Comments: The sodium bisulfite chemical tank, pumps and piping system require a secondary containment system. Sodium bisulfite is used for reclaimed water dechlorination after it has gone through the disinfection process. Without the secondary containment, a release of the chemical would flow along the curb and into the storm water wet well. The chemical would then be pumped into the waste backwash tank and recirculated through the plant process. A dedicated chemical containment system will capture any release before it could reach the road or storm water wet well. The system will allow for sensors to be placed inside the chemical containment barrier that will alert operators to a release.

Operations Impact: The sodium bisulfite secondary containment system will reduce safety hazards and contamination concerns associated with a potential release.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$25,000					\$25,000
Total	\$0	\$25,000	\$0	\$0	\$0	\$0	\$25,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021							Jun 2023

Capital Improvement Program OpenGOV Digital Transparency and Reporting

Description: Implementation of an open data and financial transparency solution will provide the public with access to District financial data via an online portal.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2022100031

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: In an effort to provide additional transparency, the Finance Department would like to make Financial data sets available for public review/consumption. The OpenGOV platform will allow the District to publish financial data via online dashboards which can be shared with the public.

Operations Impact: Provision of financial data sets for public consumption will provide additional transparency of District Financial data.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$20,000					\$20,000
Total	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000

FY 2022/23 Budget Request - \$0

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2021							Jun 2023

Capital Improvement Program Encina Wastewater Authority Five Year Plan

Description: The District is a member agency of the Encina Wastewater Authority (EWA). The District shares in the cost of planned asset replacements and capital acquisitions.



Project Manager: Wes Owen

Department: Finance

Project: 2023100001

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: These miscellaneous capital projects are budgeted each year

Operations Impact: No significant increase in costs or changes in efficiencies are anticipated from this project..

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$4,917,000	\$6,044,000	\$7,197,000	\$7,245,000	\$6,982,000	\$32,385,000
Total	\$0	\$4,917,000	\$6,044,000	\$7,197,000	\$7,245,000	\$6,982,000	\$32,385,000

FY 2022/23 Budget Request - \$32,385,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2009						Jun 2027	Jun 2027

Capital Improvement Program Storage Building & Shop

Description: Approximate 40' x 40' storage/shop building for four departments in Operations and Maintenance.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2023100002

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The Operations and Maintenance department is in need of additional storage and shop space for four departments. Currently, two shipping containers are being used for storage by the landscape and construction department. This building will be used by the following departments: Meters, Landscape, Electrical/Instrumentation and Construction. The Meter Services department will have a bay to store tools, parts, and meter reading vehicle. The Landscape department will store gator/sprayers, tools, power equipment, and fuel. The Electrical/Instrumentation Technicians are expanding their breaker maintenance program and will use building to store materials and use as a shop. The Construction Department will use a bay to store equipment that should not be outside in the yard.

Operations Impact: Improved storage and shop areas. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design		\$180,000					\$180,000
Construction			\$1,100,000				\$1,100,000
Total	\$0	\$180,000	\$1,100,000	\$0	\$0	\$0	\$1,280,000

FY 2022/23 Budget Request - \$1,280,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program HVAC System for District Headquarters

Description: Replacement of the HVAC system for the District's Administration and Operations buildings.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2023100003

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The District's HVAC system is over 25 years old and has required several expensive repairs in the last few years. The system is inefficient and past its service life. The HVAC system serves the District's Administration and Operations buildings and will be completely replaced. The replacement will include the hardware, controls and communications software. The existing system does not allow staff to access the controls and troubleshoot any problems. This also prevents staff from making any adjustments to the system. Updating the system will allow staff better temperature control and improve overall energy efficiency.

Operations Impact: Improved energy efficiency and reliability.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$25,000					\$25,000
Design		\$75,000					\$75,000
Construction			\$1,000,000				\$1,000,000
Total	\$0	\$100,000	\$1,000,000	\$0	\$0	\$0	\$1,100,000

FY 2022/23 Budget Request - \$1,100,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2024

Capital Improvement Program Pipeline Corrosion Protection Improvements

Description: Pipeline corrosion protection systems throughout the District require remediate work to repair and replacement infrastructure necessary for the continued protection of steel and ductile iron pipes.



Project Manager: Jason Hubbard

Department: Engineering

Project: 2023100004

Funding Source: 2% Fund 210 - Sewer Replacement
98% Fund 110 Water Replacement

Comments: The District's corrosion protection system protects steel and ductile iron pipe. Over time repairs and replacements are needed to anode beds, test stations, and appurtenances to continue the protective function of these systems. This project implements the recommendations of the 2020 pipeline corrosion protection assessment report for remediate work on these systems. This project will also conduct another corrosion protection assessment in 2024 and subsequent remediate work.

Operations Impact: Continued corrosion protection on steel and ductile iron pipes.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$18,000		\$22,000			\$40,000
Design		\$40,000		\$55,000			\$95,000
Construction			\$483,000	\$220,000	\$212,000		\$915,000
Total	\$0	\$58,000	\$483,000	\$297,000	\$212,000	\$0	\$1,050,000

FY 2022/23 Budget Request - \$1,050,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022	Jul 2022	Oct 2022	Nov 2022	Jun 2023	Jul 2023	Dec 2025	Jun 2025

Capital Improvement Program Land Outfall West Repair and Rehabilitation

Description: The western segment of the sewer Land Outfall is in need of cleaning, rehabilitation, and repairs based on a condition assessment performed in 2021.



Project Manager: Ryan Morgan

Department: Engineering

Project: 2023100005

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The existing sewer Land Outfall pipeline was installed in 1986 and connects the District's Lift Station No.1 to the Encina Water Pollution Control Facility (EWPCF). The 34,000 foot long pipeline has both gravity and pressurized segments. In 2021 the District performed a thorough condition assessment with recommended actions for cleaning and rehabilitation/repairs. This project will evaluate these prior recommendations in the context of future up-sizing needs and clean, rehabilitate, and repair necessary sections of approximately 17,700 feet of sewer pipeline ranging in size from 21-inch to 54-inch.

As joint partners in the Land Outfall, this project will require coordination with the City of Carlsbad and the Buena Sanitation District (Vista). This project is expected to receive reimbursements.

Operations Impact: Reduce the risk of sewer spills. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	Thereafter	Total
Planning		\$50,000					\$50,000
Design			\$250,000				\$250,000
Construction				\$500,000			\$500,000
Total	\$0	\$50,000	\$250,000	\$500,000	\$0	\$0	\$800,000

FY 2022/23 Budget Request - \$800,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022	Jul 2022	Jun 2023	Jul 2023	Jun 2024	Jul 2024	Jun 2025	Jun 2025

Capital Improvement Program MRF Headworks Assessment

Description: Condition assessment and implementation of recommended improvements to provide increased operational efficiency and reliability at the Meadowlark Water Reclamation Facility (MRF).



Project Manager: Ryan Morgan

Department: Engineering

Project: 2023100006

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The Meadowlark Water Reclamation Facility (MRF) originally constructed on 1958, was upgraded in 1962, 1971, and 1982, with the most comprehensive upgrade in 2005. Equipment and process improvements are on-going due to age, regulatory changes, and environmental conditions. The District desires to perform a comprehensive condition assessment of the plant, built on prior technical documents, to evaluate operational defects and outline a data driven strategic schedule of replacements, upgrades, and improvements to produce quality service.

Due to immediate needs, staff will focus on flow conditions and inefficiencies in the headworks pretreatment process to optimize flow distribution, screening, grit removal and deragging systems. This project will provide design improvement recommendations for current and future wastewater flow conditions at MRF to provide increased operational efficiency and reliability.

Subsequent condition assessment and recommendations will expand to the entire plant.

Operations Impact: Improved operational efficiency. Long-term financial planning. Normal maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$25,000					\$25,000
Design		\$50,000	\$150,000	\$125,000			\$325,000
Construction		\$100,000		\$325,000			\$425,000
Total	\$0	\$175,000	\$150,000	\$450,000	\$0	\$0	\$775,000

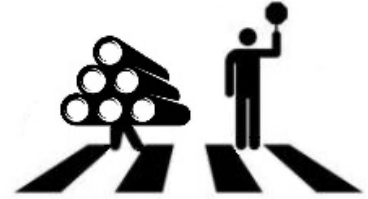
FY 2022/23 Budget Request - \$775,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022	Jul 2022	Dec 2022	Jan 2023	Aug 2024	Sep 2024	Jun 2025	Jun 2025

Capital Improvement Program San Marcos Blvd at Pacific Street Sewer Relocation

Description: This project will relocate approximately 800 feet of existing 8-inch vitrified clay pipe (VCP) sewer main with new 8-inch polyvinyl chloride (PVC) sewer.



Project Manager: Elizabeth Lopez

Department: Engineering

Project: 2023100007

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The alignment of an existing 8-inch vitrified clay pipe (VCP) sewer main located south of San Marcos Boulevard at South Pacific Street crosses a large drainage channel. The existing sewer pipe has limited cover through the drainage channel and is in conflict with the City of San Marcos' Creek District Phase 1 storm drain improvements. The sewer will be relocated outside of the drainage channel, approximately 150 feet east of the existing location. This will eliminate the conflict with the City's storm drain improvements and improve access for maintenance of the sewer main. The City will reimburse the District 50% of the relocation construction costs.

Operations Impact: Normal maintenance for infrastructure and improved access.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27	Total
Planning		\$19,000					\$19,000
Design		\$59,000	\$1,000				\$60,000
Construction		\$11,000	\$557,000				\$568,000
Total	\$0	\$89,000	\$558,000	\$0	\$0	\$0	\$647,000

FY 2022/23 Budget Request - \$647,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2024

Capital Improvement Program Technology Infrastructure Upgrades

Description: Replacement or upgrades of District technology infrastructure. Includes servers, networking equipment (wired/wireless), security appliances, and supporting infrastructure management solutions.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2023100008

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Secure and reliable technical infrastructure is mission critical to District operations and service to the public. Serious disruptions or costly unplanned emergency repairs can occur if end-of-life/end-of-support systems are not upgraded or replaced in a timely manner, resulting in reduced productivity and service levels.

Operations Impact: Replacement of end-of-life equipment is necessary to ensure continuity of business operations.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$175,000	\$100,000	\$100,000	\$100,000	\$100,000	\$575,000
Total	\$0	\$175,000	\$100,000	\$100,000	\$100,000	\$100,000	\$575,000

FY 2022/23 Budget Request - \$575,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program 5 Year PC / Laptop Refresh Plan

Description: Replacement or upgrades of District Information Technology Assets. Includes PC Desktops, laptops and corresponding peripherals.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2023100009

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Secure and reliable technical infrastructure is mission critical to District operations and service to the public. Serious disruptions or costly unplanned emergency repairs can occur if end-of-life/end-of-support systems are not upgraded or replaced in a timely manner, resulting in reduced productivity and service levels. District PC's are refreshed over the course of a 5-year lifecycle, while Laptops are replaced every 3 years.

Operations Impact: Replacement of end-of-life equipment is necessary to ensure continuity of business operations.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Total	\$0	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000

FY 2022/23 Budget Request - \$375,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program MRF Battery Energy Storage System Retaining Wall

Description: Concrete retaining wall to accommodate the proposed Battery Energy Storage System (BESS) at Meadowlark Reclamation Facility (MRF).



Project Manager: Ryan Morgan

Department: Engineering

Project: 2023100010

Funding Source: 50% Fund 210 - Sewer Replacement
50% Fund 250 - Reclaimed

Work Order: 258315

Comments: Meadowlark Water Reclamation Facility (MRF) was approved for a Battery Energy Storage (BESS) System through the State of California resiliency grant funding. To accommodate the footprint required for the proposed BESS at MRF, a concrete retaining wall will be designed and installed in an existing embankment adjacent to the existing electrical building. This improvement is needed before the battery system can be procured and installed.

Operations Impact: Provide necessary working clearances around the proposed BESS and adjacent south access roadway at MRF.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$5,000					\$5,000
Design		\$35,000					\$35,000
Construction		\$250,000					\$250,000
Total	\$0	\$290,000	\$0	\$0	\$0	\$0	\$290,000

FY 2022/23 Budget Request - \$290,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Sep 2021	Jul 2022	Aug 2022	Aug 2022	Oct 2022	Oct 2022	Jan 2023	Jan 2023

Capital Improvement Program Fire Services - Backflow Preventer Upgrades

Description: Replace single-check backflow prevention systems with double-check systems on fire services.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100011

Funding Source: 100% Fund 110 – Water Replacement

Comments: The District is responsible for several fire service backflow preventers in the distribution system that were installed prior to new District standards being adopted. The single-check backflow preventers that were installed are no longer an acceptable device and some have failed due to corrosion from being installed in an underground vault. The Construction department will replace a few systems each year with an approved double-check backflow prevention system and bring the services above ground.

Operations Impact: Enhanced backflow prevention. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$250,000					\$250,000
Total	\$0	\$250,000	\$0	\$0	\$0	\$0	\$250,000

FY 2022/23 Budget Request - \$250,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Managed Operating System Patching Services

Description: IT proposes the use of third-party managed operating system patching services to ensure timely installation of critical patches for the District's computing infrastructure.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2023100012

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The Vallecitos Water District’s Information Technology (IT) Division has directly managed computer system patching since PCs were introduced in the District in the late 1990s. At that time, patching had more to do with software enhancements or fixes and to correct system stability issues. Over the course of the past 10-15 years, maintaining 100% patch levels for all devices became critical for cybersecurity reasons. Patches released by software manufacturers to fix security flaws also inadvertently alerted malicious actors (“hackers”) about those flaws. Hackers then write malicious code (viruses, worms, bots, rootkits, and Trojan horses, among others) or use other methods to take advantage of entities who have not applied the patches meant to repair the security flaws. Staff suggests enlisting the services of a dedicated patching provider. Such a provider would use purpose-built tools for automated scanning, testing, and deployment of patches. The District has an existing contract with Ostari, a consulting firm that provides IT support in the areas of infrastructure monitoring, help desk and network support. The firm has been providing IT support services to the District since 2011 and is in the best position to provide patching services due to existing knowledge of the District’s network infrastructure.

Operations Impact: Timely installation of critical security patches will ensure continued confidentiality, integrity, and availability of District computing resources.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
Total	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000

FY 2022/23 Budget Request - \$200,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Repairs & Painting of Meadowlark Lift Station

Description: Make repairs to the damaged areas of the lift station. Paint interior and some exterior surfaces of the building and resurface the upper level floor.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2023100013

Funding Source: 100% Fund 250 - Reclaimed

Comments: Meadowlark Lift Station needs to be painted and the upper level floor needs to be resurfaced after repairs to the station have been made.

The interior and portions of station's exterior needs to be repainted. Many years ago, the upper level floor was painted with "floor paint". This floor paint is worn and peeling. The paint will need to be mechanically removed prior to a new coating being applied. Some damaged areas of the concrete will need to be resurfaced or replaced. The paint on the metal ceiling/roof structure, piping and structural members show signs of wear and will need to be repainted for corrosion protection. Some of the metal beams and other steel sections of the structure will need to be repaired or replaced due to corrosion from the harsh environment.

Meadowlark Lift Station is one of our oldest facilities and requires these repairs and maintenance in order to protect it and the critical equipment it houses.

Operations Impact: Extend the life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$160,000					\$160,000
Total	\$0	\$160,000	\$0	\$0	\$0	\$0	\$160,000

FY 2022/23 Budget Request - \$160,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program AMI Pilot

Description: Pilot project to introduce the many benefits of an Advanced Metering Infrastructure.



Project Manager: Chris Tapia

Department: Meter

Project: 2023100014

Funding Source: 100% Fund 110 – Water Replacement

Comments: VWD has the foundation of an AMI, Advanced Metering Infrastructure, system in place with 32% (7,343) of our existing radios capable of broadcasting an over-the-air meter reading to a fixed network antenna. This pilot would be a proof-of-concept, standing up a single network base antenna to collect nearby readings which are pushed to a Sensus hosted server. The first antenna is readily available for use in collaboration with OMWD. The ability to use their antenna allows for a reduction in FY22-23 costs from \$350,000 to \$150,000. VWD will have access to hourly interval readings through the Sensus Network as a Service which is provided during the pilot. Pilot program will proceed for one year, initially. At the end of the pilot, if we decide to move forward, we can explore the cost and effort associated with a full integration into our Billing system, NorthStar. The estimated cost for full implementation is approximately \$3,500,000. The full deployment can be done in phases as we seek grant funding to help supplement the cost through WaterSMART. A fully deployed AMI system will require at least 12 network base antennas strategically placed through our district. Full deployment will also required the remaining 68% (15,327) older radios currently in ground to be replaced with a newer version capable of hitting the AMI network. AMI is beneficial for our customers and for our district as we can have better water loss accountability. An AMI system can easily aggregate all retail meter sales and compare them against water purchased so we can monitor water loss throughout the system. Our customers will also have actionable data presented to them in a timely matter, currently drive-by reading system only provides one meter reading every ~30-days.

Operations Impact: Better water loss accountability & less drivetime for reads. More actionable data for the District and its customers. Will identify a meter "slowing" before it's dead.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$150,000					\$150,000
Total	\$0	\$150,000	\$0	\$0	\$0	\$0	\$150,000

FY 2022/23 Budget Request - \$150,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Heli-Hydrant

Description: Installation of a Heli-Hydrant at the Twin Oaks Reservoir Facility.



Project Manager: Ed Pedrazzi

Department: Operations and Maintenance

Project: 2023100015

Funding Source: 100% Fund 110 – Water Replacement

Comments: As the operator of the water system that provides fire suppression support for our customers through a network of water pipelines, the District plays an important role in the protection of life and property in our service area. With the ever-expanding range of fire season in our region, providing enhanced access to water for firefighting helicopters to protect the homes and properties of our customers is a crucial element of customer service. The Heli-Hydrant will transform the way fires are fought in North San Diego County by supplying a way to put water on fires sooner. Thus, reducing the negative impacts on life and property.

The Heli-Hydrant will supply firefighters with an added asset that can be used to protect the District's critical infrastructure such as pump stations, lift stations, and other remote facilities. This added asset may prevent the additional expenditure of replacing critical infrastructure if it were lost to fire.

Cost of the facility will be evenly split between the District and fire protection agencies.

Operations Impact: Routine Maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design		\$10,000					\$10,000
Construction		\$140,000					\$140,000
Total	\$0	\$150,000	\$0	\$0	\$0	\$0	\$150,000

FY 2022/23 Budget Request - \$150,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022			Jul 2022	Aug 2022	Sep 2022	Jun 2023	Jun 2023

Capital Improvement Program MRF: Circuit Breaker Program

Description: MRF: replace main circuit breaker, test and refurbish if possible.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2023100016

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: Large electrical circuit breakers should be inspected and serviced every three years. The Mechanical/Electrical Department is developing a circuit breaker maintenance program for all District facilities. This program will be on a three-year cycle. We will replace and test every circuit breaker that is 400 amps and above. This will be expensive for the first three years as we will need to buy replacement circuit breakers for each site. Each circuit breaker in this program will be removed and replaced with a new one. The old circuit breaker will then be sent out for testing and possible refurbishment. The refurbished breakers will be stored and available for use on the next cycle. This is a big undertaking that requires a substantial amount of planning. We will need to have a contractor perform this work at several of the sites to get the program started. This program is critical in order to maintain our facilities properly and meet current industry standards.

Operations Impact: Servicing the equipment in this program will help to insure a safe and reliable electrical system.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$130,000					\$130,000
Total	\$0	\$130,000	\$0	\$0	\$0	\$0	\$130,000

FY 2022/23 Budget Request - \$130,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022					Jul 2022	Jun 2023	Jun 2023

Capital Improvement Program Repairs and Coating of Concrete Yard Wall

Description: Make repairs to the concrete yard wall and material bins. Paint and coat the District's concrete wall around the equipment yard and epoxy coat the materials bins.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2023100017

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The concrete wall surrounding the District's equipment yard is in need of several repairs, painting and coating. The paint has failed in most areas and the exterior wall along Mission Road has been vandalized with graffiti several times. There are several sections of the wall that require the concrete to be repaired or replaced. After repairs have been made, the wall will be painted inside and out with an anti-graffiti coating applied to the exterior portion of the wall. This coating will allow District staff to remove the graffiti without needing to repaint the wall. The materials storage bins require sections of the concrete to be repaired or replaced due to the excessive wear from construction activities. The bins will be coated with a durable epoxy designed to withstand the aggressive nature of the work being performed on a daily basis.

Operations Impact: Improved aesthetics and extend the life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 25/26	FY 26/27	Thereafter	Total
Planning							
Design							
Construction		\$125,000					\$125,000
Total	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000

FY 2022/23 Budget Request - \$125,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Coggan Pump Station: Facility Improvements

Description: Remove chlorine building. Grade and pave entire facility with new asphalt.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100018

Funding Source: 100% Fund 110 – Water Replacement

Comments: The obsolete chlorine gas building at Coggan Pump Station will be removed. The building area will be graded and asphalt installed. The asphalt around the pump station is past its service life and needs to be replaced. The existing asphalt will be removed and replaced with new asphalt.

Operations Impact: Extend life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$120,000					\$120,000
Total	\$0	\$120,000	\$0	\$0	\$0	\$0	\$120,000

FY 2022/23 Budget Request - \$120,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program District-wide Valve Replacement Program

Description: Replace broken or leaking valves throughout the District.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100019

Funding Source: 100% Fund 110 – Water Replacement

Comments: The valve crew has discovered many broken valves requiring replacement. This project is to replace several valves in the next fiscal year.

Operations Impact: Improved ability to isolate water mains with less impact to customers. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$100,000					\$100,000
Total	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000

FY 2022/23 Budget Request - \$100,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program MRF - Replacement of South Influent Pump

Description: The south influent pump needs to be replaced.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2023100020

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The South Influent Pump Station at the Meadowlark Water Reclamation Facility conveys all local flow from around the Meadowlark Facility to the headworks where it combines with sewer from other lift stations for treatment. Two of the three South Influent Pump Station pumps have been replaced. The last remaining old pump requires excessive maintenance to remain in operation and needs to be replaced. A reliable third pump for the South Influent Pump Station is necessary in order to provide reliable operation.

Operations Impact: Improved reliability of the South Influent Pump Station operation.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$75,000					\$75,000
Total	\$0	\$75,000	\$0	\$0	\$0	\$0	\$75,000

FY 2022/23 Budget Request - \$75,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022						Jun 2023	Jun 2023

Capital Improvement Program Construction of IT Offices

Description: Construction of two interior walls creating two new offices with new furniture.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2023100021

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Two IT positions are currently staffed in cubicles, which do not allow for privacy while staff is working on confidential information. Two interior walls will be constructed to convert the existing cubicle areas into conventional offices. The two new offices will require new furniture to accommodate the changes.

Operations Impact: Improved privacy and security for IT staff. Some District staff will be impacted during construction.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design		\$10,000					\$10,000
Construction		\$60,000					\$60,000
Total	\$0	\$70,000	\$0	\$0	\$0	\$0	\$70,000

FY 2022/23 Budget Request - \$70,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Northstar – Server Migration and Upgrade to NS 6.6

Description: Required Software upgrade for the District's Customer Information System (NorthStar) is required to ensure continued vendor support for District maintenance systems.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2023100022

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: Update Northstar CIS system from Version 6.4 to 6.6 and migrate application to new server. SQL Server 2012 and Windows Server 2012R2 will not be supported in mid to late 2022. NS Server will be upgraded to Windows Server 2019 and SQL Server 2019.

Operations Impact: Replacement of end-of-life software is necessary to ensure continuity of business operations.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$68,000					\$68,000
Total	\$0	\$68,000	\$0	\$0	\$0	\$0	\$68,000

FY 2022/23 Budget Request - \$68,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program
Boardroom: HVAC Repairs & Ceiling Replacement

Description: Remove ceiling tiles in the boardroom and replace with new tiles. Replace broken VAV air controller while the ceiling is down.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2023100023

Funding Source: 51% Fund 110 – Water Replacement
 49% Fund 210 - Sewer Replacement

Comments: The Variable Air Volume controller (VAV) modulates the air flow from the Heating, Ventilation, and Air Conditioning (HVAC) system that keeps a room at the desired temperature. The gears in the VAV for the boardroom are inoperable and only allowing cold air into the room. The repair cannot be completed without removing the ceiling tiles. The ceiling tiles in the boardroom are no longer manufactured or available to purchase. There are several tiles damaged or missing and need to be replaced. This project will include the repair of the air controller and replacement of the ceiling tiles at the same time.

Operations Impact: The boardroom will not be available during construction.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 24/25	FY 25/26	FY 26/27	Thereafter	Total
Planning							
Design		\$5,000					\$5,000
Construction		\$60,000					\$60,000
Total	\$0	\$65,000	\$0	\$0	\$0	\$0	\$65,000

FY 2022/23 Budget Request - \$65,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Primary Clarifier Sludge Pump Replacement

Description: Primary clarifier sludge pump replacements for the Meadowlark Water Reclamation Facility.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2023100024

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The primary clarifier sludge pumps are in need of replacement. They are currently unable to handle the solids loading of the primary clarifiers as the rags and other debris get lodged between the shaft and motor stator. Rebuild and replacement parts are hard to obtain, requiring the maintenance department to pull parts from other pumps to complete one working pump. Removing solids from the primary clarifier is an essential part of wastewater treatment.

Operations Impact: Less maintenance time and resources spent on maintaining the primary sludge pumps.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$20,000	\$20,000	\$20,000			\$60,000
Total	\$0	\$20,000	\$20,000	\$20,000	\$0	\$0	\$60,000

FY 2022/23 Budget Request - \$60,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2025

Capital Improvement Program Repairs and Painting of the Warehouse

Description: Repairs, painting and coating of the District's warehouse building.



Project Manager: Steve Klein

Department: Maintenance Services

Project: 2023100025

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: The District's warehouse building is over two decades old and is in need of repairs, painting and coating. The paint is failing in several areas and the exterior wall along Mission Road has been vandalized with graffiti several times. The large, steel roll-up doors need to be repaired prior to painting. The base of the exterior walls around the warehouse needs to be repaired in a few areas and the sealing replaced prior to any painting. This seal prevents further water damage to the base of the warehouse wall. After repairs have been made, the entire building will be painted, and an anti-graffiti coating applied to the exterior portion of the wall along Mission Road. This coating will allow District staff to remove the graffiti without needing to repaint the wall.

Operations Impact: Improved aesthetics and extend the life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$55,000					\$55,000
Total	\$0	\$55,000	\$0	\$0	\$0	\$0	\$55,000

FY 2022/23 Budget Request - \$55,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Wulff Pump Station: Circuit Breaker Program

Description: Wulff Pump Station: replace main circuit breaker, test and refurbish if possible.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2023100026

Funding Source: 100% Fund 110 – Water Replacement

Comments: Large electrical circuit breakers should be inspected and serviced every three years. The Mechanical/Electrical Department is developing a circuit breaker maintenance program for all District facilities. This program will be on a three-year cycle. We will replace and test every circuit breaker that is 400 amps and above. This will be expensive for the first three years as we will need to buy replacement circuit breakers for each site. Each circuit breaker in this program will be removed and replaced with a new one. The old circuit breaker will then be sent out for testing and possible refurbishment. The refurbished breakers will be stored and available for use on the next cycle. This is a big undertaking that requires a substantial amount of planning. We will need to have a contractor perform this work at several of the sites to get the program started. This program is critical in order to maintain our facilities properly and meet current industry standards.

Operations Impact: Servicing the equipment in this program will help to insure a safe and reliable electrical system.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$48,000					\$48,000
Total	\$0	\$48,000	\$0	\$0	\$0	\$0	\$48,000

FY 2022/23 Budget Request - \$48,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022					Jul 2022	Jun 2023	Jun 2023

Capital Improvement Program Deer Springs Pump Station: Circuit Breaker Program

Description: Deer Springs Pump Station: replace main circuit breaker, test and refurbish if possible.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2023100027

Funding Source: 100% Fund 110 – Water Replacement

Comments: Large electrical circuit breakers should be inspected and serviced every three years. The Mechanical/Electrical Department is developing a circuit breaker maintenance program for all District facilities. This program will be on a three-year cycle. We will replace and test every circuit breaker that is 400 amps and above. This will be expensive for the first three years as we will need to buy replacement circuit breakers for each site. Each circuit breaker in this program will be removed and replaced with a new one. The old circuit breaker will then be sent out for testing and possible refurbishment. The refurbished breakers will be stored and available for use on the next cycle. This is a big undertaking that requires a substantial amount of planning. We will need to have a contractor perform this work at several of the sites to get the program started. This program is critical in order to maintain our facilities properly and meet current industry standards.

Operations Impact: Servicing the equipment in this program will help to insure a safe and reliable electrical system.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$48,000					\$48,000
Total	\$0	\$48,000	\$0	\$0	\$0	\$0	\$48,000

FY 2022/23 Budget Request - \$48,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022					Jul 2022	Jun 2023	Jun 2023

**Capital Improvement Program
Twin Oaks Reservoir: Asphalt Repair & Sealcoat**

Description: Repair asphalt and sealcoat at the Twin Oaks Reservoir Facility.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100028

Funding Source: 100% Fund 110 – Water Replacement

Comments: The Construction department needs to repair some damaged areas and sealcoat the asphalt at the Twin Oaks Reservoir Facility, including its access road. The asphalt has cracks, root damage, and potholes. Once the asphalt patching is complete, the area will be seal-coated to extend the life of the asphalt.

Operations Impact: Extend life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$46,000					\$46,000
Total	\$0	\$46,000	\$0	\$0	\$0	\$0	\$46,000

FY 2022/23 Budget Request - \$46,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program GEMS – Upgrade to ABSuite 7.0

Description: A required Software upgrade to the District's Financial Information System (GEMS) is necessary to ensure continued vendor support for District Financial systems.



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2023100029

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: THE GEMS application runs on the AB Suite 6.1 Unisys platform. The platform reaches end-of-life in July 2022. Harris ERP will continue to provide support for the GEMS application until VWD upgrades to AB Suite 7.0 during FY 22/23. Harris ERP will also release the service pack for tax year 2022 if VWD has not upgraded to AB Suite 7.0 by December 2022.

Operations Impact: Replacement of end-of-life software is necessary to ensure continuity of business operations.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning		\$12,000					\$12,000
Design		\$12,000					\$12,000
Construction		\$12,000					\$12,000
Total	\$0	\$36,000	\$0	\$0	\$0	\$0	\$36,000

FY 2022/23 Budget Request - \$36,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program South Lake Pump Station: Asphalt Repair & Sealcoat

Description: Install new asphalt, make repairs to existing and then sealcoat at the South Lake Pump Station.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100030

Funding Source: 100% Fund 110 – Water Replacement

Comments: We need to extend the existing asphalt area at the pump station and install a berm to prevent erosion. There are some damaged areas that need to be repaired. We will then sealcoat all the asphalt at the South Lake Pump Station to extend the life of this asset.

Operations Impact: Extend life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$30,000					\$30,000
Total	\$0	\$30,000	\$0	\$0	\$0	\$0	\$30,000

FY 2022/23 Budget Request - \$30,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Manhole and RAS Valve Box Rehabilitation

Description: The manholes and RAS telescoping valve boxes are in need of rehabilitation.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2023100031

Funding Source: 100% Fund 210 – Sewer Replacement

Comments: The manholes and Return Activated Sludge (RAS) telescoping boxes at the Meadowlark Reclamation Facility are in need of rehabilitation. There is aggregate exposed in some of the manholes and all of the RAS telescoping boxes. This is due to the constant water flow combined with the the high levels of H2S in these enclosed areas. If left untreated, the manholes and RAS telescoping boxes will continue to deteriorate. MRF plans to have a specialist place a coating inside the manholes and RAS telescoping boxes that will resist the harsh conditions.

Operations Impact: The concrete manholes and valve boxes will no longer deteriorate, extending the life of the assets.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$30,000					\$30,000
Total	\$0	\$30,000	\$0	\$0	\$0	\$0	\$30,000

FY 2022/23 Budget Request - \$30,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Service Line Replacement & Meter Relocations

Description: Replace two water service lines and relocate the water meters to the District's right of way.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100032

Funding Source: 100% Fund 110 – Water Replacement

Comments: The meters installed at 1105 La Bonita and 1750 San Pablo Drive in the Lake San Marcos community are located outside of the District's right of way. A new 2" service line will be installed from the water main to the District's right of way and the water meter will be relocated to meet District standards at both locations.

Operations Impact: None

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$28,000					\$28,000
Total	\$0	\$28,000	\$0	\$0	\$0	\$0	\$28,000

FY 2022/23 Budget Request - \$28,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program MRF Aeration Basin Compressor - Redundant System

Description: A redundant air compressor for the aeration basins is needed in case of failure or prolonged maintenance.



Project Manager: Matt Wiese

Department: Meadowlark Reclamation Facility

Project: 2023100033

Funding Source: 100% Fund 250 - Reclaimed

Comments: The aeration basins for the Meadowlark Reclamation Facility are in need of a backup compressor for the mixing of the anaerobic selector zone. Currently, there is no redundancy for the air compressor system. The proper operation of the anaerobic selector zone is essential for maintaining water quality and regulatory compliance. Even though the current compressor is new, there have been constant reliability issues. When the compressor fails, the plant water quality begins to decline within hours. There is currently no backup system if prolonged maintenance needs to be performed on the compressor. Minimal modifications would need to be made in order to install a backup air compressor system.

Operations Impact: Redundancy for the mixing of the anaerobic mixing zone.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$20,000					\$20,000
Total	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000

FY 2022/23 Budget Request - \$20,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Replacement of District Radio Repeater

Description: Replace the District's radio repeater and associated components.



Project Manager: Dean Toth

Department: Mechanical/Electrical

Project: 2023100034

Funding Source: 50% Fund 110 – Water Replacement
50% Fund 210 – Sewer Replacement

Comments: The District's radio repeater was inspected in 2021. The inspection results indicated that the repeater is showing signs of severe signal degradation. Currently, communications are online but transmission power is at 20% of its programmed value. We are unable to adjust or tune the radio to fix this issue. No repair parts are available as the repeater is antiquated and lost repair support several years ago. It is recommended that this repeater and its associated components be replaced in order to maintain the District's radio communications.

Operations Impact: Improved radio communications and reliability. Routine maintenance.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$20,000					\$20,000
Total	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000

FY 2022/23 Budget Request - \$20,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022					Jul 2022	Jun 2023	Jun 2023

Capital Improvement Program
Schoolhouse PS: Safety Nets and Climbing Systems

Description: Installation of SRLs and safety nets at Schoolhouse Pump Station.



Project Manager: Shawn Askine

Department: Water Operations

Project: 2023100035

Funding Source: 100% Fund 110 – Water Replacement

Comments: We have been upgrading our vaults throughout the District to meet OSHA compliance by installing Self-Retrieving Lines (SRLs) and safety nets. We are using the same standard on all of our vaults to maintain uniformity for its users and for ease of maintenance.

Operations Impact: OSHA compliance and safety for our staff.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$19,000					\$19,000
Total	\$0	\$19,000	\$0	\$0	\$0	\$0	\$19,000

FY 2022/23 Budget Request - \$19,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Electronic Signature Initiative for District Docs

Description: Implementation of an electronic signature solution to increase the efficiency of the document signing process. ****Please note that this initiative will likely require a resolution by the Board of Directors to Authorize Use Digital Signatures as allowed by State law****



Project Manager: Matias Labarrere

Department: Information Technology

Project: 2023100036

Funding Source: 51% Fund 110 – Water Replacement
49% Fund 210 - Sewer Replacement

Comments: DocuSign, Inc., offers an electronic platform (eSignature) that allows users to transact business digitally anytime, anywhere, on any device, in a manner that is secure, legal, and easy to use. Replacing paper-intensive processes and allowing staff, constituents, vendors, and members of the public to conduct business through their Personal Computers (PC) or mobile devices will speed up the time it takes to provide services by providing faster turnaround times for execution of signed documents. DocuSign works with existing forms and documents, conforms to existing workflows and approval processes, and is delivered through a secure and scalable cloud platform. The software also integrates with back-end systems, such as the District's Laserfiche Document Management System. DocuSign can provide greater visibility into who has and has not signed documents, and automatically stores documents for retention and archival within DocuSign's server or behind the District's firewall. DocuSign's native apps for iOS, Android, and Windows 10 allows anyone to sign on their smartphone or tablet. The software also supports in-person signing using mobile devices, enabling the District to use electronic signatures even when staff are in the office.

Operations Impact: Increased efficiency of the document signing process

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$15,000					\$15,000
Total	\$0	\$15,000	\$0	\$0	\$0	\$0	\$15,000

FY 2022/23 Budget Request - \$15,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program
Schoolhouse Tank: Safety Nets and Climbing Systems

Description: Installation of SRLs and safety nets at Schoolhouse Tank.



Project Manager: Shawn Askine

Department: Water Operations

Project: 2023100037

Funding Source: 100% Fund 110 – Water Replacement

Comments: We have been upgrading our vaults throughout the District to meet OSHA compliance by installing Self-Retrieving Lines (SRLs) and safety nets. We are using the same standard on all of our vaults to maintain uniformity for its users and for ease of maintenance.

Operations Impact: OSHA compliance and safety for our staff.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$13,000					\$13,000
Total	\$0	\$13,000	\$0	\$0	\$0	\$0	\$13,000

FY 2022/23 Budget Request - \$13,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

**Capital Improvement Program
NTOT #2: Safety Nets and Climbing Systems**

Description: Installation of SRLs and safety nets at North Twin Oaks Tank #2.



Project Manager: Shawn Askine

Department: Water Operations

Project: 2023100038

Funding Source: 100% Fund 110 – Water Replacement

Comments: We have been upgrading our vaults throughout the District to meet OSHA compliance by installing Self-Retrieving Lines (SRLs) and safety nets. We are using the same standard on all of our vaults to maintain uniformity for its users and for ease of maintenance.

Operations Impact: OSHA compliance and safety for our staff.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$13,000					\$13,000
Total	\$0	\$13,000	\$0	\$0	\$0	\$0	\$13,000

FY 2022/23 Budget Request - \$13,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Mahr Reservoir Road: Asphalt Repair & Sealcoat

Description: Repair asphalt and sealcoat Mahr Reservoir Road.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100039

Funding Source: 100% Fund 250 - Reclaimed

Comments: We need to repair some damaged areas and sealcoat the asphalt for Mahr Reservoir Road. The asphalt has several cracks and potholes. The asphalt patches will be completed and then the area will be sealcoated to extend the life of the asphalt.

Operations Impact: Extend life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$12,000					\$12,000
Total	\$0	\$12,000	\$0	\$0	\$0	\$0	\$12,000

FY 2022/23 Budget Request - \$12,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Double Peak Tank: Asphalt Repair & Sealcoat

Description: Repair asphalt and sealcoat at the Double Peak Tank site.



Project Manager: Kevin Anctil

Department: Construction

Project: 2023100040

Funding Source: 100% Fund 110 – Water Replacement

Comments: We need to repair some damaged areas and sealcoat the asphalt at the Double Peak Tank site. The asphalt has cracks, root damage, and potholes. The asphalt patches will be completed and then the area will be sealcoated to extend the life of the asphalt.

Operations Impact: Extend life of the asset.

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning							
Design							
Construction		\$11,000					\$11,000
Total	\$0	\$11,000	\$0	\$0	\$0	\$0	\$11,000

FY 2022/23 Budget Request - \$11,000

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
Jul 2022							Jun 2023

Capital Improvement Program Future Projects

Description: This amount is set-aside to cover projects planned within the next five years with a start date later than the current fiscal year..



Project Manager: Ryan Morgan

Department: Engineering

Project: TBA

Funding Source: See Below

<u>Project:</u>	<u>Amount:</u>	<u>Source:</u>
San Marcos Boulevard West Sewer Replacement	4,100,000	55% Fund 220 – Sewer Capacity, 45% Fund 210 – Sewer Replacement
El Norte Parkway Water Line Extension	4,100,000	100% Fund 110 – Water Replacement
Tres-Amigos Water Line Replacement Phase II	4,050,000	100% Fund 110 – Water Replacement
Mountain Belle Pump Station	3,810,000	100% Fund 120 – Water Capacity
Coronado Hills Tank #2	3,600,000	100% Fund 120 – Water Capacity
Rees Road Water Line Relocation	2,300,000	100% Fund 110 – Water Replacement
Land Outfall Gravity Sewer Section B Replacement	1,820,000	20% Fund 220 - Sewer Capacity, 80% Fund 210 - Sewer Replacement
Deer Springs Tank No.2	1,400,000	43% Fund 120 – Water Capacity, 57% Fund 110 – Water Replacement
Camino de Amigos Sewer Replacement	1,380,000	45% Fund 210 – Sewer Replacement, 55% Fund 220 – Sewer Capacity
Water and Sewer Master Plan	1,100,000	50% Fund 120 – Water Capacity, 50% Fund 220 – Sewer Capacity
Schoolhouse Pump Station Expansion	500,000	32% Fund 120 – Water Capacity, 68% Fund 110 – Water Replacement
Mountain Belle Tank Exterior Refurbishment	455,000	100% Fund 110 – Water Replacement
Schoolhouse Water Line Improvements	300,000	36% Fund 120 – Water Capacity, 64% Fund 110 – Water Replacement
Total	\$28,915,000	

Comments: These projects are part of the District's capital budget beginning after fiscal year 2022-23.

Operations Impact: Normal Maintenance for infrastructure

Project Spending Plan

Project Phase	Previous Spending	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27 & Thereafter	Total
Planning			\$785,000	\$800,000	\$220,000	\$30,000	\$1,835,000
Design			\$225,000	\$600,000	\$1,180,000	\$920,000	\$2,925,000
Construction				\$925,000	\$3,795,000	\$19,435,000	\$24,155,000
Total	\$0	\$0	\$1,010,000	\$2,325,000	\$5,195,000	\$20,385,000	\$28,915,000

FY 2022/23 Budget Request - \$28,915,000.00

Estimated Project Timeline

Project Approval	Planning		Design		Construction		Completion
	Begin	End	Begin	End	Begin	End	
	Aug 2006	Jun 2027	Feb 2007	Jun 2027	Jul 2024	Aug 2028	Aug 2028

VALLECITOS WATER DISTRICT

2022-23 CAPITAL BUDGET - EASEMENTS, VEHICLES & EQUIPMENT SCHEDULE

VEHICLES/MOBILE EQUIPMENT						
Existing			New or	<u>Funding Source:</u>		Total
Vehicle #	Description	Project #	Replacement	Water	Sewer	Cost
Water Operations:						
	NO-DES Potable Water Main Flushing Trailer	2023100041	New	560,000		560,000
200	Ford F-150 XL, SuperCab	2023100042	Replacement	47,000		47,000
Engineering Inspection:						
209	2020 Ford F-150 4x4 SuperCab	2022100038	Replacement	23,000	22,000	45,000
191	Ford F-150 XL 4x4, SuperCab	2023100043	Replacement	33,200	31,800	65,000
199	Ford F-150 XL 4x4, SuperCab	2023100044	Replacement	33,200	31,800	65,000
195	Ford Explorer XLT	2023100045	Replacement	25,500	24,500	50,000
Collections:						
203	Ford F-150 XL, SuperCab	2023100046	Replacement		47,000	47,000
248	Ford F-150 XL, SuperCab	2023100047	Replacement		47,000	47,000
Construction:						
225	Kenworth T370 Truck with Service Body	2022100039	Replacement	117,400	112,600	230,000
249	F-250 XL 4WD SuperCab	2022100040	Replacement	25,500	24,500	50,000
245	Vacuum Excavator	2022100041	Replacement	84,200	80,800	165,000
205/206	Ford F-250 XL 4x4, Super Duty	2023100048	Replacement	30,600	29,400	60,000
231	Freightliner M2106 Dump Truck	2023100049	Replacement	104,600	100,400	205,000
184/185	Towable Air Compressor	2023100050	Replacement	14,800	14,200	29,000
136	Towable Light Tower	2023100051	Replacement	7,700	7,300	15,000
Maintenance Services:						
180	Towable Portable Restroom	2023100052	Replacement	6,600	6,400	13,000
246	Towable Portable Restroom	2023100053	Replacement	6,600	6,400	13,000
Mechanical/Electrical:						
228	F-550 XL 2WD	2022100043	Replacement	33,200	31,800	65,000
218	Ford F-350 XL 4x4, Regular Cab/Long Bed Service with Crar	2023100054	Replacement	33,200	31,800	65,000
Meters:						
219	Ford F-150 XL, SuperCab	2023100055	Replacement	45,000		45,000
232	Ford F-150 XL, SuperCab	2023100056	Replacement	45,000		45,000
Meadowlark Facility:						
	Boat for Maintenance of Floating Equipment	2023100057	Replacement		13,000	13,000
TOTAL VEHICLES						\$ 1,939,000
FACILITIES AND EQUIPMENT						
Requesting			New or	<u>Funding Source:</u>		Total
Dept.	Description	Project #	Replacement	Water	Sewer	Cost
Mechanical/Electrical:						
	Electrical Conduit Power Bender	2023100058	New	7,700	7,300	15,000
	Mahr On-site Bleach Generation System: Replacement Cells	2023100059	Replacement		40,000	40,000
	North Twin Oaks Pump Station: Main Circuit Breaker	2023100060	Replacement	25,000		25,000
	Twin Oaks Reservoir Facility: Main Circuit Breaker	2023100061	Replacement	18,000		18,000
	Palos Vista Pump Station: Main Circuit Breaker	2023100062	Replacement	18,000		18,000
Maintenance Services:						
	Ice Machine & Bin	2023100063	Replacement	7,100	6,900	14,000
Meadowlark Facility:						
	Caustic Storage Tank with Restraints & Fittings	2022100046	New		12,000	\$ 12,000
TOTAL FACILITIES AND EQUIPMENT						\$ 142,000
VEHICLES & EQUIPMENT TOTAL						\$ 2,081,000

VALLECITOS WATER DISTRICT

DEBT SERVICE BUDGET FOR THE YEAR ENDING JUNE 30, 2023

	Water		Wastewater		Total
	Replacement	Capacity	Replacement	Capacity	
2015 Refunding ⁽¹⁾					
Outstanding principal as of July 1, 2022 ⁽²⁾	\$ -	\$ 18,866,800	\$ -	\$ 18,163,200	\$ 37,030,000
2022/23 Principal Payments	-	(1,255,920)	-	(1,209,080)	(2,465,000)
Outstanding principal as of July 1, 2023	\$ -	\$ 17,610,880	\$ -	\$ 16,954,120	\$ 34,565,000
2008 Private Placement ⁽³⁾					
Outstanding principal as of July 1, 2022	\$ -	\$ -	\$ -	\$ 2,600,000	\$ 2,600,000
2022/23 Principal Payments	-	-	-	(400,000)	(400,000)
Outstanding principal as of June 30, 2023	\$ -	\$ -	\$ -	\$ 2,200,000	\$ 2,200,000
2012 Debt ⁽⁴⁾					
Outstanding principal as of July 1, 2022	\$ -	\$ -	\$ -	\$ 772,000	\$ 772,000
2022/23 Principal Payments	-	-	-	(772,000)	(772,000)
Outstanding principal as of June 30, 2023	\$ -	\$ -	\$ -	\$ -	\$ -
2021 Bonds ⁽⁵⁾					
Outstanding principal as of July 1, 2022	\$ -	\$ 10,340,100	\$ -	\$ 15,209,900	\$ 25,550,000
2022/23 Principal Payments	-	-	-	-	-
Outstanding principal as of June 30, 2023	\$ -	\$ 10,340,100	\$ -	\$ 15,209,900	\$ 25,550,000
2022/23 Debt Service Budget					
2015 Revenue Refunding principal	\$ -	\$ 1,255,920	\$ -	\$ 1,209,080	\$ 2,465,000
2015 Revenue Refunding interest	-	883,470	-	850,530	1,734,000
2021 Bonds Interest	-	461,000	-	679,000	1,140,000
2008 Private Placement - principal	-	-	-	400,000	400,000
2008 Private Placement - interest	-	-	-	6,000	6,000
2012 Debt - principal	-	-	-	772,000	772,000
2012 Debt - interest	-	-	-	8,000	8,000
Total 2022/23 Debt Service Budget	\$ -	\$ 2,600,390	\$ -	\$ 3,924,610	\$ 6,525,000
Projected Debt Service Coverage Ratio ⁽⁶⁾					320%
Excluding Capital Facility Fees					206%
Excluding Capital Facility Fees and Property Tax					128%
Days of Operating Expenses in Unrestricted Cash and Investments					581

⁽¹⁾ The District issued Refunding Revenue Bonds on July 1, 2015, to prepay a portion of the previously outstanding COPS Series 2005A. The bonds have a 5% interest rate over the 20-year term.

⁽²⁾ The 22/23 principal payment on the refunding bonds is due to bondholders on July 1, 2023. The District is obligated to transfer the payment before June 30, 2023, to a restricted account maintained by the Trustee, and, therefore, was deducted from the projected July 1, 2023 balance presented in the Reserve Budget.

⁽³⁾ The District and Union Bank of California executed an \$8 million 20-Year tax-exempt private placement with variable rate interest tied to the LIBOR. The District has the option of changing the LIBOR term. The current term is six months. The current rate is 1.49971%. The proceeds partially restored a deficit balance in the restricted wastewater capacity fund from cash funding construction of the Encina Wastewater Authority Phase V expansion.

⁽⁴⁾ The District issued bonds on December 21, 2012, to fund the increased capacity portions of the San Marcos Interceptor and Linda Vista Sewer projects. The bonds have a 1.98% interest rate over the 10-year term.

⁽⁵⁾ The District issued bonds on August 19, 2021 to fund capital projects in the amount of \$28 million. A portion of the proceeds was used to fund replacement projects and subsequently transferred to the capacity fund along with the responsibility for the debt service. The bonds were issued at total all-in cost of 2.24% over a 30-year term.

⁽⁶⁾ Per the 2015 Refunding Revenue Bonds official statement, the District is required to maintain a debt service coverage ratio of 1.15. Debt service coverage ratios are presented above inclusive and exclusive of capital facilities fees to demonstrate the District's ability to cover debt service above the required minimum. Capital facility fees are included in the official statement's definition of "Net Revenues".

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2022-23 LONG-RANGE PLANNING



VALLECITOS WATER DISTRICT

RESERVE PROJECTION FOR THE YEAR ENDING JUNE 30, 2023

	110	Water	120	210	Wastewater	220	Total
	Replacement	Capacity	Replacement	Capacity	Replacement	Capacity	
Projected July 1, 2022 Balance	\$ 45,164,000	\$ 553,000	\$ 62,999,000	\$ 362,000	\$ 109,078,000		
Revenues							
Operating Transfers	24,000	-	7,346,000	-	7,370,000		
Capital Facility Fees	-	2,510,000	-	4,900,000	7,410,000		
Debt Proceeds	2,760,000	-	6,352,000	143,000	9,255,000		
Interfund Transfer	-	2,760,000	-	6,352,000	9,112,000		
Property Tax	1,486,000	-	1,186,000	-	2,672,000		
RDA pass-through	1,229,000	-	1,191,000	-	2,420,000		
Project Reimbursements	-	-	279,000	50,000	329,000		
Investment Earnings	402,000	17,000	538,000	32,000	989,000		
Available Balance	51,065,000	5,840,000	79,891,000	11,839,000	148,635,000		
Less 22/23 Expenditures							
Encina Wastewater Authority Five Year Plan	-	-	4,917,000	-	4,917,000		
16-Inch Emergency Bypass Pipeline Rehabilitation	-	-	2,875,000	-	2,875,000		
Montiel Lift Station and Forcemain Replacement	-	-	1,456,560	1,399,440	2,856,000		
City of San Marcos Creek District Phase 1	1,490,400	-	993,600	-	2,484,000		
Meadowlark Failsafe Rehabilitation (Buena Reach)	-	-	2,200,000	-	2,200,000		
Vehicles	1,276,300	-	662,700	-	1,939,000		
Encina Wastewater Authority FY 21/22	-	-	1,546,000	-	1,546,000		
MRF Conversion to Sodium Hypochlorite	-	-	1,540,000	-	1,540,000		
Sage Canyon Tank Refurbishment	925,000	-	-	-	925,000		
MRF - Tertiary Structural Rehab and Repairs	-	-	889,000	-	889,000		
Las Posas Water Line Replacement	760,000	-	-	-	760,000		
Meadowlark Stabilization and Maintenance Improvements	-	-	600,000	-	600,000		
Sewer Lining and Rehab 2022	-	-	520,000	-	520,000		
Chlorine Contact Tank Expansion	-	-	360,000	-	360,000		
MRF Direct Potable Reuse	-	-	340,000	-	340,000		
Maintenance Services Department - Offices	168,300	-	161,700	-	330,000		
Redundancy for Admin. Wireless Radio Network	152,490	-	146,510	-	299,000		
MRF Battery Energy Storage System Retaining Wall	-	-	290,000	-	290,000		
Fire Services - Backflow Preventer Upgrades	250,000	-	-	-	250,000		
Lake San Marcos Lift Station Improvements	-	-	250,000	-	250,000		
Asset Management Replacement Schedule	122,500	-	122,500	-	245,000		
DHS- Upgrades for Critical Infrastructure Hardware	116,790	-	112,210	-	229,000		
City of San Marcos Joint Projects Relocate/Adjust	214,000	-	-	-	214,000		
District-wide SCADA Upgrade Project	102,000	-	98,000	-	200,000		
Tres-Amigos Water Line Replacement Phase 1	200,000	-	-	-	200,000		
Door Access Control System Expansion -MRF & Mahr	96,900	-	93,100	-	190,000		
Richland Invert Replacement	-	-	81,000	99,000	180,000		
Storage Building & Shop	91,800	-	88,200	-	180,000		
MRF Headworks Assessment	-	-	175,000	-	175,000		
Technology Infrastructure Upgrades	89,250	-	85,750	-	175,000		
Maximo Mobility	86,700	-	83,300	-	170,000		
Repairs & Painting of Meadowlark Lift Station	-	-	160,000	-	160,000		
Wulff Pressure Regulating Valve	-	160,000	-	-	160,000		
AMI Pilot	150,000	-	-	-	150,000		
Heli-Hydrant	150,000	-	-	-	150,000		
Miscellaneous Projects	1,575,440	-	1,188,360	40,200	2,804,000		
Interfund Transfer	2,760,000	-	6,352,000	-	9,112,000		
Debt Service - 2012 Debt	-	-	-	780,000	780,000		
Debt Service - 2008 Loan	-	-	-	406,000	406,000		
Debt Service - 2021 Bonds	-	461,000	-	679,000	1,140,000		
Debt Service - 2015 Refunding	-	2,139,000	-	2,060,000	4,199,000		
Less Total Expenditures	10,777,860	2,760,000	28,387,500	5,463,640	47,389,000		
Projected June 30, 2023 Balance	40,287,140	3,080,000	51,503,500	6,375,360	\$ 101,246,000		
Less Operating Reserves	6,563,800	-	7,021,000	-	13,584,800		
Projected replacement reserve/restricted funds	\$ 33,723,340	\$ 3,080,000	\$ 44,482,500	\$ 6,375,360	\$ 87,661,200		
Adopted replacement reserve floor	\$ 11,981,000		\$ 22,684,800				
Adopted replacement reserve ceiling	\$ 46,233,100		\$ 72,950,000				

See significant assumptions on page 131

VALLECITOS WATER DISTRICT

RESERVE PROJECTION FOR THE YEAR ENDING JUNE 30, 2024

	110	Water	120	210	Wastewater	220	Total
	Replacement	Capacity	Replacement	Capacity	Replacement	Capacity	
Projected July 1, 2023 Balance	\$ 40,287,140	\$ 3,080,000	\$ 51,503,500	\$ 6,375,360	\$ 101,246,000		
Revenues							
Operating Transfers	263,000	-	7,552,000	-	7,815,000		
Capital Facility Fees	-	2,556,000	-	4,911,000	7,467,000		
Project Reimbursements	-	-	1,895,000	-	1,895,000		
Property Tax	1,518,000	-	1,211,000	-	2,729,000		
RDA pass-through	1,271,000	-	1,221,600	-	2,492,600		
Investment Earnings	337,000	28,000	461,000	55,000	881,000		
Available Balance	<u>43,676,140</u>	<u>5,664,000</u>	<u>63,844,100</u>	<u>11,341,360</u>	<u>124,525,600</u>		
Less 23/24 Expenditures							
Encina Wastewater Authority Five Year Plan	-	-	6,044,000	-	6,044,000		
Tres-Amigos Water Line Replacement Phase 1	6,035,000	-	-	-	6,035,000		
Montiel Lift Station and Forcemain Replacement	-	-	1,733,490	1,665,510	3,399,000		
MRF Conversion to Sodium Hypochlorite	-	-	2,035,000	-	2,035,000		
City of San Marcos Creek District Phase 1	903,600	-	602,400	-	1,506,000		
Meadowlark Failsafe Rehabilitation (Buena Reach)	-	-	1,445,000	-	1,445,000		
Coggan Pump Station Improvements	1,200,000	-	-	-	1,200,000		
Chlorine Contact Tank Expansion	-	-	1,145,000	-	1,145,000		
Storage Building & Shop	561,000	-	539,000	-	1,100,000		
Future Projects	30,000	275,000	193,500	511,500	1,010,000		
HVAC System for District Headquarters	510,000	-	490,000	-	1,000,000		
Land Outfall Parallel Sewer Section A	-	-	180,000	570,000	750,000		
Richland Invert Replacement	-	-	285,750	349,250	635,000		
San Marcos Blvd at Pacific Street Sewer Relocation	-	-	558,000	-	558,000		
Coronado Hills Tank Exterior Refurbishment	510,000	-	-	-	510,000		
Pipeline Corrosion Protection Improvements	473,340	-	9,660	-	483,000		
Richland I Tank Exterior Refurbishment	360,000	-	-	-	360,000		
Steel Pipeline Condition Assessment	355,000	-	-	-	355,000		
Ductile Iron Pipe Condition Assessment	300,000	-	-	-	300,000		
MRF Direct Potable Reuse	-	-	300,000	-	300,000		
Rancheros Drive Easement Sewer Replacement and Rehab	-	-	270,000	-	270,000		
Land Outfall West Repair and Rehabilitation	-	-	250,000	-	250,000		
Rock Springs Valve Replacement	225,000	-	-	-	225,000		
District-wide SCADA Upgrade Project	81,600	-	78,400	-	160,000		
Land Outfall Gravity Sewer Section D	-	-	128,000	32,000	160,000		
Asset Management Replacement Schedule	79,500	-	79,500	-	159,000		
MRF Headworks Assessment	-	-	150,000	-	150,000		
Reclaimed Pumps - Evaluation and Design	-	-	150,000	-	150,000		
Miscellaneous Projects	244,400	30,000	235,600	-	510,000		
Vehicles and Equipment	332,000	-	318,000	-	650,000		
Debt Service - 2008 Loan	-	-	-	405,000	405,000		
Debt Service - 2021 Bonds	-	318,000	-	468,000	786,000		
Debt Service - 2015 Refunding	-	2,140,400	-	2,060,600	4,201,000		
Less Total Expenditures	<u>12,200,440</u>	<u>2,763,400</u>	<u>17,220,300</u>	<u>6,061,860</u>	<u>38,246,000</u>		
Projected June 30, 2024 Balance	31,475,700	2,900,600	46,623,800	5,279,500	\$ 86,279,600		
Less Operating Reserves	6,712,300	-	7,158,100	-	13,870,400		
Projected replacement reserve/restricted funds	<u>\$ 24,763,400</u>	<u>\$ 2,900,600</u>	<u>\$ 39,465,700</u>	<u>\$ 5,279,500</u>	<u>\$ 72,409,200</u>		
Adopted replacement reserve floor	<u>\$ 12,181,000</u>		<u>\$ 23,718,900</u>				
Adopted replacement reserve ceiling	<u>\$ 47,295,500</u>		<u>\$ 76,483,900</u>				

<i>Debt service coverage</i>	397%
<i>Debt service coverage without cap fees</i>	258%
<i>Debt service coverage without cap fees or property tax & RDA</i>	161%
<i>Days of Operating Expenses in Unrestricted Cash and Investments</i>	476

See significant assumptions on page 131

VALLECITOS WATER DISTRICT

RESERVE PROJECTION FOR THE YEAR ENDING JUNE 30, 2025

	110 Water		210 Wastewater		220	Total
	Replacement	Capacity	Replacement	Capacity		
Projected July 1, 2024 Balance	\$ 31,475,700	\$ 2,900,600	\$ 46,623,800	\$ 5,279,500		\$ 86,279,600
Revenues						
Operating Transfers	258,000	-	7,741,000	-		7,999,000
Capital Facility Fees	-	2,557,000	-	4,565,000		7,122,000
Property Tax	1,551,000	-	1,237,000	-		2,788,000
RDA pass-through	1,309,000	-	1,258,000	-		2,567,000
Project Reimbursements	-	-	67,000	-		67,000
Investment Earnings	<u>301,000</u>	<u>27,000</u>	<u>427,000</u>	<u>45,000</u>		<u>800,000</u>
Available Balance	<u>34,894,700</u>	<u>5,484,600</u>	<u>57,353,800</u>	<u>9,889,500</u>		<u>107,622,600</u>
Less 24/25 Expenditures						
Encina Wastewater Authority Five Year Plan	-	-	7,197,000	-		7,197,000
Chlorine Contact Tank Expansion	-	-	3,205,000	-		3,205,000
Future Projects	775,000	275,000	450,000	825,000		2,325,000
Land Outfall Parallel Sewer Section A	-	-	436,800	1,383,200		1,820,000
Richland Invert Replacement	-	-	312,750	382,250		695,000
Land Outfall West Repair and Rehabilitation	-	-	500,000	-		500,000
MRF Headworks Assessment	-	-	450,000	-		450,000
Ductile Iron Pipe Condition Assessment	300,000	-	-	-		300,000
Pipeline Corrosion Protection Improvements	291,060	-	5,940	-		297,000
Steel Pipeline Condition Assessment	250,000	-	-	-		250,000
Land Outfall Gravity Sewer Section D	-	-	160,000	40,000		200,000
Via Vera Cruz Tank Hill Stabilization	195,000	-	-	-		195,000
Technology Infrastructure Upgrades	51,000	-	49,000	-		100,000
5 Year PC / Laptop Refresh Plan	38,250	-	36,750	-		75,000
Energy Management Systems	25,500	-	24,500	-		50,000
Maximo - GIS interface	22,950	-	22,050	-		45,000
Managed Operating System Patching Services	20,400	-	19,600	-		40,000
Primary Clarifier Sludge Pump Replacement	-	-	20,000	-		20,000
Miscellaneous Projects	158,100	-	171,900	-		330,000
Vehicles and Equipment	332,000	-	318,000	-		650,000
Debt Service - 2008 Loan	-	-	-	404,000		404,000
Debt Service - 2021 Bonds	-	318,000	-	468,000		786,000
Debt Service - 2015 Refunding	-	2,141,000	-	2,061,000		4,202,000
Less Total Expenditures	<u>2,301,160</u>	<u>2,734,000</u>	<u>13,207,390</u>	<u>5,563,450</u>		<u>23,806,000</u>
Projected June 30, 2025 Balance	32,593,540	2,750,600	44,146,410	4,326,050		\$ 83,816,600
Less Operating Reserves	<u>6,986,000</u>	<u>-</u>	<u>7,286,800</u>	<u>-</u>		<u>14,272,800</u>
Projected replacement reserve/restricted funds	<u>\$ 25,607,540</u>	<u>\$ 2,750,600</u>	<u>\$ 36,859,610</u>	<u>\$ 4,326,050</u>		<u>\$ 69,543,800</u>
Adopted replacement reserve floor	<u>\$ 13,098,500</u>		<u>\$ 26,316,700</u>			
Adopted replacement reserve ceiling	<u>\$ 48,546,200</u>		<u>\$ 80,155,800</u>			

<i>Debt service coverage</i>	395%
<i>Debt service coverage without cap fees</i>	263%
<i>Debt service coverage without cap fees or property tax & RDA</i>	163%
<i>Days of Operating Expenses in Unrestricted Cash and Investments</i>	446

See significant assumptions on page 131

VALLECITOS WATER DISTRICT

RESERVE PROJECTION FOR THE YEARS ENDING JUNE 30, 2026

	110 <u>Replacement</u>	Water <u>Capacity</u>	120 <u>Replacement</u>	210 Wastewater <u>Capacity</u>	220 <u>Replacement</u>	<u>Total</u>
Projected July 1, 2025 Balance	\$ 32,593,540	\$ 2,750,600	\$ 44,146,410	\$ 4,326,050	\$ 83,816,600	
Revenues						
Operating Transfers	329,000	-	7,844,000	-	8,173,000	
Capital Facility Fees	-	2,558,000	-	4,568,000	7,126,000	
Property Tax	1,584,000	-	1,264,000	-	2,848,000	
RDA pass-through	1,348,000	-	1,296,000	-	2,644,000	
Investment Earnings	305,000	25,000	420,000	29,000	779,000	
Available Balance	<u>36,159,540</u>	<u>5,333,600</u>	<u>54,970,410</u>	<u>8,923,050</u>	<u>105,386,600</u>	
Less 25/26 Expenditures						
Encina Wastewater Authority Five Year Plan	-	-	7,245,000	-	7,245,000	
Future Projects	2,704,900	390,100	962,500	1,137,500	5,195,000	
Land Outfall Parallel Sewer Section A	-	-	960,000	3,040,000	4,000,000	
Ductile Iron Pipe Condition Assessment	300,000	-	-	-	300,000	
Steel Pipeline Condition Assessment	225,000	-	-	-	225,000	
Pipeline Corrosion Protection Improvements	207,760	-	4,240	-	212,000	
Land Outfall Gravity Sewer Sec D	-	-	88,000	22,000	110,000	
Technology Infrastructure Upgrades	51,000	-	49,000	-	100,000	
5 Year PC / Laptop Refresh Plan	38,250	-	36,750	-	75,000	
Energy Management Systems	25,500	-	24,500	-	50,000	
Managed Operating System Patching Services	20,400	-	19,600	-	40,000	
Vehicles and Equipment	332,000	-	318,000	-	650,000	
Debt Service - 2008 Loan	-	-	-	403,000	403,000	
Debt Service - 2021 Bonds	-	318,000	-	468,000	786,000	
Debt Service - 2015 Refunding	-	2,146,000	-	2,065,000	4,211,000	
Less Total Expenditures	<u>3,904,810</u>	<u>2,854,100</u>	<u>9,707,590</u>	<u>7,135,500</u>	<u>23,602,000</u>	
Projected June 30, 2026 Balance	32,254,730	2,479,500	45,262,820	1,787,550	\$ 81,784,600	
Less Operating Reserves	<u>7,296,200</u>	<u>-</u>	<u>7,496,400</u>	<u>-</u>	<u>14,792,600</u>	
Projected replacement reserve/restricted funds	<u>\$ 24,958,530</u>	<u>\$ 2,479,500</u>	<u>\$ 37,766,420</u>	<u>\$ 1,787,550</u>	<u>\$ 66,992,000</u>	
Adopted replacement reserve floor	<u>\$ 13,571,800</u>		<u>\$ 28,958,100</u>			
Adopted replacement reserve ceiling	<u>\$ 49,766,700</u>		<u>\$ 82,822,300</u>			

<i>Debt service coverage</i>	399%
<i>Debt service coverage without cap fees</i>	267%
<i>Debt service coverage without cap fees or property tax & RDA</i>	166%
<i>Days of Operating Expenses in Unrestricted Cash and Investments</i>	419

See significant assumptions on page 131

VALLECITOS WATER DISTRICT

RESERVE PROJECTION FOR THE YEAR ENDING JUNE 30, 2027

	110	Water	120	210	Wastewater	220	
	<u>Replacement</u>		<u>Capacity</u>	<u>Replacement</u>		<u>Capacity</u>	<u>Total</u>
Projected July 1, 2026 Balance	\$ 32,254,730		\$ 2,479,500	\$ 45,262,820		\$ 1,787,550	\$ 81,784,600
Revenues							
Operating Transfers	368,000		-	8,154,000		-	8,522,000
Capital Facility Fees	-		2,559,000	-		4,571,000	7,130,000
Property Tax	1,618,000		-	1,291,000		-	2,909,000
RDA pass-through	1,389,000		-	1,334,000		-	2,723,000
Debt Proceeds	-		3,756,300	-		6,296,000	10,052,300
Investment Earnings	527,000		45,000	754,000		46,000	1,372,000
Available Balance	<u>36,156,730</u>		<u>8,839,800</u>	<u>56,795,820</u>		<u>12,700,550</u>	<u>114,492,900</u>
Less 26/27 Expenditures							
Future Projects	7,688,700		3,756,300	1,004,000		1,126,000	13,575,000
Land Outfall Gravity Sewer Sec D	-		-	6,392,000		1,598,000	7,990,000
Encina Wastewater Authority Five Year Plan	-		-	6,982,000		-	6,982,000
Land Outfall Parallel Sewer Section A	-		-	1,128,000		3,572,000	4,700,000
Technology Infrastructure Upgrades	51,000		-	49,000		-	100,000
5 Year PC / Laptop Refresh Plan	38,250		-	36,750		-	75,000
Managed Operating System Patching Services	20,400		-	19,600		-	40,000
Vehicles and Equipment	332,000		-	318,000		-	650,000
Debt Service - 2008 Loan	-		-	-		403,000	403,000
Debt Service - 2021 Bonds	-		318,000	-		468,000	786,000
Debt Service - 2015 Refunding	-		2,146,000	-		2,066,000	4,212,000
Less Total Expenditures	<u>8,130,350</u>		<u>6,220,300</u>	<u>15,929,350</u>		<u>9,233,000</u>	<u>39,513,000</u>
Projected June 30, 2027 Balance	28,026,380		2,619,500	40,866,470		3,467,550	\$ 74,979,900
Less Operating Reserves	<u>7,553,100</u>		-	<u>7,654,200</u>		-	<u>15,207,300</u>
Projected replacement reserve/restricted funds	<u>\$ 20,473,280</u>	<u>\$ 2,619,500</u>		<u>\$ 33,212,270</u>	<u>\$ 3,467,550</u>		<u>\$ 59,772,600</u>
Adopted replacement reserve floor	<u>\$ 14,082,500</u>			<u>\$ 31,371,600</u>			
Adopted replacement reserve ceiling	<u>\$ 51,086,600</u>			<u>\$ 84,576,900</u>			

<i>Debt service coverage</i>	<i>419%</i>
<i>Debt service coverage without cap fees</i>	<i>287%</i>
<i>Debt service coverage without cap fees or property tax & RDA</i>	<i>183%</i>
<i>Days of Operating Expenses in Unrestricted Cash and Investments</i>	<i>370</i>

See significant assumptions on page 131

LONG RANGE RESERVE PROJECTION

	<u>2027/28</u>	<u>2028/29</u>	<u>2029/30</u>	<u>2030/31</u>	<u>2031/32</u>
Projected Beginning Balance	\$ 74,980,000	\$ 87,497,000	\$ 98,874,000	\$ 111,157,000	\$ 122,034,000
Revenues					
Operating transfers	8,692,000	8,866,000	9,043,000	9,224,000	9,408,000
Capital facility fees	7,130,000	7,130,000	7,130,000	5,348,000	5,348,000
Property tax	2,972,000	3,036,000	3,101,000	3,168,000	3,236,000
Investment earnings	764,000	876,000	987,000	1,096,000	1,200,000
Capital outlay	(1,140,000)	(1,163,000)	(1,186,000)	(1,210,000)	(1,234,000)
Debt service	(5,901,000)	(7,368,000)	(6,792,000)	(6,749,000)	(6,668,000)
Projected Ending Balance	\$ 87,497,000	\$ 98,874,000	\$ 111,157,000	\$ 122,034,000	\$ 133,324,000
Operating reserves	<u>15,587,000</u>	<u>15,977,000</u>	<u>16,376,000</u>	<u>16,785,000</u>	<u>17,205,000</u>
Projected replacement reserve/restricted funds	<u>\$ 71,910,000</u>	<u>\$ 82,897,000</u>	<u>\$ 94,781,000</u>	<u>\$ 105,249,000</u>	<u>\$ 116,119,000</u>
Adopted replacement reserve floor	<u>\$ 45,454,000</u>	<u>\$ 45,718,000</u>	<u>\$ 46,963,000</u>	<u>\$ 48,768,000</u>	<u>\$ 48,797,000</u>
Adopted replacement reserve ceiling	<u>\$ 135,663,000</u>	<u>\$ 132,633,000</u>	<u>\$ 129,728,000</u>	<u>\$ 127,376,000</u>	<u>\$ 124,529,000</u>

Significant Assumptions

Operating Transfers - the result of operating activity transferred from the disbursements fund during the year. Operating transfers from FY 2027 through 2032 will increase by 2%.

Rates - For budget purposes combined water and sewer rates for the average single family resident are expected to increase approximately 3.5% to 4.0% January 1, 2023 pending results from the San Diego County Water Authority rate increases and are estimated to increase by approximately 4.0% to 4.5% January 1, 2024 and beyond.

Operating Expense Assumptions - Over the next five years, cost of wholesale water commodity will increase by approximately 25% and wholesale fixed charges will increase by approximately 24%. Power, fuel, and chemical costs will increase by 4.5% per year, while most other operating costs will increase by 2% from year-to-year on average. The District will add 100 to 120 water accounts in 2022/23, and 100 to 120 in 2023/24 and every year thereafter. The District will add 100 to 120 sewer accounts in 2022/23 and approximately 100 to 120 in 2023/24 and each year thereafter.

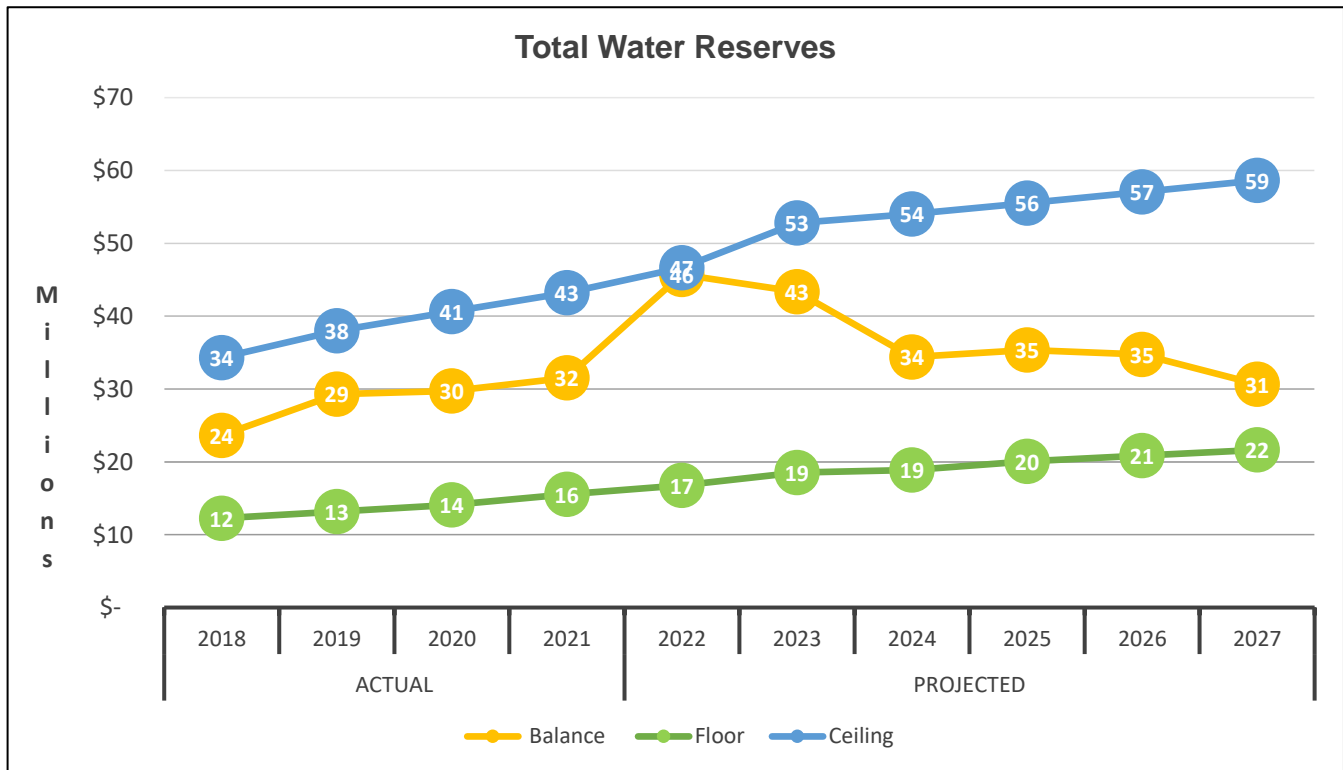
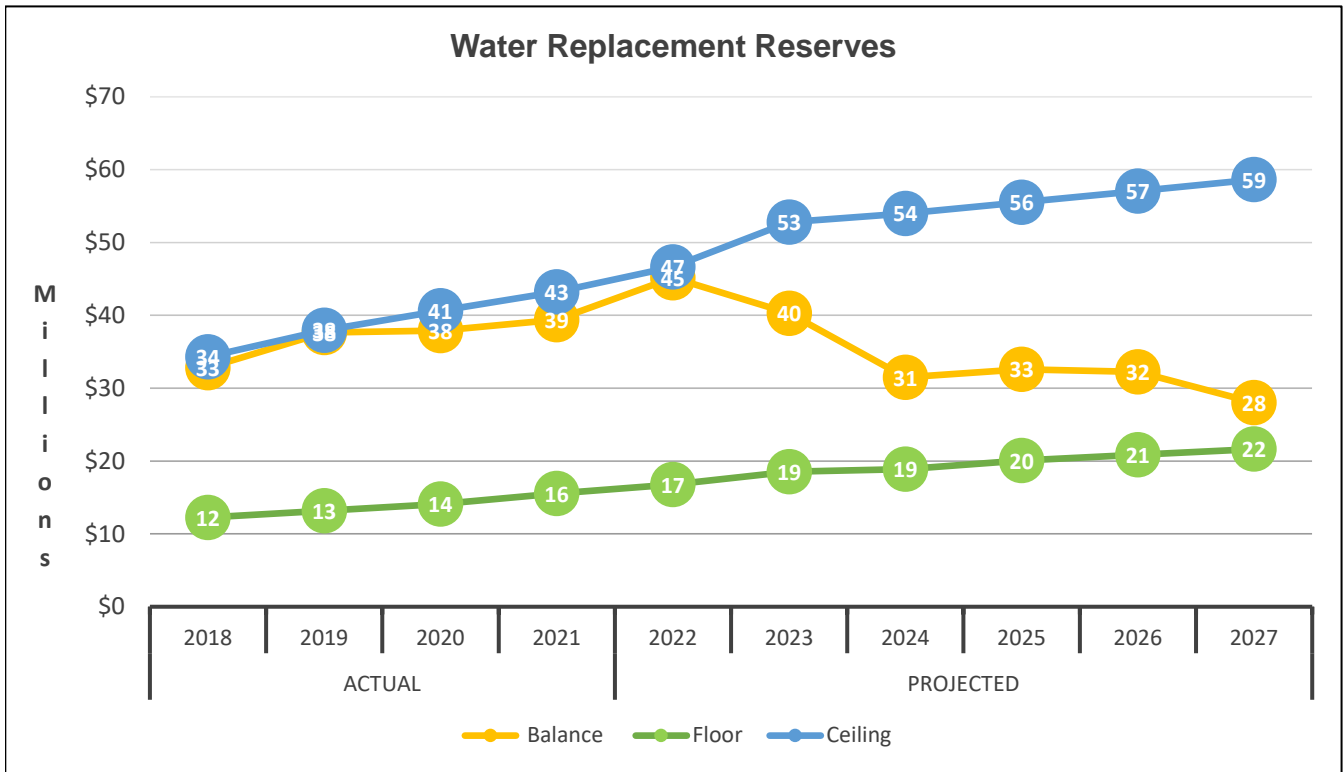
Capital Facility Fees – The District will collect capacity charges for 275 water EDUs in fiscal year 2022/23 and between 225 and 300 EDUs in each fiscal year, 2023/24 through 2026/27. The District will collect capacity charges for 325 sewer EDUs in 2022/23 and between 300 and 375 sewer EDUs from 2023/24 through 2026/27. The rate per EDU will increase by the ENR each year.

Property Tax - revenue from the 1% allocation will increase by 2.15% each year.

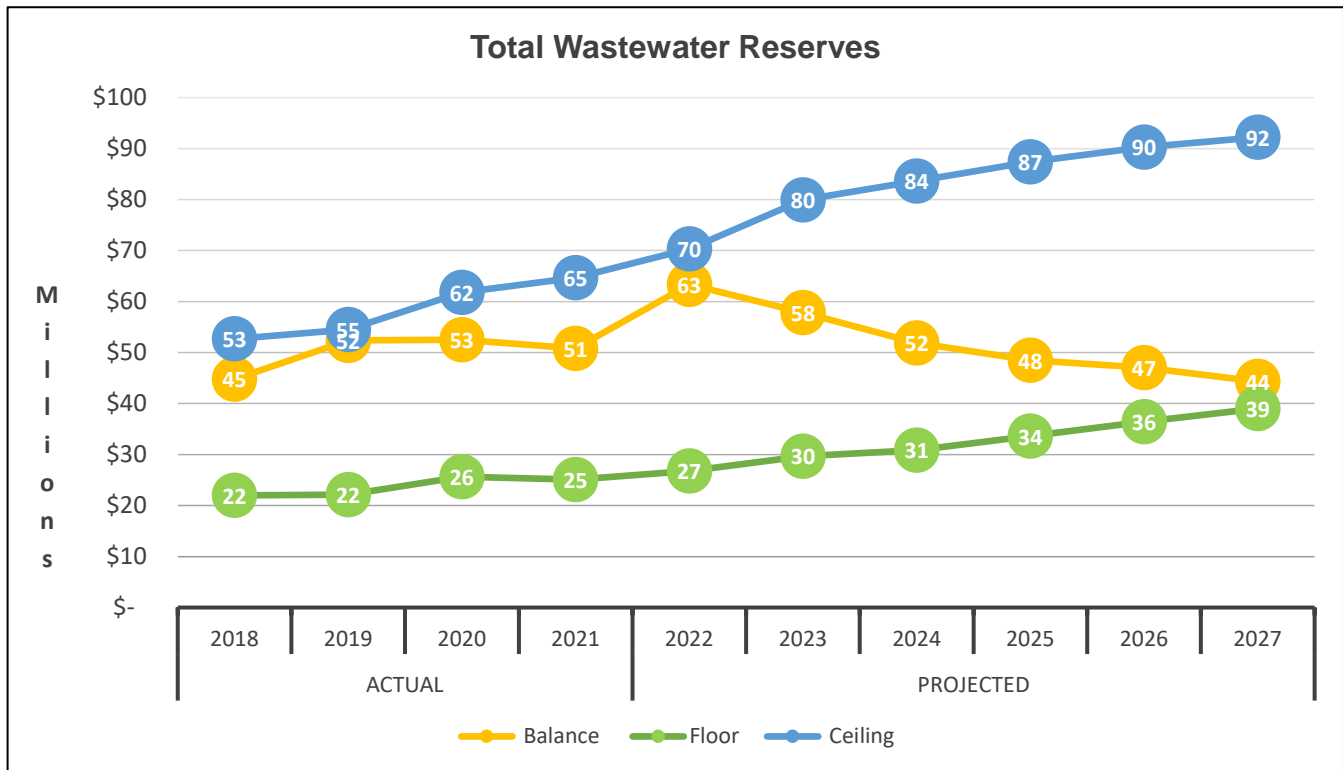
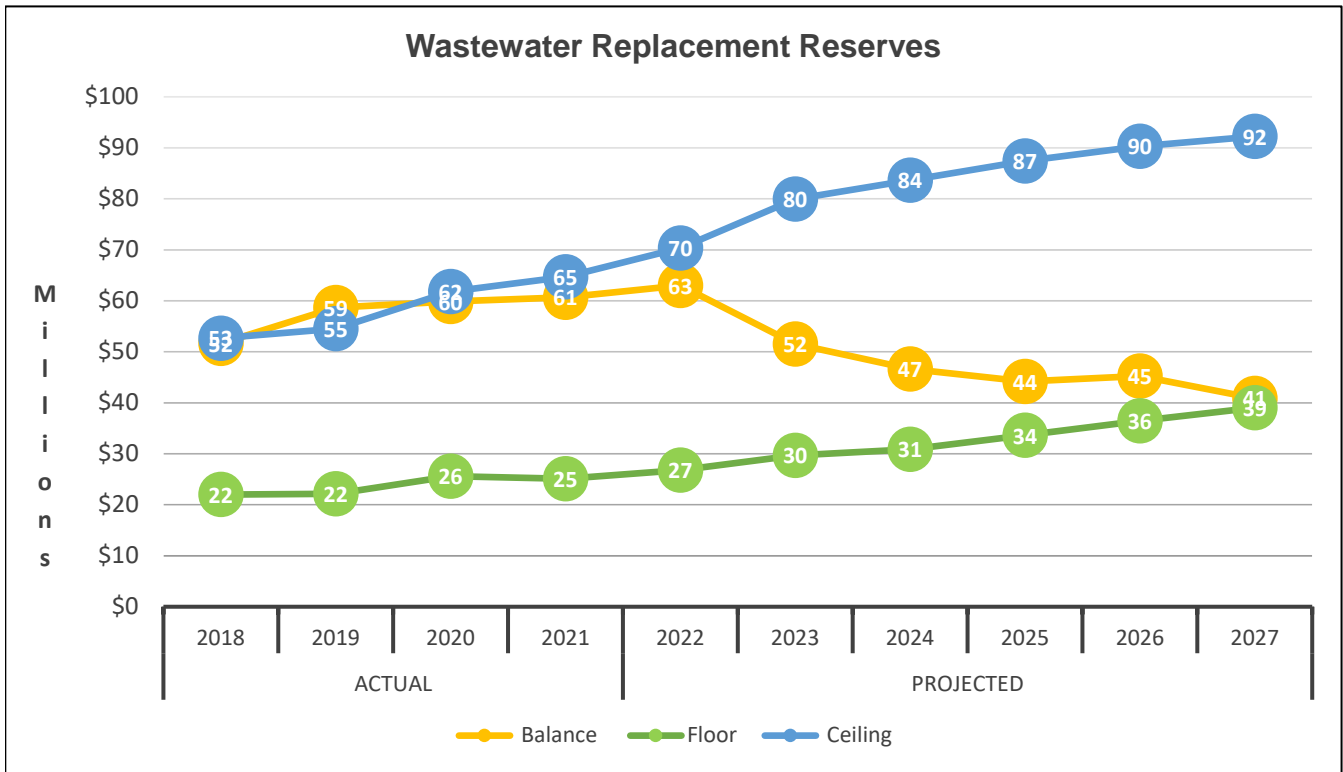
Investment Earnings - assumed at 0.94%.

Capital Outlay - scheduled after Fiscal Year 2027 will be expended evenly over six years.

VALLECITOS WATER DISTRICT



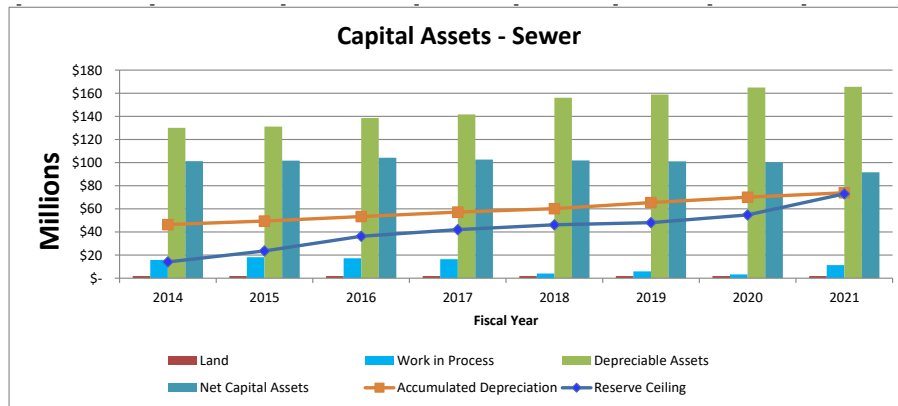
VALLECITOS WATER DISTRICT



Vallecitos Water District
Replacement Reserve Limits - Wastewater System
For the 2022-23 Budget year

ENR Index (as of March 2022) 12791

Year Added	Original Cost	ENR Factor	2023 Costs	Year of Replacement										
				2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
1964	\$ 1,421,340	13.67	\$ 19,423,461	-	-	-	-	-	-	-	-	-	-	-
1965	394,116	13.17	5,191,697	-	-	-	-	-	-	-	-	-	-	-
1966	110,183	12.55	1,383,072	-	-	-	-	-	-	-	-	-	-	-
1967	41,816	11.91	498,015	-	-	-	-	-	-	-	-	-	-	-
1968	24,352	11.07	269,685	-	-	-	-	-	-	-	-	-	-	-
1969	28,784	10.08	290,131	-	-	-	-	-	-	-	-	-	-	-
1970	1,617,466	9.26	14,981,179	-	-	-	-	-	-	-	-	-	-	-
1971	53,601	8.09	433,656	-	-	-	-	-	-	-	-	-	-	-
1972	78,755	7.30	574,646	-	-	-	-	-	-	-	-	-	-	-
1973	149,279	6.75	1,007,614	62,976	-	-	-	-	-	-	-	-	-	-
1974	409,501	6.33	2,593,033	162,065	162,065	-	-	-	-	-	-	-	-	-
1975	189,378	5.78	1,095,088	68,443	68,443	68,443	-	-	-	-	-	-	-	-
1976	151,559	5.33	807,410	50,463	50,463	50,463	50,463	-	-	-	-	-	-	-
1977	394,775	4.97	1,960,236	122,515	122,515	122,515	122,515	122,515	-	-	-	-	-	-
1978	930,683	4.61	4,288,316	268,020	268,020	268,020	268,020	268,020	268,020	-	-	-	-	-
1979	697,184	4.26	2,969,591	185,599	185,599	185,599	185,599	185,599	185,599	185,599	-	-	-	-
1980	139,384	3.95	550,776	34,423	34,423	34,423	34,423	34,423	34,423	34,423	34,423	-	-	-
1981	192,586	3.62	696,851	43,553	43,553	43,553	43,553	43,553	43,553	43,553	43,553	43,553	-	-
1982	4,772,279	3.34	15,958,751	997,422	997,422	997,422	997,422	997,422	997,422	997,422	997,422	997,422	997,422	997,422
1985	5,149,309	3.05	15,700,789	981,299	981,299	981,299	981,299	981,299	981,299	981,299	981,299	981,299	981,299	981,299
1986	19,355,791	2.98	57,643,754	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735	3,602,735
1987	381,136	2.90	1,106,471	69,154	69,154	69,154	69,154	69,154	69,154	69,154	69,154	69,154	69,154	69,154
1988	1,232,431	2.83	3,488,388	218,024	218,024	218,024	218,024	218,024	218,024	218,024	218,024	218,024	218,024	218,024
1989	2,001,761	2.77	5,548,109	346,757	346,757	346,757	346,757	346,757	346,757	346,757	346,757	346,757	346,757	346,757
1990	3,031,169	2.70	8,193,509	-	512,094	512,094	512,094	512,094	512,094	512,094	512,094	512,094	512,094	512,094
1991	1,864,618	2.65	4,932,850	-	-	308,303	308,303	308,303	308,303	308,303	308,303	308,303	308,303	308,303
1992	3,162,421	2.57	8,114,449	-	-	-	507,153	507,153	507,153	507,153	507,153	507,153	507,153	507,153
1993	13,446,724	2.46	33,012,869	-	-	-	-	2,063,304	2,063,304	2,063,304	2,063,304	2,063,304	2,063,304	2,063,304
1994	2,113,222	2.37	4,998,192	-	-	-	-	-	312,387	312,387	312,387	312,387	312,387	312,387
1995	3,276,618	2.34	7,660,614	-	-	-	-	-	-	478,788	478,788	478,788	478,788	478,788
1996	1,199,768	2.28	2,730,646	-	-	-	-	-	-	-	170,665	170,665	170,665	170,665
1997	988,964	2.20	2,171,273	-	-	-	-	-	-	-	-	135,705	135,705	135,705
1998	4,670,391	2.16	10,091,042	-	-	-	-	-	-	-	-	-	630,690	630,690
1999	1,047,495	2.11	2,211,340	-	-	-	-	-	-	-	-	-	-	-
2000	3,954,391	2.06	8,130,625	-	-	-	-	-	-	-	-	-	-	-
2001	2,705,995	2.02	5,456,784	-	-	-	-	-	-	-	-	-	-	-
2002	109,018	1.96	213,284	-	-	-	-	-	-	-	-	-	-	-
2003	9,260,829	1.91	17,694,045	-	-	-	-	-	-	-	-	-	-	-
2004	3,031,642	1.80	5,450,222	-	-	-	-	-	-	-	-	-	-	-
2005	2,984,298	1.72	5,126,546	-	-	-	-	-	-	-	-	-	-	-
2006	7,245,244	1.65	11,956,382	-	-	-	-	-	-	-	-	-	-	-
2007	(10,129,834)	1.61	(16,265,467)	-	-	-	-	-	-	-	-	-	-	-
2008	9,022,922	1.54	13,888,351	-	-	-	-	-	-	-	-	-	-	-
2009	37,476,922	1.49	55,935,509	-	-	-	-	-	-	-	-	-	-	-
2010	3,860,825	1.45	5,610,522	-	-	-	-	-	-	-	-	-	-	-
2011	1,487,477	1.41	2,097,720	-	-	-	-	-	-	-	-	-	-	-
2012	3,612,924	1.37	4,964,859	-	-	-	-	-	-	-	-	-	-	-
2013	(1,398,127)	1.34	(1,873,200)	-	-	-	-	-	-	-	-	-	-	-
2014	2,007,273	1.30	2,618,298	-	-	-	-	-	-	-	-	-	-	-
2015	(1,576,814)	1.28	(2,011,873)	-	-	-	-	-	-	-	-	-	-	-
2016	792,086	1.28	1,010,631	-	-	-	-	-	-	-	-	-	-	-
2017	1,984,324	1.24	2,469,497	-	-	-	-	-	-	-	-	-	-	-
2018	1,984,324	1.15	2,278,615	-	-	-	-	-	-	-	-	-	-	-
2019	1,422,607	1.14	1,620,642	-	-	-	-	-	-	-	-	-	-	-
2020	6,155,403	1.12	6,908,288	-	-	-	-	-	-	-	-	-	-	-
2021	1,301,392	1.09	1,416,690	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 162,013,960</u>		<u>\$ 377,274,471</u>	<u>7,213,448</u>	<u>7,662,567</u>	<u>7,808,805</u>	<u>8,247,515</u>	<u>10,260,357</u>	<u>10,450,229</u>	<u>10,660,998</u>	<u>10,646,064</u>	<u>10,747,345</u>	<u>11,334,482</u>	



Three-Year Minimum Reserve Balance <-----\$22,684,821----->

Eight-Year Maximum Reserve Balance <-----\$72,949,983----->

DATE: JUNE 1, 2022
TO: BOARD OF DIRECTORS
SUBJECT: RESOLUTION DECLARING INTENT TO REIMBURSE CERTAIN EXPENDITURES WITH ONE OR MORE ISSUANCES OF TAX-EXEMPT OBLIGATIONS

BACKGROUND:

An inducement resolution allows for reimbursement of certain expenditures for project costs from proceeds of a future bond issuance. An inducement resolution does not commit the District to incur indebtedness. Without an inducement resolution, only expenditures incurred prospective of the date of a debt issuance are allowed to be funded from debt proceeds.

DISCUSSION:

Staff identified capital projects in the adopted 2022/23 budget to be funded through reserves which are eligible to be reimbursed from the proceeds of tax-exempt obligations.

Staff is recommending an inducement resolution be adopted so that cash funded expenditures can be reimbursed from debt proceeds in the event the District incurs indebtedness in the future. The resolution does not create a commitment to incur debt or impact the District in any way. The resolution allows the District to recover capital expenditures from debt proceeds that the District otherwise could not.

RECOMMENDATION:

Adopt Resolution.

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT
DECLARING ITS INTENTION TO ISSUE TAX-EXEMPT OBLIGATIONS**

WHEREAS, the Vallecitos Water District (the “Issuer”), a public agency duly organized and existing under and by virtue of the laws of the State of California, desires to finance the costs of certain capital improvements as provided in Exhibit A attached hereto and incorporated herein (the “Project”);

WHEREAS, the Issuer intends to finance the Project or portions of the Project with the proceeds of obligations the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and

WHEREAS, prior to the incurrence of the Obligations the Issuer desires to incur certain expenditures with respect to the Project from available monies of the Issuer which expenditures are desired to be reimbursed by the Issuer from a portion of the proceeds of the sale of the Obligations;

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

Section 1. The Board of Directors of the Vallecitos Water District finds and determines that the foregoing recitals are true and correct.

Section 2. The Issuer hereby states its intention and reasonably expects to reimburse Project costs incurred prior to the incurrence of the Obligations with proceeds of the Obligations. Exhibit A describes either the general character, type, purpose, and function of the Project, or the fund or account from which Project costs are to be paid and the general functional purpose of the fund or account.

Section 3. The reasonably expected maximum principal amount of the Obligations is \$148,882,000. The amount of proceeds of the Obligations reasonably expected to be allocated to expenditures to reimburse expenditures incurred prior to the issuance of the Obligations is \$148,882,000.

Section 4. This Resolution is being adopted not later than 60 days after the date (the “Expenditures Date or Dates”) that the Issuer will expend monies for the portion of the Project costs to be reimbursed from proceeds of the Obligations.

Section 5. Except as described below, the expected date of issue of the Obligations will be within eighteen months of the later of the Expenditure Date or Dates and the date the Project is placed in service; provided, the reimbursement may not be made more than three years after the original expenditure is paid. For Obligations subject to the small issuer exception of Section 148(f)(4)(D) of the Internal Revenue Code, the “eighteen-month limit” of the previous sentence is changed to “three years” and the limitation of the previous sentence beginning with “; provided, . . . ” is not applicable.

Section 6. Proceeds of the Obligations to be used to reimburse for Project costs are not expected to be used, within one year of reimbursement, directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt service coming due within the next succeeding one year period on any tax exempt obligation of the Issuer (other than the Obligations)) or to be held

as a reasonably required reserve or replacement fund with respect to an obligation of the Issuer or any entity related in any manner to the Issuer, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

Section 7. This Resolution is consistent with the budgetary and financial circumstances of the Issuer, as of the date hereof. No monies from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long term basis, or otherwise set aside by the Issuer (or any related party) pursuant to their budget or financial policies with respect to the Project costs.

Section 8. The limitations described in Section 3 and Section 4 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.

Section 9. This Resolution is adopted as official action of the Issuer in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Issuer expenditures incurred prior to the date of issue of the Obligations, is part of the Issuer's official proceedings, and will be available for inspection by the general public at the main administrative office of the Issuer. This declaration does not bind the District to make any expenditure, incur any indebtedness, or proceed with the projects.

This Resolution shall take effect immediately.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a Regular Meeting held on this 1st day of June, 2022, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Craig Elitharp, President
Board of Directors
Vallecitos Water District

ATTEST:

Glenn Pruim, Secretary
Board of Directors
Vallecitos Water District

EXHIBIT A

DESCRIPTION OF PROJECT

Capital improvements to the District's water and wastewater systems including, but not limited to, the projects identified in the Comprehensive Project List included on pages 35 and 36 of the approved Budget for Fiscal Year 2022-23.