

AGENDA FOR A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JULY 18, 2018, AT 5:00 P.M.
AT THE DISTRICT OFFICE
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

CALL TO ORDER – PRESIDENT HERNANDEZ

PLEDGE OF ALLEGIANCE

ROLL CALL

In the case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity which severely imperils public health, safety, or both. Also, items which arise after the posting of the Agenda may be added by a two-thirds vote of the Board of Directors.

ADOPT AGENDA FOR THE REGULAR MEETING OF JULY 18, 2018

INTRODUCTIONS

Human Resources Analyst Bridget Anderson will introduce new employees, **Anthony Glenn**, Accounting Supervisor, and **Arturo Sanchez**, Wastewater Treatment Plant Operator I.

PRESENTATION

President Hernandez will present **Arturo Alvarez**, Meter Services Worker II, with his Certificate for Cross-Connection Control Specialist from the American Backflow Prevention Association.

PUBLIC COMMENT

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

NOTICE TO THE PUBLIC

All matters listed under the Consent Calendar will be voted upon by one motion. There will be no separate discussion of these items, unless a Board member or member of the public requests that a particular item(s) be removed from the Consent Calendar, in which case it will be considered separately under Action Items.

CONSENT CALENDAR

1.1 APPROVAL OF MINUTES (pp. 6-15)

- A. CLOSED SESSION BOARD MEETING – JUNE 20, 2018
- B. REGULAR BOARD MEETING – JUNE 20, 2018
- C. FINANCE COMMITTEE MEETING – JUNE 25, 2018

Approved minutes become a permanent public record of the District.

Recommendation: Approve Minutes

1.2 WARRANT LIST THROUGH JULY 18, 2018 – \$6,217,471.09 (pp. 16-20)

Recommendation: Approve Warrant List

1.3 FINANCIAL REPORTS (pp. 21-37)

- A. WATER METER COUNT – JUNE 30, 2018
- B. WATER PRODUCTION/SALES REPORT – 2017/2018
- C. QUARTERLY FINANCIAL REPORT – JUNE 30, 2018
- D. WATER REVENUE AND EXPENSE REPORT – JUNE 30, 2018
- E. SEWER REVENUE AND EXPENSE REPORT – JUNE 30, 2018
- F. RESERVE FUNDS ACTIVITY – JUNE 30, 2018
- G. INVESTMENT REPORT – JUNE 30, 2018

1.4 OPERATIONS & MAINTENANCE METRICS QUARTERLY REPORT – JUNE 30, 2018 (pp. 38-45)

1.5 FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR SAN ELIJO HILLS TOWN CENTER (SEH LIFESTYLE CENTER, LLC) (pp. 46-48)

Installation of water and sewer facilities has been completed.

Recommendation: 1) Accept Project Improvements; 2) Approve Filing of a Notice of Completion

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

PUBLIC HEARING

2.1 PUBLIC HEARING TO ADOPT A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLECIOS WATER DISTRICT APPROVING THE SEWER SERVICE FEES TO BE COLLECTED ON THE TAX ROLL FOR IMPROVEMENT DISTRICT "A" FOR THE FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019 (pp. 49-52)

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

- Recommendation:** 1) **Hold Public Hearing**
 2) **Adopt Resolution**

ACTION ITEMS

- 3.1 ORDINANCE ESTABLISHING PUMP ZONE CHARGES FOR FISCAL YEARS 2018/19 AND 2019/20 (pp. 53-57)

The District established ten pump zones to recover the cost of electricity related to pumping water to customers in higher elevations.

- Recommendation:** **Adopt Ordinance**

- 3.2 ORDINANCE ESTABLISHING ADMINISTRATIVE CHARGES TO RECOVER INDIRECT COSTS FOR FISCAL YEAR 2018-19 (pp. 58-63)

The proposed ordinance maintains the District's desire to recover all administrative expenses incurred in connection with providing direct services.

- Recommendation:** **Adopt Ordinance**

- 3.3 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2018 BOARD ELECTIONS – SEAT A (pp. 64-67)

CSDA has provided a ballot for the District's use in voting to elect a representative to the CSDA Board of Directors in the District's region for Seat A.

- Recommendation:** **Request Board direction**

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

REPORTS

- 4.1 GENERAL MANAGER
- 4.2 DISTRICT LEGAL COUNSEL
- 4.3 SAN DIEGO COUNTY WATER AUTHORITY
- 4.4 ENCINA WASTEWATER AUTHORITY
 - *Capital Improvement Committee*
 - *Policy and Finance Committee*
- 4.5 STANDING COMMITTEES
- 4.6 DIRECTORS REPORTS ON MEETINGS/CONFERENCES/SEMINARS
 ATTENDED

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

OTHER BUSINESS

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

5.1 DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

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

6.1 ADJOURNMENT

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

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

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

AFFIDAVIT OF POSTING

I, Diane Posvar, Executive Secretary of the Vallecitos Water District, hereby certify that I caused the posting of this Agenda in the outside display case at the District office, 201 Vallecitos de Oro, San Marcos, California by 5:00 p.m., Friday, July 13, 2018.

Diane Posvar



AMERICAN BACKFLOW PREVENTION ASSOCIATION

Be it known that

Arturo Alvarez

Having submitted acceptable evidence of qualifications by education,
training, and experience is hereby granted this Certificate as a

Cross-Connection Control Specialist

S05-00562

Witness our Hand and Seal,

Effective **4/13/2018**



Michael C. Ahlee

Administrator, ABPA Tester Certification Program

MINUTES OF A CLOSED SESSION MEETING
OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 20, 2018, AT 4:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

Vice President Martin called the Closed Session meeting to order at the hour of 4:01 p.m.

Director Sannella led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Sannella
Director Martin

Absent: Director Hernandez

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

ADOPT AGENDA FOR THE CLOSED SESSION MEETING OF JUNE 20, 2018

18-06-08 MOTION WAS MADE by Director Sannella, seconded by Director Elitharp, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Closed Session Meeting of June 20, 2018.

PUBLIC COMMENT

None.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – SIGNIFICANT EXPOSURE TO LITIGATION (PER GOVERNMENT CODE SECTION 54956.9(c) ONE (1) POTENTIAL CASE

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

Agency Designated Representative: General Manager
Employee Organization: Vallecitos Employees' Association

18-06-09 MOTION WAS MADE by Director Sannella, seconded by Director Evans, and carried unanimously, with Director Hernandez absent, to move into Closed Session pursuant to Government Code Sections 54956.9(c) and 54957.6.

REPORT AFTER CLOSED SESSION

The Board reconvened to Open Session at the hour of 4:55 p.m. There was no reportable action from the Closed Session.

ADJOURNMENT

There being no further business to discuss, Vice President Martin adjourned the Closed Session Meeting of the Board of Directors at the hour of 4:56 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, July 18, 2018 at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

Glenn Pruim, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 20, 2018, AT 5:00 PM AT THE DISTRICT OFFICE,
201 VALLECITOS DE ORO, SAN MARCOS, CALIFORNIA

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

Director Sannella led the pledge of allegiance.

Present: Director Elitharp
Director Evans
Director Sannella
Director Martin

Absent: Director Hernandez

Staff Present: General Manager Pruim
Legal Counsel Gilpin
District Engineer Gumpel
Finance Manager Owen
Operations & Maintenance Manager Pedrazzi
Executive Secretary Posvar

ADOPT AGENDA FOR THE REGULAR MEETING OF JUNE 20, 2018

18-06-10 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to adopt the agenda for the Regular Board Meeting of June 20, 2018.

PUBLIC COMMENT

Mike Hunsaker, member of the public, addressed the Board praising the City of San Marcos Public Works Department for their quick response to his complaint of irrigation system leaks at Walnut Grove Park that were apparently caused by an abundance of gophers. Walnut Grove Park abuts his property. The repairs to the irrigation system were made promptly.

CONSENT CALENDAR

18-06-11 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to approve the Consent Calendar as presented.

1.1 Approval of Minutes

- A. Closed Session Board Meeting – June 6, 2018
- B. Regular Board Meeting – June 6, 2018

- 1.2 Warrant List through June 20, 2018 - \$6,302,110.11
- 1.3 Financial Reports
 - A. Water Meter Count – May 31, 2018
 - B. Water Production/Sales Report – 2017/2018
 - C. Water Revenue and Expense Report – May 31, 2018
 - D. Sewer Revenue and Expense Report – May 31, 2018
 - E. Reserve Funds Activity – May 31, 2018
 - F. Investment Report – May 31, 2018
- 1.4 Construction Contract Award for Solar Panel Inverter Replacement
- 1.5 Appropriations Limit for Fiscal Year 2018/19

ACTION ITEMS

STUDY UPDATE FOR THE DISTRICT WIDE SOLAR PROJECT

District Engineer Gumpel provided a broad overview on the status of the District-wide solar feasibility study being conducted by TerraVerde Energy. He facilitated a presentation as follows:

- Definitions
- Feasibility Study Summary
- Benefits of a Solar Power Purchase Agreement (PPA)
- Assessment Findings
 - Lift Station 1 Site
 - Twin Oaks Reservoir Site
 - Mahr Reservoir Site
- Conclusions
- Next Steps
- Project Schedule

Question and answer took place during the presentation.

District Engineer Gumpel summarized the costs and timelines associated with the three phases of the agreement with TerraVerde Energy. The current feasibility study phase will be completed in July or August depending on Engineering/Equipment Committee and Board input. If the Board decides to move forward with a project or projects, the RFP & Design phase would occur from August 2018 to March 2019. The construction phase would take approximately one year, depending on the project(s) selected.

General discussion took place regarding the proposed sites and consideration of South Lake as a possible site as well. Staff will research further expansion at Mahr Reservoir and the feasibility of South Lake as a possible site.

This item was presented for information only.

RESOLUTION ELECTING TO HAVE SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT "A" FOR FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019 COLLECTED ON THE TAX ROLL

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

Staff recommended the Board adopt the resolution to set the Public Hearing for the Regular Board meeting on July 18, 2018.

18-06-12 MOTION WAS MADE by Director Evans, seconded by Director Sannella, and carried unanimously, with Director Hernandez absent, to adopt the resolution.

Resolution No. 1540 – the roll call vote was as follows:

AYES: Elitharp, Evans, Sannella, Martin

NOES:

ABSTAIN:

ABSENT: Hernandez

CONSUMER CONFIDENCE REPORT

Operations & Maintenance Manager Pedrazzi stated Federal and State regulations require the District to prepare the Consumer Confidence Report (CCR) and make it available to its customers by June 30 of each year. The CCR, which will be posted on the District's website, contains information on the quality of the District's drinking water. The District meets or exceeds all Federal and State water quality standards.

Staff recommended the Board approve the 2017 Consumer Confidence Report.

18-06-13 MOTION WAS MADE by Director Evans, seconded by Director Elitharp, and carried unanimously, with Director Hernandez absent, to approve the 2017 Consumer Confidence Report.

SAN MARCOS CHAMBER OF COMMERCE – MEET YOUR ELECTED OFFICIALS
SUNDOWNER BUSINESS MIXER – PER DIEM/EXPENSE REIMBURSEMENT
APPROVAL

General Manager Pruum stated the San Marcos Chamber of Commerce will be holding their annual Meet Your Elected Officials Sundowner Business Mixer on July 26. The San Marcos Chamber of Commerce is not on the list of organizations for which meetings are considered compensable under District Ordinance No. 203; therefore, approval for per diem and expense reimbursement is required.

General discussion took place. Director Sannella suggested inviting the San Marcos Chamber of Commerce to provide a presentation at a future Board meeting and having the Board re-evaluate membership to the San Marcos Chamber of Commerce.

18-06-14 MOTION WAS MADE by Vice President Martin, seconded by Director Elitharp, and carried unanimously 3 – 1, with Director Evans voting no and Director Hernandez absent, to approve per diem for attendance to the San Marcos Chamber of Commerce Meet Your Elected Officials Business Mixer.

REPORTS

GENERAL MANAGER

General Manager Pruum reported the following:

- Metropolitan Water District recently announced they will begin changing their water blend from 100% Colorado River water to a blend of 35% State Water Project water and 65% Colorado River water.
- The final settlement of the Diamond Environmental Services lawsuit has been completed. The FBI Special Agent in charge of the investigation presented a check today to Encina Wastewater Authority (EWA) in the amount of \$637,102. Those funds will be passed on to Vallecitos to cover costs the District incurred due to Diamond Environmental Services' illegal dumping.
- Regarding the water line rehabilitation project at Stargaze Court and River Run Circle, access pits have been dug, the high lines are being laid out, and the liners are expected to be pulled through the pipelines next week. The Board will be made aware of the exact dates so that they may observe the liners being pulled through the pipelines.
- The project to replace some of the corrugated roofing in the District's yard began last week. Construction should be completed early next week.

- The contract for the men's locker room expansion project has been awarded. The contractor will be mobilizing next week. A 90-day construction window is anticipated.
- The contractor is currently fabricating the staff table for the Boardroom audiovisual and lighting upgrade project. It is anticipated that once the staff table is constructed, wiring can be installed and then the rest of the improvements will begin in August.
- General Manager Pruim will be on vacation June 26 through July 18.

DISTRICT LEGAL COUNSEL

Legal Counsel Gilpin stated Best Best & Krieger's Public Policy and Ethics Group recently issued guidelines on preventing serial meetings which continues to be a topic of interest. The guidelines will be provided to the Board and include information on issues public officials face relative to the Brown Act, violations of the serial meeting preclusions, how to prevent those types of meetings, emails and texts, and social media. He advised that District business conducted via personal emails and texts on cell phones is now subject to the Public Records Act.

SAN DIEGO COUNTY WATER AUTHORITY

Director Evans stated the next SDCWA Board meeting is scheduled for June 28.

Director Evans stated the summer recess for the Sacramento legislature begins on July 6 and ends on August 6. The deadline for bills to be passed is the end of August and the last date for the Governor to act on bills is August 30. She noted that even though the water tax trailer bill was rejected, it is a temporary victory as there are people pursuing it. It could come back either as a trailer bill or SB 623. SDCWA is still very involved in working with the Association of California Water Agencies and California Municipal Utilities Association to encourage opposition to the bill. SDCWA is also advocating support for AB 2050 which would create the small system of water authorities to take over agencies that are non-compliant and small and combine them.

Director Evans commented on several bills SDCWA has sponsored. AB 2064 would make accountable opportunities for money to be given in advance to disadvantaged communities who are eligible for grant money. AB 2371 contains recommendations regarding water use efficiency for landscape. Imperial Valley tried to form a technical panel to establish a Salton Sea ten-year water management program but did not meet its Policy Committee deadline and is now inactive. The efforts of Senator Dodd to establish agency shut-off policies and procedures will be considered on June 26.

Director Evans distributed information to the Board pertaining to the recent water efficiency regulations which clarifies misleading or misunderstood information being circulated about the regulations.

ENCINA WASTEWATER AUTHORITY

Director Elitharp reported on his attendance to the Policy and Finance Committee on June 12 at which the committee considered four items: amendments to EWA's financial reserve policy; investment policy annual review; financial management and accounting outside services authorization; and another South Parcel temporary construction easement authorization to accommodate the Caltrans I-5 widening project.

STANDING COMMITTEES

None.

DIRECTORS REPORTS ON TRAVEL/CONFERENCES/SEMINARS ATTENDED

Directors Elitharp, Martin and Sannella reported on their attendance to the Council of Water Utilities meeting on June 19.

OTHER BUSINESS

None.

DIRECTORS COMMENTS/FUTURE AGENDA ITEMS

None.

ADJOURNMENT

There being no further business to discuss, Vice President Martin adjourned the Regular Meeting of the Board of Directors at the hour of 6:04 p.m.

A Regular Meeting of the Vallecitos Water District Board of Directors has been scheduled for Wednesday, July 18, 2018, at 5:00 p.m. at the District office, 201 Vallecitos de Oro, San Marcos, California.

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

ATTEST:

Glenn Pruim, Secretary
Board of Directors
Vallecitos Water District

MINUTES OF A MEETING OF THE
FINANCE/INVESTMENT COMMITTEE
OF THE VALLECITOS WATER DISTRICT
WEDNESDAY, JUNE 25, 2018 AT 4:00 P.M.
AT THE DISTRICT OFFICE, 201 VALLECITOS DE ORO,
SAN MARCOS, CALIFORNIA

Director Martin called the meeting to order at the hour of 4:02 p.m.

Present: Director Martin
Director Sannella
General Manager Pruum
Finance Manager Owen
Accounting Supervisor Glenn
Financial Analyst Arthur
Administrative Secretary Johnson

ITEM(S) FOR DISCUSSION

FY 2018/19 OVERHEAD REVIEW

Finance Manager Owen stated the overhead rate is calculated annually using the same methodology since 2013. He facilitated a presentation on the overhead rate which included the following:

- Purpose
- Background
- Methodology
- Current Year Calculation
 - Indirect Costs
 - Direct Costs
- Prior Year Comparisons
- Next Steps

Question and answer took place during the presentation.

Finance Manager Owen explained that the overhead rate allocates a portion of operating costs to the costs of a project or asset, is required by Generally Accepted Accounting Principles (GAAP), and eliminates an unfair burden on the rate payers.

The 2013 Cost of Service Report recommended using a single overhead rate to be applied to direct labor based on the approved budget each year effective July 1 of each year. The overhead rate applies to outside contractor costs, developer projects and miscellaneous billings. The overhead rate is calculated by using budgeted indirect costs and employee benefits divided by direct labor costs. The proposed overhead rate for FY 2018/19 is 219.43% which is a decrease from 221.65% the previous fiscal year.

The consensus of the Committee was to recommend the Board adopt the proposed overhead rate of 219.43% for FY 2019/18 at the July 18 Board meeting.

OPEB FUNDING STATUS

Financial Analyst Arthur provided an update on OPEB funding. The liability is determined based on actuarial data such as eligible employees' ages and their years of service. As of April 1, 2017, there were 76 active and 28 retired employees for a total of 104 eligible employees/retirees. That number will continue to decrease as the OPEB benefit is a closed system and new hires are not eligible.

Financial Analyst Arthur stated the District's unfunded accrued liability is the liability minus assets which on April 1, 2017 was almost \$2 million. As of June 30, 2018, it is expected that the unfunded accrued liability will be fully funded. The District had budgeted for and has been paying an extra \$200,000 per month for the past nine months to pay off the unfunded accrued liability. Going forward, the District will continue to pay normal costs of the OPEB benefit.

Financial Analyst Arthur further stated the rate of return on the OPEB Trust assets has been averaging between 5.3% and 6.00% per month.

This item was presented for information only.

Discussion took place regarding agenda items for future Committee meetings. Items identified were miscellaneous fees, Fitch and Standard and Poor's ratings, and the Diamond Environmental Services settlement.

The consensus of the Committee was to schedule a Committee meeting during the last week of July. The Committee will not meet in August.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

There being no further business to discuss, the meeting was adjourned at the hour of 4:39 p.m.

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 18, 2018

PAYEE	DESCRIPTION	CHECK#	AMOUNT
CHECKS			
Garnishments	Payroll Garnishments	113929 through 113932	-
A. Waters Company	Coliform Sample	113933	307.99
ACWA/Joint Powers Insurance	Group Insurance June & July	113934	393,964.10
Adeldert & Tira Bautista	Closed Account Refund	113935	63.27
Airgas USA LLC	Cylinder Rental, Hardware Supplies	113936	450.00
Universal Protection Service LP	Weekly Deposit Svc Mar	113937	59.36
Aloha Printing	Storeroom Requisition Forms - Warehouse, Statements - Customer Service	113938	862.42
Ambius	Plant Maintenance June	113939	263.00
Amy Ali & John Braeen	Closed Account Refund	113940	31.54
Andrius Kelertas	Closed Account Refund	113941	789.80
Anette Longville	Reimbursement - Employee Events	113942	123.89
AT&T	Phone Svs May	113943	40.54
AT&T	Phone Svc SCADA June	113944	269.26
B & C Crane Service Inc	Crane Rentals 3, North Twin Oaks PS, Wulff PS, MRF	113945	1,015.00
Best Best & Krieger	Legal Svcs May	113946	22,767.31
Bob Turner's Crane Service Inc	Emergency Crane Svc MRF	113947	706.20
Boot World Inc	Safety Boots	113948	150.00
Brady Sand & Material Inc	Rock & Cold Mix	113949	2,331.38
Brigitte Duggan	Closed Account Refund	113950	90.73
Chelsie & Justin Power	Closed Account Refund	113951	74.34
Chris Deering	SDCWA Exam	113952	295.00
Christian Wheeler Engineering	Biotechnical Evaluation Prj 20161-5	113953	240.00
Cody & Tia Martin	Closed Account Refund	113954	29.55
Construction Diamond Products Inc	Hardware Supplies	113955	387.90
Core & Main LP	Valve Gate	113956	1,717.74
Core Logic Information Solutions Inc	Real Quest Svcs - Engineering Maps May	113957	200.00
Corodata Media Storage Inc	Back Up Storage Tapes May	113958	157.10
Craig Elitharp	COWU Meeting 6-19-18	113959	18.09
CWEA	Collection Cert - J Woodard	113960	95.00
DirecTV Inc	Satellite Svs June	113961	174.23
Dudek	North & South Pressure Reducing Stations Prj 20141-7&8	113962	315.00
EDCO San Marcos	Refund Prj Balance 20171-286	113963	33.49
Betty Evans	ACWA Conference 5-8-18	113964	246.61
Freedom Automation Inc	Programming Svcs - SCADA	113965	1,200.00
Graphic Products Inc	Labeling Tape	113966	507.17
Infosend Inc	Support Fee, Door Hangers, Processing, Postage, May	113967	11,666.17
Jessica White	Closed Account Refund	113968	83.04
JCI Jones Chemicals Inc	Chlorine	113969	4,086.42
Lloyd Pest Control	Pest Control May	113970	764.00
Manpower Temp Services	Customer Service Rep Week Ending: 6-3-18, 6-10-18, & 6-17-18	113971	3,411.73
Matheson Tri-Gas Inc	Cylinder Rental	113972	50.54
Nancy Greene	Closed Account Refund	113973	149.56
North County Auto Parts	Fleet Supplies May	113974	1,708.98
Oldcastle Precast Inc	Coronado Hills Chlorine Injection System Prj 20181-15	113975	11,029.00
Ostari Inc	IT Support May	113976	2,250.00
Ovivo USA LLC	Evaluation/Inspection -Roughing Filter MRF	113977	538.75
Pencco, Inc.	Trioxyn, Injection Pump - Collection Dept	113978	16,188.67
Plumbers Depot Inc	Hardware Supplies	113979	153.01
Progressive Business Pub	Subscription Renewal - Payroll Newsletter	113980	299.00
Reim Townsend & Alex Auer	Closed Account Refund	113981	89.64
Rely Environmental	Fuel Island Maintenance June	113982	175.00
Rusty Wallis Inc	Soft Water Scrubber Svc June	113983	201.00
SDG&E	Power May	113984	185,367.27

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 18, 2018

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Robert Scholl	Dept of Consumer Affairs - Engineering License	113985	115.00
Sean Riesenbeck	Closed Account Refund	113986	100.00
Shannon Mora	Closed Account Refund	113987	80.13
Marc Smith	Exam Fee SWRCB	113988	230.00
State Water Resources Control	Operator Cert C Deering	113989	150.00
State Water Resources Control	Operator Cert M Smith	113990	225.00
T. Maus Grading & Paving Inc.	Paving Svcs- 4,248 Sq. Ft. - Golf Glen Drive	113991	30,476.50
Total Resource Mgt Inc	Maximo Support May	113992	2,200.50
Traffic Supply Inc	Traffic Control Signs - 14	113993	904.15
UPS	Shipping Svcs June	113994	57.56
Lisa Urabe	Water Wise Landscaping Supplies Prj 20181-47	113995	856.98
Verizon Wireless	Ipad Svc May	113996	424.11
Vijay & Ksheera Hedge	Closed Account Refund	113997	28.88
Visser Construction Inc	AV Upgrades Prj 20151-2	113998	2,120.00
Vista Fence Company Incorporated.	Chain Link Fence Extension - Coronado Hills Tank	113999	17,538.00
Wendy Leigh Sallin	Closed Account Refund	114000	21.74
Westley Owen	GFOA Conference 5-5-18	114001	355.11
Ababa Bolt Inc	Hardware Supplies	114002	39.87
ACWA/Joint Powers Insurance	2017 Electronic File Fulfillment Cost	114003	200.00
Biotechnical Services Inc	Thermometer Calibrations 3	114004	196.00
CDW Government Inc	Laptops 2, Memory Modules 7	114005	4,836.72
County of San Diego	Recording Fees May	114006	2.88
Doane & Hartwig Water Systems Inc	Svc - Chlorine Analyzer MRF, Coring Cylinder Weight Scales 2 MRF	114007	5,286.63
Electrical Sales Inc	Meter Enclosures 12 MRF Prj 20181-40, Electrical Cabinets 6 MRF	114008	6,696.75
Emcor Service	HVAC Maintenance	114009	410.50
Employment Screening Services Inc	Employment Screening	114010	138.50
Ferguson Enterprises, Inc	Air Vac Cans 6, Air Valves 8, Gate Valve, Pipe Wrap Tape	114011	5,698.05
Fisher Scientific LLC	Sample Bottles 11 MRF, Lab Supplies	114012	2,129.69
G & R Auto & Truck Repair Inc	Smog Testing 10 District Vehicles	114013	500.00
Grainger Inc	Security Cables 55 - MRF, Rack & Storage Bin MRF, Hardware Supplies	114014	1,944.33
Interstate Batteries	Generator Batteries 11, Batteries 18 - SCADA sites, Battery Veh 191	114015	2,411.86
Mallory Safety & Supply, LLC	Safety Supplies	114016	323.25
North County Concrete Cutting & Coring, Inc.	Concrete Saw Cutting/Demolition Svcs - MRF	114017	15,397.00
Occu Med Ltd	Medical Svcs	114018	385.50
Olivenhain MWD	Treated Water May	114019	90,361.00
Pacific Pipeline Supply	Ball Valves 3 , Gasket, Bolt Set	114020	1,280.63
Process Solutions, Inc.	Acid Wash - Mahr Reservoir	114021	1,037.94
Real Seal Co Inc	Hardware Supplies	114022	27.09
Reed Electric Co	Wulff PS Pump Rebuild Prj 20181-18, North Twin Oaks PS Prj 20181-17	114023	13,292.06
San Marcos Unified School Dist	Transportation Svcs Prj 20181-45	114024	450.00
The Light House	New Vehicle Setup Equipment Veh 276 Prj 20181-33, Hardware Supplies	114025	571.88
Unifirst Corporation	Uniform Delivery	114026	1,383.21
Univar USA. Inc	Sodium Bisulfite	114027	2,476.52
Valley Chain & Gear Inc	Hardware Supplies	114028	42.48
VWR International	Hardware Supplies	114029	114.97
E.H. Wachs Company	Hardware Supplies	114030	250.90
Walters Wholesale Electric	Coronado Hills Tank Treatment Shed Supplies Prj 20181-21	114031	1,145.47
Xerox Corporation	Copier Lease Apr & May	114032	5,403.72
Garnishments	Payroll Garnishments	114033 through	-
ACWA/Joint Powers Insurance	Medical Insurance Aug	114036	205,763.87
Alan Rapoza	Closed Account Refund	114037	16.75
Alex Bernardez	Closed Account Refund	114038	80.69
Universal Protection Service LP	Weekly Deposit Svc Apr	114039	59.36
AM Conservation Group Inc	Hose Nozzles 48 Prj 20181-47	114040	238.56

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 18, 2018

PAYEE	DESCRIPTION	CHECK#	AMOUNT
Andrea Schueller-Wallerstein	Closed Account Refund	114041	103.75
Aqua-Metric Sales Co	Meters 40	114042	18,769.63
Shawn Askine	ACE Conference 6-11-18	114043	337.90
AT&T	Phone Svc June	114044	2,749.08
Brent Billingsley	Calcium Hypochlorite Tablets	114045	3,600.16
B & C Crane Service Inc	Crane Rental	114046	435.00
Backflow Solutions, Inc.	Backflow Tests Qty 396	114047	5,128.20
Jason Bakken	SWCRB Cert Renewal	114048	60.00
Boot Barn	Safety Boots	114049	291.91
Boot World Inc	Safety Boots D Richardson	114050	145.44
Brady Sand And Material Inc	Rock & Cold Mix	114051	708.88
Calatlantic Group, Inc	Closed Account Refund	114052	225.67
Carl Kelley	Closed Account Refund	114053	52.42
Colleen Gaffney	Closed Account Refund	114054	28.11
Council Of Water Utilities	COWU Meeting 7-17-18	114055	225.00
Davidson Builders Inc.	Closed Account Refund	114056	227.35
DirecTV Inc	Satellite Svc July	114057	71.54
Dudek	North/South Pressure Reducing Stations Prj 20141-7&8	114058	371.25
EDCO Waste & Recycling Serv	Trash Svc June	114059	873.64
Ewing Irrigation Products	PVC Supplies	114060	291.11
Fabiola Real	GASB Training 6-22-18	114061	30.52
Gallade Chemical Inc.	Calcium Hypochlorite	114062	853.38
Garrick & Darby Stride	Closed Account Refund	114063	101.21
Ken Grody Ford	Meter Reading Vehicle Prj 20191-22	114064	22,283.28
James Gumpel	CSDA Summit 6-24-18	114065	122.32
Haaker Equipment Co.	Hardware Supplies	114066	289.96
Harrison Power Equipment	Repair Trash Pumps MRF	114067	245.24
Jack Henry & Assoc Inc	Software Maintenance FY 18-19 Remit Plus	114068	3,107.90
Home Depot Credit Services	Hardware Supplies Prj 20181-15	114069	572.98
Infosend Inc	Postage & Printing June	114070	12,397.99
Jason Hubbard	Self Improvement Program	114071	1,286.43
JCI Jones Chemicals Inc	Chlorine	114072	4,086.42
Kennedy/Jenks Consultants	San Marcos Interceptor Prj 71004	114073	1,497.50
Kenneth Reeve	Closed Account Refund	114074	60.31
Kimberly Box	Closed Account Refund	114075	35.27
Knight Security & Fire Systems	Answering, Patrol, Monitoring July	114076	588.19
Kristina Kennedy	Closed Account Refund	114077	21.27
Laser Cut Concrete Cutting Inc	Coronado Hills Chlorine Injection System Prj 20181-15	114078	280.00
Tobias Luna	Lab Analyst Workshop 6-27-18	114079	13.33
Manpower Temp Services	Customer Service Rep Week Ending 6-24-18	114080	725.09
Hal Martin	COWU Meeting 6-19-18	114081	18.09
Morton Salt, Inc.	Industrial Salt	114082	3,545.75
Muriel Christina Walker	Closed Account Refund	114083	14.04
72 Hour LLC	Tank Cleaning and Disinfection Trailer Prj 20181-37	114084	21,354.10
North County Auto Parts	Fleet Supplies June	114085	6,275.57
North County Transit District	Laurels Sewer Lining Prj 20181-8	114086	716.98
One Source Distributors LLC	SCADA Programming Software, PLC Batteries 8	114087	4,281.48
Pacific Industrial Partners LLC	Closed Account Refund	114088	109.59
Pencco, Inc.	Trioxyn, Carbon LS3	114089	16,265.99
Richmond American Homes	Closed Account Refund	114090	300.27
San Diego Gas & Electric	Power June	114091	22,305.22
San Elijo Hills Estates	Closed Account Refund	114092	91.47
SCAP	FY 18-19 Membership Dues	114093	538.00
Schmidt Fire Protection Co Inc	Quarterly Sprinkler Maintenance	114094	573.00

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 18, 2018

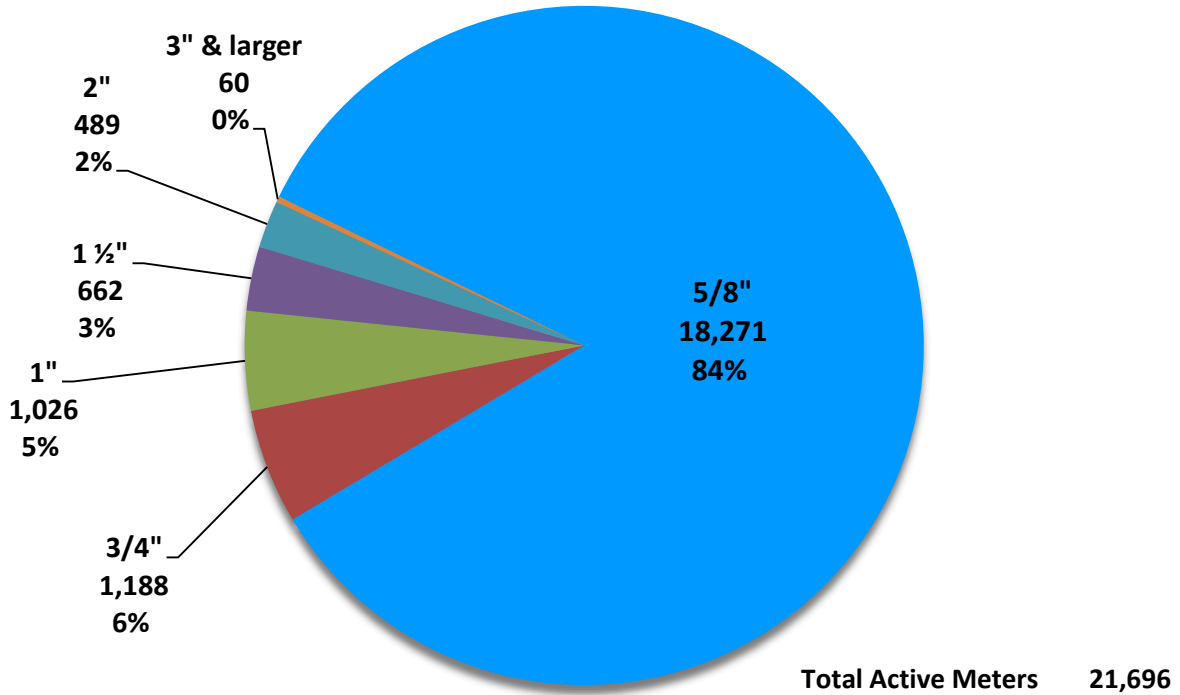
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Brian Shore	Lab Analyst Workshop 6-27-18	114095	11.39
Shred-It US JV LLC	Shredding Svcs June	114096	175.17
Southern Counties Lubricants, LLC	Oil - MRF	114097	122.41
Standard Insurance Company	Life, LTD & ADD Insurance July	114098	6,163.64
Staples Advantage	Office Supplies Prj 20181-43	114099	451.69
State Board Of Equalization	Storage Tank Fees Apr-June	114100	198.06
Target1 Instruments LLC	Flow Meter Removals 6	114101	1,188.00
Dean Toth	CWEA Membership Renewal	114102	180.00
Tyler Cerwinski	Closed Account Refund	114103	26.22
Union Bank	Meetings & Travel June	114104	4,581.34
Union Bank	Meetings & Travel June	114105	3,731.78
Union Bank	Meetings & Travel June	114106	2,164.87
Univar USA Inc	Sodium Bisulfite, Caustic Soda	114107	7,662.53
Vaghans Indust Repair Inc.	Wulff and North Twin Oaks Pump Stations Motor Repair Prj 20181-17&18	114108	21,397.11
Vijay & Ksheera Hegde	Closed Account Refund	114109	28.88
Wei Huang	Refund Account Overpayment	114110	723.04
Air Pollution Control District	Emission Fees FY 18-19	114111	759.00
Boncor Water Systems	Soft Water Service July	114112	1,726.00
CA Dept Of Forestry/Fire Prot	Crew Work May	114113	1,370.40
California Nozzle Specialists Inc	Hoses 2	114114	434.23
CCI	Water Treatment June	114115	220.00
CDW Government Inc	Data Loss Prevention Software	114116	6,801.20
Chandler Asset Management, Inc.	Investment Management Svcs June	114117	2,322.48
Jeffrey Colwell	Video Production Prj 20181-44	114118	393.75
Diamond Environmental Services	Portable Restroom Rental Mahr	114119	319.68
Diversified Waterscapes Inc	Water Treatment - Algae Control Mahr	114120	11,277.69
Doane & Hartwig Water Systems Inc	Chlorine Analyzer Probe MRF	114121	1,010.09
Dodge Data And Analytics LLC	Rock Springs Sewer Prj 90003	114122	642.00
Electrical Sales Inc	Turbidity Meters Prj 20181-40	114123	673.46
Emcor Service	Fan Motor Replacement HVAC	114124	525.00
Ferguson Enterprises, Inc	Meter Adaptors, Brass Couplings	114125	1,364.99
Fisher Scientific LLC	Water Odor Analysis	114126	1,647.66
George & Krogh Welding Inc	Coupling Repairs 2	114127	350.19
GSG Printing Inc.	2018 CCR Report Prj 20181-43	114128	490.26
Grainger Inc	Warehouse Rack Grating, PVC Supplies	114129	5,154.05
Ken Grody Ford	Fuel Injector Veh 201	114130	671.57
Hach Company	Sewer Flow Meter Repair	114131	5,214.96
Harrington Industrial	PVC Valves 8, PVC Piping, Hardware Supplies	114132	1,634.40
Hawthorne Machinery Co.	Hydraulic Hose Replacement, Excavator Rental	114133	5,934.25
Kaman Industrial Technologies	Chemical Pump Motor MRF	114134	2,159.32
Timothy Miles Mork	Cleaning Svcs July MRF	114135	553.13
Mallory Safety And Supply, LLC	Safety Supplies	114136	4,130.68
Maryam Pissodeh	Refund Balance Prj 20181-368	114137	2,129.68
Ostari Inc	IT Support June	114138	2,250.00
Pacific Pipeline Supply	South Lake Facility Upgrade Prj 20181-13, Hardware Supplies	114139	10,662.93
Parkhouse Tire Inc	Fleet Tires 4	114140	966.02
Parkson Corporation	Panels 5 Aeration Basin MRF	114141	7,262.77
Plumbers Depot Inc	Sewer Hose	114142	1,738.01
Rick Post Welding	Emergency Main Break-Fairview	114143	750.00
Recycled Aggregate Materials Co Inc	Concrete Recycling	114144	1,700.00
S & J Supply Company, Inc.	South Lake Facility Upgrade Prj 20181-13	114145	3,078.82
San Diego County Water Auth.	Connection Fees Quarter End 6-30-18	114146	303,920.00
M20 Marketing LLC	Veh Door Decals & Numbers	114147	1,875.40
Special District Leadership Foundation	Special District Governance Award Application	114148	325.00

VALLECITOS WATER DISTRICT
WARRANTS LIST
July 18, 2018

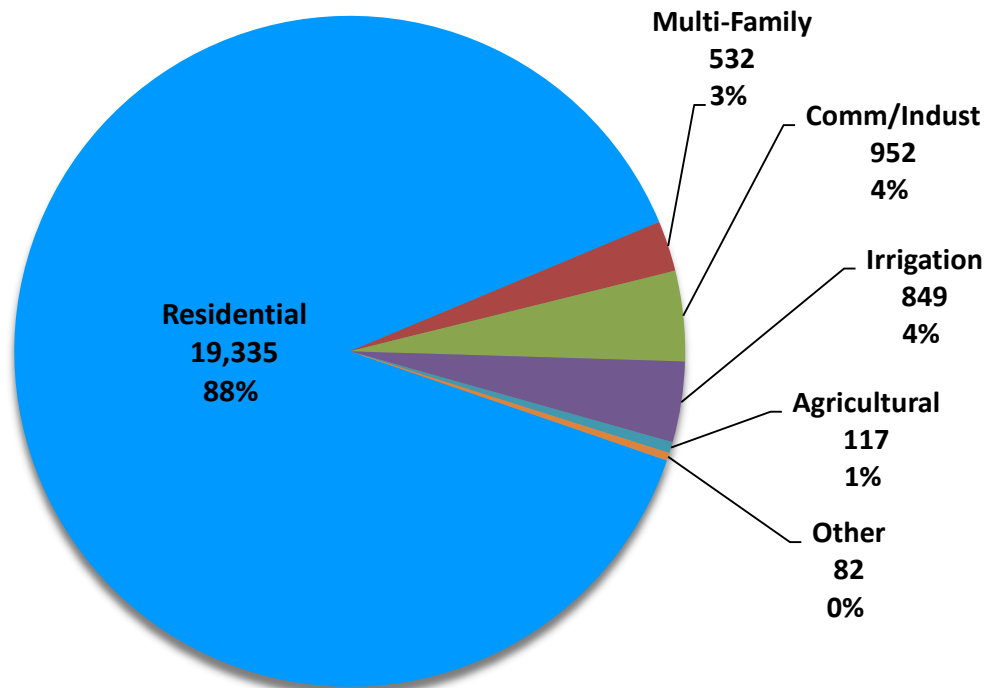
PAYEE	DESCRIPTION	CHECK#	AMOUNT
Cyber Marketing Network, Inc	Safety Boots A Longville	114149	115.99
Steven Enterprises Inc	Xerox Bond Paper	114150	187.70
T.S. Industrial Supply	Fire Hose MRF, Safety Supplies	114151	2,075.46
Technique Data Systems Inc	Check Scanner Maintenance 18-19	114152	438.00
The Quad SM, LLC	Warranty Bond Refund Prj 20141-718	114153	6,744.00
Think Forward, LLC	SCADA Power Supply Replacement	114154	2,980.00
Unifirst Corporation	Uniform Delivery	114155	1,402.67
Urban Villages San Marcos LLC	Warranty Bond Refund Prj 20141-734	114156	20,813.00
Visser Construction Inc	Equipment Storage Roof Replacement Prj 20181-14	114157	29,178.50
Total Disbursements (222 Checks)			<u>1,761,531.78</u>
WIRES			
San Diego County Water Authority	June Water Bill	Wire	2,686,640.54
Public Employees Retirement System	Retirement Contribution - FY 18-19	Wire	926,975.00
Public Employees Retirement System	Retirement Contribution - June 20, 2018 Payroll	Wire	64,845.27
Public Employees Retirement System	Retirement Contribution - July 4, 2018 Payroll	Wire	66,267.59
Total Wires			<u>3,744,728.40</u>
PAYROLL			
Total direct deposits		Wire	226,352.04
VWD Employee Association		113929	606.00
Garnishments		113930 through 113932	1,270.14
IRS	Federal payroll tax deposit	Wire	88,332.82
Employment Development Department	California payroll tax deposit	Wire	17,121.82
CalPERS	Deferred compensation withheld	Wire	13,659.34
VOYA	Deferred compensation withheld	Wire	5,100.06
Total June 20, 2018 Payroll Disbursements			<u>352,442.22</u>
Total direct deposits		Wire	229,645.00
VWD Employee Association		114033	612.00
Garnishments		114034 through 114035	657.22
IRS	Federal payroll tax deposits	Wire	91,059.30
Employment Development Department	California payroll tax deposit	Wire	17,977.35
CalPERS	Deferred compensation withheld	Wire	13,689.03
VOYA	Deferred compensation withheld	Wire	5,128.79
Total July 4, 2018 Payroll Disbursements			<u>358,768.69</u>
Total Payroll Disbursements			<u>711,210.91</u>
TOTAL DISBURSEMENTS			<u><u>6,217,471.09</u></u>

Vallecitos Water District
 Active Water Meters
 June 30, 2018

Active Meters by Size as of June 30, 2018

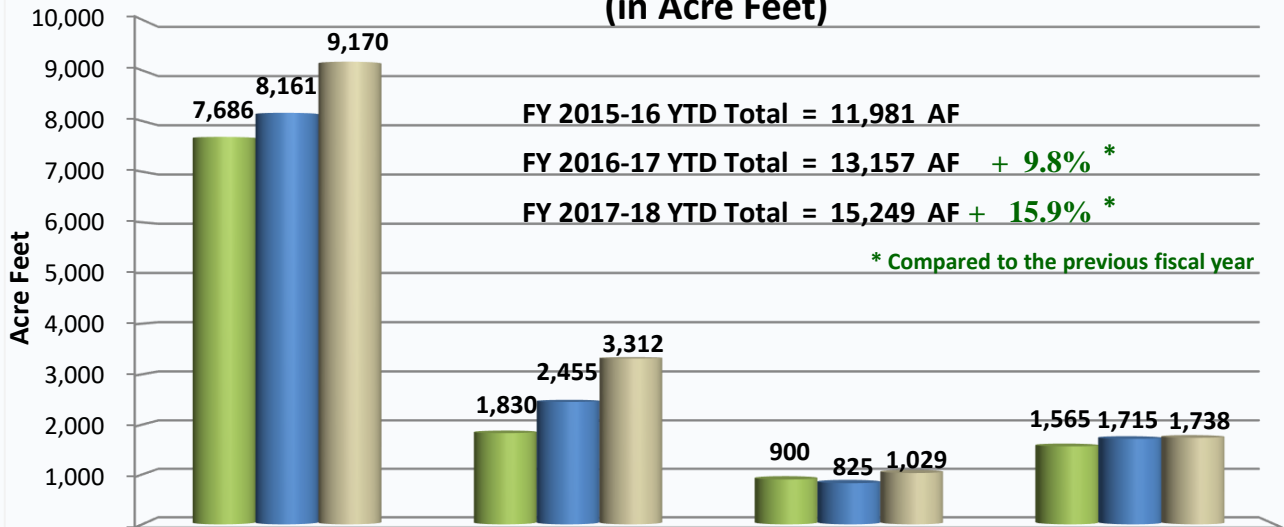


Active Meters by Type as of June 30, 2018



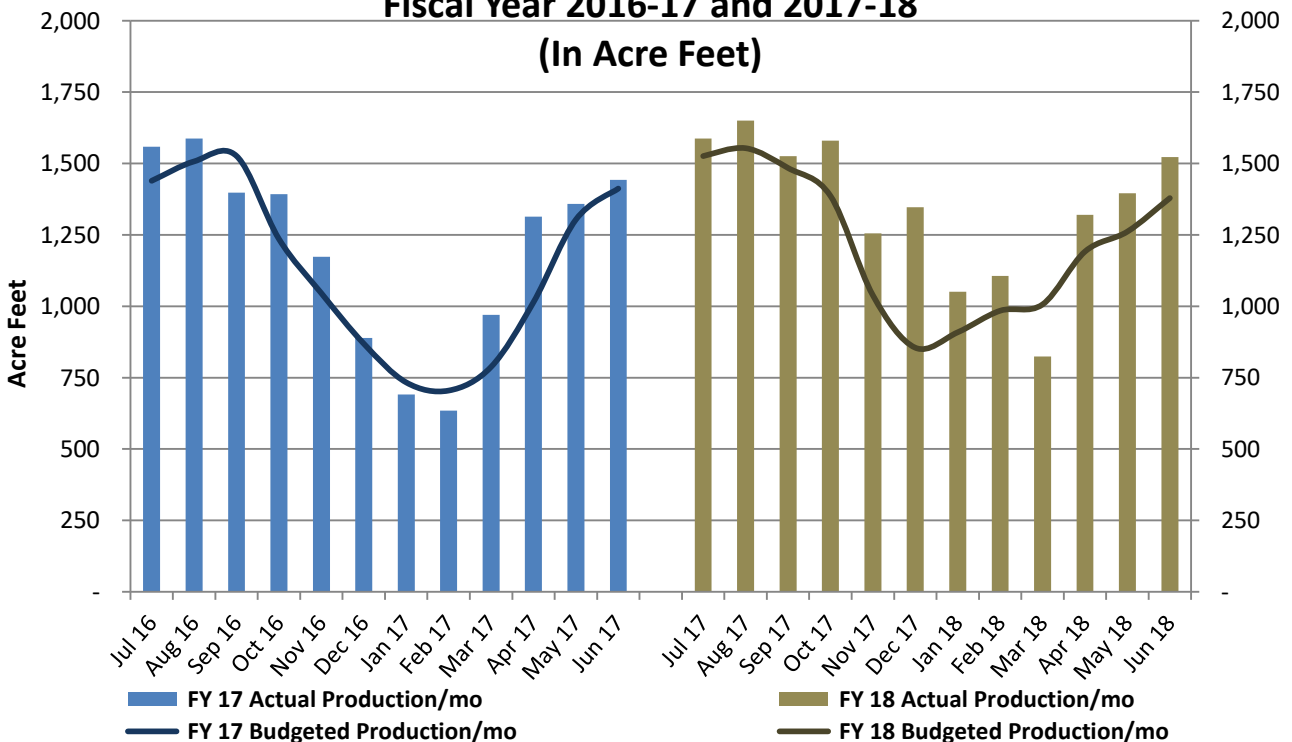
Vallecitos Water District
Water Production/Sales
June 30, 2018

Water Sales FY 15-16, FY 16-17 and FY 17-18 (FYTD)
(in Acre Feet)



	Residential	Irrigation	Agricultural	Commer/ Indust/ Construct/ Other
FY 2015-16	7,686	1,830	900	1,565
FY 2016-17	8,161	2,455	825	1,715
FY 2017-18	9,170	3,312	1,029	1,738

Water Production Budget vs. Actual
Fiscal Year 2016-17 and 2017-18
(In Acre Feet)



OVERVIEW

With the fiscal year complete, the District's Water Fund had a net operating income of \$2.5 million (before depreciation), while the Sewer Fund had a net operating income of \$9.2 million (before depreciation). The District is cash funding capital projects and is current on all debt service payments.

WATER FUND

Overall, the Water Fund outperformed expectations in Fiscal Year 2018.

Revenues: As demonstrated in the table below, water sales were 116% of the total budget due to increases in demand, while Ready to Serve (RTS) performed as expected. Pumping cost recovery was high as a result of rate increases effective July 1, 2017. Other revenues were high because the District received a retrospective premium reimbursement from JPIA.

Revenue	Budget	YTD Actual	Percent
Water Sales	\$ 24,866,000	\$ 28,856,611	116%
Ready to Serve	13,623,000	13,695,174	101%
Pumping Cost Rec.	250,000	309,578	124%
Other	680,000	797,443	117%
Total	\$ 39,419,000	\$ 43,658,806	111%

Expenses: Water Purchases were higher than anticipated due to an increase in demand. Operating expenses were low because there were fewer main breaks than anticipated throughout the year, while supporting expenses were low as a result of deferred software upgrades in Information Technology.

Expense	Budget	YTD Actual	Percent
Water Purchases	\$ 28,531,000	\$ 30,714,034	108%
Operating	4,488,000	3,981,966	89%
Supporting	3,932,000	3,590,070	91%
General & Admin	2,812,000	2,895,606	103%
Total	\$ 39,763,000	\$ 41,181,676	104%

SEWER FUND

The Sewer Fund remained stable through Fiscal Year 2018. Revenues received in this fund are from monthly fixed charges and, therefore, are very predictable.

Revenues: Sewer service charges performed as planned and Reclaimed Water Sales are adjusted at the end of each fiscal year to recover actual costs. Other revenues were high because the District received a retrospective premium reimbursement from JPIA.

Revenue	Budget	YTD Actual	Percent
Sewer Service	\$ 17,510,000	\$ 17,985,402	103%
Reclaimed	2,055,000	2,079,721	101%
Other	78,000	134,478	172%
Total	\$ 19,643,000	\$ 20,199,601	103%

SEWER FUND (continued)

Expenses: Treatment expenses were low due, primarily, to budgeted repairs that have not begun yet, timing of chemical

purchases, and less than anticipated labor costs. Operating expenses were low because fewer outside services and materials were used throughout the year. Supporting expenses were low due to budgeted outside services not being performed, higher than anticipated labor charged to projects, and deferred software upgrades in Information Technology.

Expense	Budget	YTD Actual	Percent
Treatment	\$ 6,344,000	\$ 5,366,175	85%
Operating	2,744,000	2,120,736	77%
Supporting	2,674,000	2,186,670	82%
General & Admin	1,455,000	1,305,875	90%
Total	\$ 13,217,000	\$ 10,979,456	83%

RESERVES AND FUNDS:

The following is a summary of the replacement reserves and capacity funds as of June 30, 2018.

Water:		
Revenues	Replacement	Capacity
FY 17/18 Operating Transfers	2,477,130	-
Capital Facility Fees	-	3,057,661
Property tax & Other	2,823,289	-
<i>Total Revenue</i>	<u>5,300,419</u>	<u>3,057,661</u>
Distributions		
Capital Projects	1,542,020	212,651
OPEB Trust	846,600	-
Debt Service	-	2,117,367
<i>Total Distributions</i>	<u>2,388,620</u>	<u>2,330,018</u>
Net Increase/(Decrease)	2,911,799	727,643
Beginning Balance	29,885,306	(9,889,055)
Ending Balance	32,797,105	(9,161,412)
Less: Operating Reserves	5,539,100	-
Reserves/Restricted Funds	<u>\$ 27,258,005</u>	<u>\$ (9,161,412)</u>
Replacement Reserve Floor	<u>\$ 6,721,600</u>	
Replacement Reserve Ceiling	<u>\$ 28,785,100</u>	

Wastewater:		
Revenues	Replacement	Capacity
FY 17/18 Operating Transfers	9,220,145	-
Capital Facility Fees	-	3,358,406
Property tax & Other	2,704,360	-
<i>Total Revenue</i>	<u>11,924,505</u>	<u>3,358,406</u>
Distributions		
Capital Projects	4,856,883	374,410
OPEB Trust	813,400	-
Debt Service	-	3,302,921
<i>Total Distributions</i>	<u>5,670,283</u>	<u>3,677,331</u>
Net Increase/(Decrease)	6,254,222	(318,925)
Beginning Balance	45,384,737	(6,501,911)
Ending Balance	51,638,959	(6,820,836)
Less: Operating Reserves	6,518,000	-
Reserves/Restricted Funds	<u>\$ 45,120,959</u>	<u>\$ (6,820,836)</u>
Replacement Reserve Floor	<u>\$ 15,472,900</u>	
Replacement Reserve Ceiling	<u>\$ 46,161,000</u>	

DATE: JULY 18, 2018
TO: BOARD OF DIRECTORS
SUBJECT: MONTHLY FINANCIAL REPORTS

BACKGROUND:

The Monthly Revenue and Expense Reports and the Reserve Report for the twelve months ended June 30, 2018 are presented.

DISCUSSION:

The Monthly Revenue and Expense reports summarize revenues by service type and expenses by department over the 12-month period. Comparisons to prior year actual and current year budget amounts are also presented. Any excess of revenues over expenses are transferred to reserves and reflected in the Reserve Report. Any excess of expenses above revenues are paid for out of reserves in the current fiscal year.

The Monthly Reserve Report presents the balances in each of the District's reserve funds. The report summarizes all sources and uses of reserves. Sources consist of operating transfers, capital facility fees, property taxes, dissolved RDA distributions, investment earnings and annexation fees. Uses are distributions for capital projects and debt service.

RECOMMENDATION:

For information only.

Vallecitos Water District
Water Revenue and Expense Report
For the Year Ended June 30, 2018

(Unaudited)

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Water Sales	\$ 28,856,611	\$ 22,185,408	\$ 6,671,203	30.1%	\$ 24,866,000	\$ 3,990,611	16.0%
Ready-to-serve	13,695,174	13,811,184	(116,010)	-0.8%	13,619,000	76,174	0.6%
Pumping cost recovery	309,578	156,195	153,383	98.2%	251,000	58,578	23.3%
Late & lock charges	447,196	423,597	23,599	5.6%	463,000	(15,804)	-3.4%
Backflow fees	90,276	88,695	1,581	1.8%	97,000	(6,724)	-6.9%
Other revenue	259,971	215,183	44,788	20.8%	120,000	139,971	116.6%
Total Revenue	<u>43,658,806</u>	<u>36,880,262</u>	6,778,544	18.4%	<u>39,416,000</u>	4,242,806	10.8%
Expenses							
Water costs	30,714,034	27,165,778	3,548,256	13.1%	28,531,000	2,183,034	7.7%
Pumping costs	810,066	609,047	201,019	33.0%	676,000	134,066	19.8%
Water quality	147,921	100,001	47,920	47.9%	175,000	(27,079)	-15.5%
Water treatment	424,753	467,270	(42,517)	-9.1%	447,000	(22,247)	-5.0%
Tanks & reservoirs	344,563	298,712	45,851	15.3%	416,000	(71,437)	-17.2%
Trans & distribution	1,384,043	1,642,070	(258,027)	-15.7%	1,835,000	(450,957)	-24.6%
Services	188,607	126,286	62,321	49.3%	245,000	(56,393)	-23.0%
Meters	631,228	590,523	40,705	6.9%	629,000	2,228	0.4%
Backflow prevention	50,785	71,290	(20,505)	-28.8%	64,000	(13,215)	-20.6%
Customer accounts	577,619	532,032	45,587	8.6%	614,000	(36,381)	-5.9%
Building & grounds	369,165	381,726	(12,561)	-3.3%	362,000	7,165	2.0%
Equipment & vehicles	262,212	281,047	(18,835)	-6.7%	304,000	(41,788)	-13.7%
Engineering	1,385,665	1,343,562	42,103	3.1%	1,388,000	(2,335)	-0.2%
Safety & compliance	228,536	216,763	11,773	5.4%	261,000	(32,464)	-12.4%
Information Technology	766,873	753,006	13,867	1.8%	1,003,000	(236,127)	-23.5%
General & administrative	<u>2,895,606</u>	<u>2,853,785</u>	41,821	1.5%	<u>2,812,000</u>	83,606	3.0%
Total Expenses	<u>41,181,676</u>	<u>37,432,898</u>	3,748,778	10.0%	<u>39,762,000</u>	1,419,676	3.6%
Net Operating Income	<u>\$ 2,477,130</u>	<u>\$ (552,636)</u>	3,029,766	-548%	<u>\$ (346,000)</u>	2,823,130	

Explanation of Significant Variances

Water Sales has a favorable prior year variance as a result of anticipated increases in demand.

The favorable variance to prior year in **Pumping cost recovery** is the result of rate increases effective July 1, 2017.

The District received a retrospective premium reimbursement from JPIA resulting in a favorable budget variance in **Other revenue**.

The **Pumping costs** unfavorable variance to prior year is a result of increased power costs which were anticipated due to rate increases and the addition of the San Elijo Hills pump station.

Transmission and distribution has a favorable budget variance as a result of lower than anticipated repairs due to main breaks during the year.

Information Technology has a favorable budget variance as a result of deferred software upgrades.

Variances are considered significant if they exceed \$100,000 and 20%.

Vallecitos Water District
Sewer Revenue and Expense Report
For the Year Ended June 30, 2018

(Unaudited)

	Current Year Actual	Prior Year Actual			Current Year Budget		
		Amount	Variance		Amount	Variance	
			\$	%		\$	%
Revenue							
Sewer service charges	\$ 17,985,402	\$ 17,459,312	\$ 526,090	3.0%	\$ 17,508,000	\$ 477,402	2.7%
Reclaimed water sales	2,079,721	1,936,389	143,332	7.4%	2,054,000	25,721	1.3%
Other revenue	134,478	101,173	33,305	32.9%	71,000	63,478	89.4%
Total Revenue	20,199,601	19,496,874	702,727	3.6%	19,633,000	566,601	2.9%
Expenses							
Collection & conveyance	1,776,177	1,859,709	(83,532)	-4.5%	2,256,000	(479,823)	-21.3%
Lift stations	202,429	278,081	(75,652)	-27.2%	310,000	(107,571)	-34.7%
Source Control	142,130	141,233	897	0.6%	178,000	(35,870)	-20.2%
Effluent disposal	2,743,086	2,674,176	68,910	2.6%	2,870,000	(126,914)	-4.4%
Meadowlark	2,623,089	2,944,017	(320,928)	-10.9%	3,474,000	(850,911)	-24.5%
Customer Accounts	389,179	372,667	16,512	4.4%	458,000	(68,821)	-15.0%
Building & grounds	233,728	216,586	17,142	7.9%	257,000	(23,272)	-9.1%
Equipment & vehicles	188,462	184,667	3,795	2.1%	229,000	(40,538)	-17.7%
Engineering	552,827	540,232	12,595	2.3%	710,000	(157,173)	-22.1%
Safety & compliance	148,437	149,033	(596)	-0.4%	189,000	(40,563)	-21.5%
Information technology	674,037	622,899	51,138	8.2%	831,000	(156,963)	-18.9%
General & administrative	1,305,875	1,190,114	115,761	9.7%	1,455,000	(149,125)	-10.2%
Total Expenses	10,979,456	11,173,414	(193,958)	-1.7%	13,217,000	(2,237,544)	-16.9%
Net Operating Income	\$ 9,220,145	\$ 8,323,460	896,685	10.8%	\$ 6,416,000	2,804,145	43.7%

Explanation of Significant Variances

Collections & conveyance has a favorable budget variance due to staffing within the department.

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

The **Meadowlark** favorable budget variance is due to budgeted repairs that have not been performed, timing of chemical purchases, and less than anticipated plant labor.

The **Engineering** favorable budget variance is a result of budgeted outside services that have not been performed and higher than anticipated labor charged to projects.

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

VALLECITOS WATER DISTRICT

RESERVE ACTIVITY FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

	110	120	210	220	Total
	Water Replacement	Capacity	Wastewater Replacement	Capacity	
BEGINNING BALANCE	\$ 29,885,306	\$ (9,889,055)	\$ 45,384,737	\$ (6,501,911)	\$ 58,878,989
REVENUES					
FY 17/18 Operating Transfers	2,477,130		9,220,145		11,697,275
Capital Facility Fees	-	3,057,661	-	3,358,406	6,416,067
RDA pass-through	1,136,267	-	1,136,267	-	2,272,533
Property Tax	1,222,684	-	975,968	-	2,198,652
Investment Earnings	386,390	-	502,964	-	889,354
Payment on Land Sale to City	70,573	-	70,573	-	141,146
Annexation Fees	7,376	-	18,588	-	25,964
TOTAL REVENUES	5,300,419	3,057,661	11,924,505	3,358,406	23,640,991
LESS DISTRIBUTIONS					
Capital Projects					
Encina Wastewater Authority Five Year Plan	-	-	3,510,674	-	3,510,674
Main Facility Roof Replacement	183,460	-	176,265	-	359,725
North Vista Pressure Reducing Station Upgrade	245,707	-	-	-	245,707
South Vista Pressure Reducing Station Upgrade	232,442	-	-	-	232,442
Lift Station 1 Wet Well Room Repairs	-	-	187,933	-	187,933
Nursery Valve Relocation	-	-	178,713	-	178,713
Water & Sewer Master Plan	-	75,978	-	75,976	151,954
San Marcos interceptor sewer	-	-	46,080	102,566	148,646
Montiel Gravity Outfall	-	-	52,638	64,335	116,972
District Wide Valve Replacement	102,814	-	-	-	102,814
Rock Springs Sewer Replacement	-	-	37,202	45,469	82,671
Expansion of the Men's Locker Room in Building B	40,395	-	38,810	-	79,205
Refurbish Pumps At North Twin Oaks Pump Station	66,271	-	-	-	66,271
MRF - Influent Pumps & Motors	-	-	62,649	-	62,649
Mountain Belle Tank - Valve Replacement	60,848	-	-	-	60,848
Coronado Hills Chlorine Injection System	59,344	-	-	-	59,344
Fire Services - Backflow Preventer Upgrades	59,307	-	-	-	59,307
City of San Marcos Joint Projects	34,682	-	22,176	-	56,858
Wulff Pump Station Pumps & Motors	52,346	-	-	-	52,346
Stargaze Court Water Line Replacement	47,321	-	-	-	47,321
Fulton Road And Nctd Sewer Line Rehabilitation	-	-	41,050	-	41,050
South Lake Pump Station Valves	37,903	-	-	-	37,903
Audiovisual Upgrade	15,966	-	15,340	-	31,306
Palos Vista Pump Station Motor Replacement	30,599	-	-	-	30,599
Replace Roofs On Equipment Storages	14,881	-	14,298	-	29,179
Palos Vista Pump Station Generator	28,908	-	-	-	28,908
Laurels Sewer Lining	-	-	26,321	-	26,321
Gates For Twin Oaks Reservoir Access Road	-	26,058	-	-	26,058
Mrf Refurbish Backwash Pumps And Motors	-	-	23,908	-	23,908
Tertiary Filter Media	-	-	21,151	-	21,151
Schoolhouse Tank Refurbishment	19,453	-	-	-	19,453
Moymo Solids Pump Rotor Replacment MRF	-	-	19,136	-	19,136
HVAC Pump and Motor Replacement	8,541	-	8,206	-	16,747
Solar Panel Inverter Replacement	8,078	-	7,760	-	15,838
MRF - Failsafe Line De-Chlorination System	-	-	15,789	-	15,789
Lake San Marcos Lift Station - Motor Replacement	-	-	15,623	-	15,623
Asset Managment Replacement Schedule	7,466	-	7,172	-	14,638
South Lake - Facility Upgrades	14,122	-	-	-	14,122
Office Wall For Senior Construction Workers	5,677	-	5,677	-	11,354
Palomar Tank - Valve Replacement	11,224	-	-	-	11,224
All other capital projects	9,503	4,998	3,518	12,203	30,221
Capital Budget - Vehicles/Mobile Equipmnt	144,765	-	318,795	-	463,560
Debt Service	-	2,117,367	-	3,302,921	5,420,288
Fund OPEB Trust	846,600	-	813,400	-	1,660,000
Interest Expense	-	105,617	-	73,862	179,479
TOTAL DISTRIBUTIONS	2,388,620	2,330,018	5,670,283	3,677,331	14,066,253
ENDING BALANCE	\$ 32,797,105	\$ (9,161,412)	\$ 51,638,959	\$ (6,820,836)	\$ 68,453,728
Less: Operating Reserves	5,539,100	-	6,518,000	-	12,057,100
Replacement Reserves/Restricted Funds	\$ 27,258,005	\$ (9,161,412)	\$ 45,120,959	\$ (6,820,836)	\$ 56,396,628
Replacement reserve floor	\$ 6,721,600		\$ 15,472,900		
Replacement reserve ceiling	\$ 28,785,100		\$ 46,161,000		

VALLECITOS WATER DISTRICT
INVESTMENT REPORT FOR JUNE 2018

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

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

Investment activity for the month of June follows:

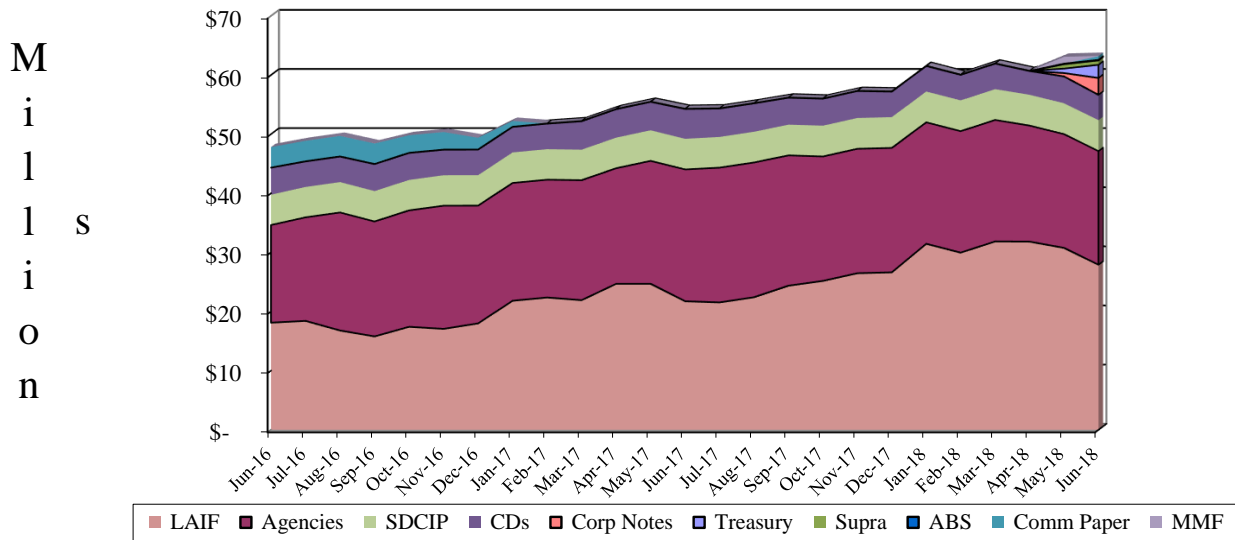
<u>Date</u>	<u>Activity</u>	<u>Investment</u>	<u>Amount</u>	<u>Maturity</u>	<u>Yield</u>
06/04/18	Deposit	LAIF	1,800,000	Open	1.85%
06/04/18	Purchase	Toyota Motor Credit Corp	505,785	09/15/21	3.40%
06/07/18	Deposit	LAIF	600,000	Open	1.85%
06/11/18	Deposit	LAIF	600,000	Open	1.85%
06/13/18	Maturity	Synchrony Bank CD	(245,000)	06/13/18	1.60%
06/15/18	Purchase	Oracle Corp	340,869	05/15/22	2.33%
06/18/18	Withdrawal	LAIF	(4,400,000)	Open	1.85%
06/25/18	Purchase	US Treasury Note	731,045	09/30/20	1.38%
06/25/18	Purchase	MUFG Bank Comm Paper	596,189	10/02/18	2.50%
06/25/18	Withdrawal	LAIF	(2,100,000)	Open	1.85%
06/26/18	Purchase	US Treasury Note	746,836	02/29/20	2.25%
06/27/18	Deposit	LAIF	600,000	Open	1.85%
06/27/18	Purchase	Walmart Corp	289,986	06/23/21	3.13%
06/28/18	Purchase	IBM Corp	489,640	02/19/21	2.25%
06/29/18	Purchase	General Dynamics Corp	349,248	05/11/21	3.00%
06/29/18	Purchase	Praxair Inc Corp	292,848	02/15/22	2.45%
Change in investments during the month			<u>\$ 1,197,444</u>		

	<u>Current</u>
Weighted average annual yield for total Vallecitos investments	1.860%
Weighted average days to maturity	350

The State Treasurer's Office provides fair market values of LAIF quarterly on their web site. The most recent valuation, which is used on this report, is as of March 31, 2018. The San Diego County Treasurer provides the fair values for the County investment pool. The most recent values and returns, which are used for this report, are for May 31, 2018. Fair values for federal agency obligations and corporate notes are provided by Union Bank trust account reporting

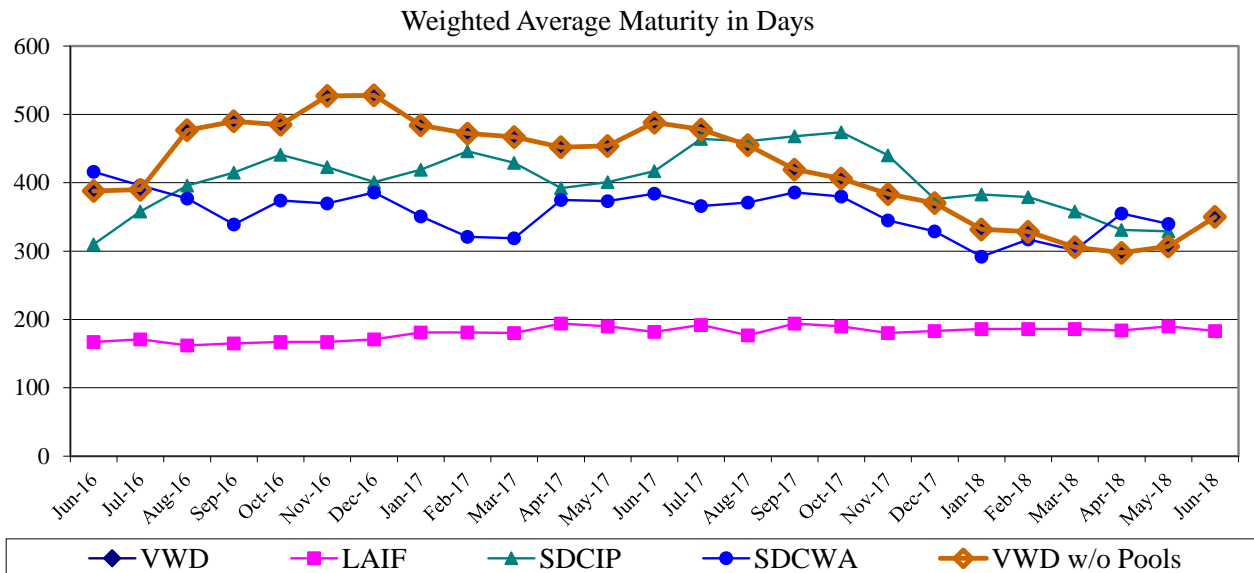
Safety

Criteria for selecting investments and the absolute order of priority are safety, liquidity and yield. To meet the objective of safety and avert credit risk, the District acquires only those investments permitted by the Board adopted investment policy and within the limits established by the policy. Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligation. The District also limits risk by investing in a range of investments to ensure diversification as indicated in the graph below.



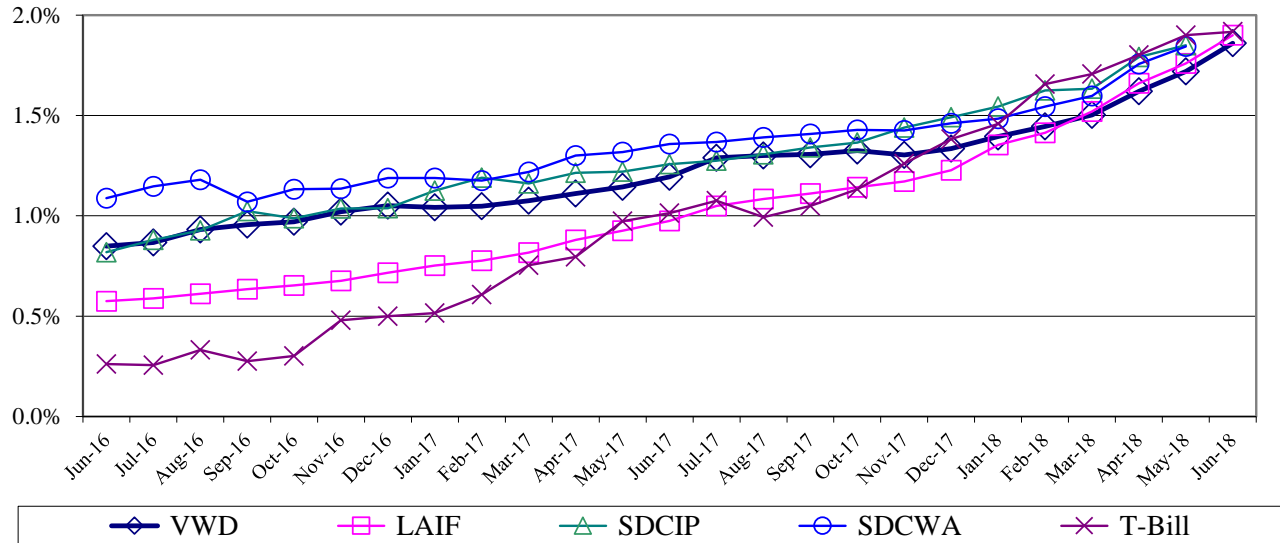
Liquidity

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The District averts interest rate risk by limiting terms of investments in accordance with the Investment Policy. Maturity in days is a measure of liquidity. The next graph compares the District's liquidity to other managed portfolios. The District's liquidity is graphed with and without LAIF. With LAIF the District is in fact very liquid with \$27.8 million available the same day. But for comparative purposes LAIF is eliminated from the District's portfolio and shown separately.



Yield

The next graph compares the District’s effective yield to LAIF, SDCIP, San Diego County Water Authority (SDCWA), and the average 91-day Treasury bill rate.



Investment/Debt Management

On March 7, 2018 the District entered into a contract with Chandler Asset Management to provide professional investment management and advisory services. Chandler manages the District’s investments in accordance with the District’s policy of safety, liquidity, and yield and continues to maintain investments of varying types within limits allowed by the investment policy (100% in federal agency obligations, 100% in LAIF, 100% in other local government investment pools, 25% in FDIC-backed corporate notes, 25% in commercial paper, 20% in certificates of deposit). Chandler’s portfolio summary is attached.

Monthly Account Statement

Vallecitos Water District Consolidated Account

June 1, 2018 through June 30, 2018

Chandler Team

For questions about your account,
please call (800) 317-4747 or
Email operations@chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.



PORTFOLIO CHARACTERISTICS

Average Duration	0.84
Average Coupon	1.81 %
Average Purchase YTM	1.86 %
Average Market YTM	2.28 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	0.96 yrs
Average Life	0.90 yrs

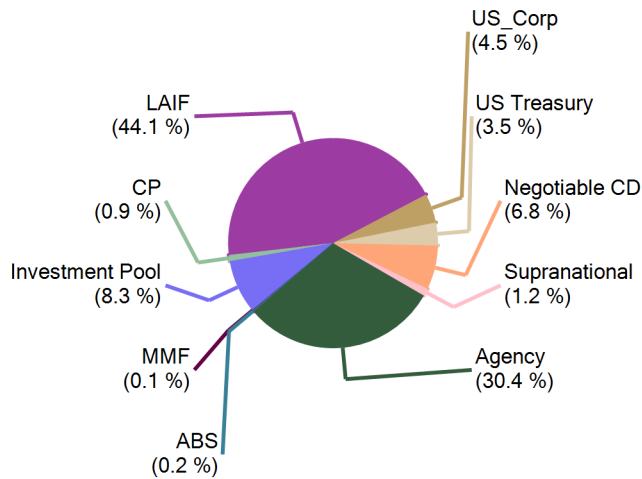
ACCOUNT SUMMARY

	Beg. Values as of 5/31/18	End Values as of 6/30/18
Market Value	62,871,615	62,965,721
Accrued Interest	203,005	261,634
Total Market Value	63,074,620	63,227,355
Income Earned Cont/WD	102,866	86,520
Par	63,333,825	63,500,887
Book Value	63,297,489	63,418,761
Cost Value	63,288,551	63,408,057

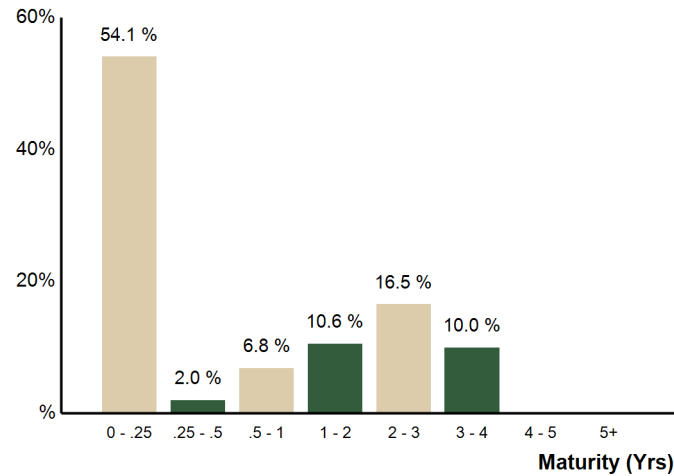
TOP ISSUERS

Issuer	% Portfolio
Local Agency Investment Fund	44.1 %
Federal Home Loan Mortgage Corp	9.4 %
County of San Diego Pooled Inve	8.3 %
Federal National Mortgage Assoc	8.1 %
Federal Home Loan Bank	7.0 %
Federal Farm Credit Bank	5.9 %
Government of United States	3.5 %
Inter-American Dev Bank	1.2 %
	87.5 %

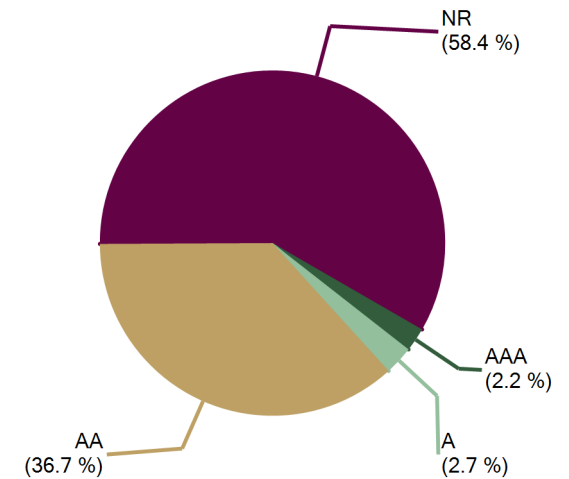
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)





CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43814UAG4	Honda Auto Receivables 2018-2 A3 3.01% Due 5/18/2022	105,000.00	05/22/2018 3.03 %	104,997.71 104,997.76	100.12 2.97 %	105,129.15 114.13	0.17 % 131.39	NR / AAA AAA	3.88 2.25
Total ABS		105,000.00	3.03 %	104,997.71 104,997.76	2.97 %	105,129.15 114.13	0.17 % 131.39	NR / AAA AAA	3.88 2.25
AGENCY									
3130A5K73	FHLB Note 1.2% Due 9/26/2018	500,000.00	06/29/2015 1.26 %	499,050.00 499,930.25	99.81 2.01 %	499,027.00 1,583.33	0.79 % (903.25)	Aaa / AA+ NR	0.24 0.24
3130AAN20	FHLB Callable Note Cont 1/23/2018 1.24% Due 1/23/2019	500,000.00	02/08/2017 1.24 %	500,000.00 500,000.00	99.46 2.21 %	497,292.00 2,721.11	0.79 % (2,708.00)	Aaa / AA+ NR	0.57 0.55
3136G3YA7	FNMA Callable Note Qtrly 10/25/2016 1% Due 1/25/2019	500,000.00	07/25/2016 1.01 %	499,900.00 499,977.24	99.31 2.23 %	496,551.00 2,166.67	0.79 % (3,426.24)	Aaa / AA+ AAA	0.57 0.56
3133EFYS0	FFCB Callable Note Cont 02/22/17 1.15% Due 2/22/2019	367,000.00	03/07/2017 1.40 %	365,260.42 366,427.42	99.26 2.31 %	364,283.83 1,512.35	0.58 % (2,143.59)	Aaa / AA+ AAA	0.65 0.63
3133EGEF8	FFCB Callable Note Cont 6/13/2017 1.18% Due 6/13/2019	500,000.00	05/26/2017 1.43 %	497,500.00 498,840.24	98.90 2.35 %	494,519.50 295.00	0.78 % (4,320.74)	Aaa / AA+ AAA	0.95 0.94
3134G9YQ4	FHLMC Callable Note Qtrly 12/28/2016 2% Due 6/28/2019	750,000.00	06/28/2016 2.00 %	750,000.00 750,000.00	99.65 2.73 %	747,345.75 114.58	1.18 % (2,654.25)	Aaa / AA+ AAA	0.99 0.49
3130ABJS6	FHLB Callable Note Qtrly 9/28/2017 1.5% Due 6/28/2019	500,000.00	07/07/2017 1.50 %	500,000.00 500,000.00	99.50 2.44 %	497,486.50 60.76	0.79 % (2,513.50)	Aaa / AA+ NR	0.99 0.73
3133EGLC7	FFCB Callable Note Cont 10/12/2016 1.08% Due 7/12/2019	500,000.00	07/12/2016 1.10 %	499,675.00 499,888.40	98.55 2.51 %	492,743.00 2,535.00	0.78 % (7,145.40)	Aaa / AA+ AAA	1.03 1.01
3134GAEV2	FHLMC Callable Note Qtrly 2/28/2017 1.75% Due 8/28/2019	750,000.00	08/30/2016 1.76 %	750,000.00 750,000.00	99.64 2.67 %	747,265.50 1,197.92	1.18 % (2,734.50)	Aaa / AA+ AAA	1.16 0.65
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	500,000.00	09/25/2015 1.32 %	498,665.00 499,583.49	98.48 2.49 %	492,403.00 1,545.14	0.78 % (7,180.49)	Aaa / AA+ AAA	1.26 1.23
3130A9UP4	FHLB Callable Note Cont 4/28/2017 1.19% Due 10/28/2019	500,000.00	10/28/2016 1.19 %	500,000.00 500,000.00	98.21 2.57 %	491,027.00 1,041.25	0.78 % (8,973.00)	Aaa / AA+ NR	1.33 1.30
3134G9V95	FHLMC Callable Note Qtrly 2/22/2017 1.25% Due 11/22/2019	750,000.00	08/22/2016 1.25 %	750,000.00 750,000.00	99.02 2.55 %	742,680.00 3,359.38	1.18 % (7,320.00)	Aaa / AA+ AAA	1.40 1.12
3136G3VH5	FNMA Callable Note Qtrly 12/30/2016 1.35% Due 12/30/2019	500,000.00	06/30/2016 1.35 %	500,000.00 500,000.00	98.06 2.68 %	490,315.00 18.75	0.78 % (9,685.00)	Aaa / AA+ AAA	1.50 1.47
3135G0Q63	FNMA Callable Note Qtrly 3/30/2017 1.3% Due 3/30/2020	500,000.00	10/19/2016 1.30 %	500,000.00 500,000.00	97.88 2.54 %	489,406.00 1,643.06	0.78 % (10,594.00)	Aaa / AA+ AAA	1.75 1.71
3130ABAY2	FHLB Callable Note Cont 7/28/2017 1.67% Due 4/28/2020	750,000.00	04/28/2017 1.67 %	750,000.00 750,000.00	98.42 2.56 %	738,184.50 2,191.88	1.17 % (11,815.50)	Aaa / AA+ NR	1.83 1.78
3136G3NZ4	FNMA Callable Note Qtrly 11/29/2016 1.5% Due 5/29/2020	750,000.00	05/27/2016 1.50 %	750,000.00 750,000.00	98.04 2.56 %	735,295.50 1,000.00	1.16 % (14,704.50)	Aaa / AA+ AAA	1.92 1.87
3130A8M67	FHLB Callable Note Cont 7/13/2017 1.2% Due 7/13/2020	500,000.00	11/22/2016 1.60 %	492,970.00 496,069.76	97.22 2.61 %	486,092.50 2,800.00	0.77 % (9,977.26)	Aaa / AA+ NR	2.04 1.98



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3135G0N66	FNMA Callable Note Qtrly 2/24/2017 1.4% Due 8/24/2020	1,000,000.00	08/24/2016 1.40 %	1,000,000.00 1,000,000.00	97.33 2.69 %	973,299.00 4,938.89	1.55 % (26,701.00)	Aaa / AA+ AAA	2.15 2.09
3133EGC94	FFCB Callable Note Cont 2/2/2017 1.38% Due 11/2/2020	500,000.00	11/04/2016 1.40 %	499,600.00 499,765.59	96.88 2.77 %	484,397.50 1,130.83	0.77 % (15,368.09)	Aaa / AA+ AAA	2.35 2.27
3133EGR49	FFCB Callable Note Cont 12/7/2017 1.77% Due 12/7/2020	250,000.00	12/07/2016 1.83 %	249,437.50 249,657.34	97.87 2.68 %	244,683.25 295.00	0.39 % (4,974.09)	Aaa / AA+ AAA	2.44 1.99
3134GBT A0	FHLMC Callable Note Qtrly 9/22/2017 1.7% Due 12/22/2020	750,000.00	06/27/2017 1.70 %	750,000.00 750,000.00	99.13 2.52 %	743,510.25 316.67	1.18 % (6,489.75)	Aaa / AA+ AAA	2.48 1.62
3136G4GA5	FNMA Callable Note Qtrly 4/28/2017 1.4% Due 1/28/2021	500,000.00	10/28/2016 1.40 %	500,000.00 500,000.00	96.96 2.63 %	484,802.00 2,975.00	0.77 % (15,198.00)	Aaa / AA+ AAA	2.58 2.49
3133EFC54	FFCB Callable Note Cont 2/17/2017 1.62% Due 2/17/2021	150,000.00	11/18/2016 1.67 %	149,667.00 149,793.59	96.76 2.91 %	145,144.65 904.50	0.23 % (4,648.94)	Aaa / AA+ AAA	2.64 2.23
3134G8LH0	FHLMC Callable Note Qtrly 8/26/2016 1.5% Due 2/26/2021	514,000.00	02/26/2016 1.50 %	514,000.00 514,000.00	99.10 2.51 %	509,381.20 2,673.51	0.81 % (4,618.80)	Aaa / AA+ AAA	2.66 1.13
3130A7ES0	FHLB Callable Note Qtrly 6/22/2016 1.75% Due 3/22/2021	275,000.00	04/06/2017 2.11 %	274,381.25 274,574.23	98.51 2.78 %	270,909.10 1,321.53	0.43 % (3,665.13)	Aaa / AA+ NR	2.73 1.68
3133EFZ91	FFCB Callable Note Cont 4/12/2017 1.62% Due 4/12/2021	750,000.00	04/12/2016 1.62 %	749,925.00 749,958.27	96.87 2.80 %	726,512.25 2,666.25	1.15 % (23,446.02)	Aaa / AA+ AAA	2.79 2.36
3133EHHM8	FFCB Callable Note Cont 8/3/2017 1.99% Due 5/3/2021	750,000.00	05/03/2017 1.99 %	750,000.00 750,000.00	97.98 2.73 %	734,831.25 2,404.58	1.17 % (15,168.75)	Aaa / AA+ AAA	2.84 2.11
3136G3A70	FNMA Callable Note Qtrly 1/27/2017 1.5% Due 7/27/2021	500,000.00	07/27/2016 1.50 %	500,000.00 500,000.00	96.19 2.80 %	480,949.00 3,208.33	0.77 % (19,051.00)	Aaa / AA+ AAA	3.08 2.95
3134G95L7	FHLMC Callable Note Qtrly 11/25/2016 1.6% Due 8/25/2021	1,000,000.00	08/25/2016 1.60 %	1,000,000.00 1,000,000.00	96.56 2.75 %	965,606.00 5,600.00	1.54 % (34,394.00)	Aaa / AA+ AAA	3.16 2.67
3130A9F89	FHLB Callable Note Qtrly 12/30/2016 1.625% Due 9/30/2021	1,000,000.00	09/30/2016 1.63 %	1,000,000.00 1,000,000.00	96.08 2.90 %	960,812.00 4,107.64	1.53 % (39,188.00)	Aaa / AA+ NR	3.25 2.75
3136G4GF4	FNMA Callable Note Qtrly 4/28/2017 1.55% Due 10/28/2021	1,000,000.00	10/31/2016 1.55 %	1,000,000.00 1,000,000.00	96.03 2.81 %	960,297.00 2,712.50	1.52 % (39,703.00)	Aaa / AA+ AAA	3.33 3.20
3134GAYX6	FHLMC Callable Note Qtrly 5/26/2017 1.875% Due 11/26/2021	1,000,000.00	11/30/2016 1.88 %	1,000,000.00 1,000,000.00	96.64 2.92 %	966,369.00 1,822.92	1.53 % (33,631.00)	Aaa / AA+ AAA	3.41 2.67
Total Agency		19,556,000.00	1.54 %	19,540,031.17 19,548,465.82	2.62 %	19,153,421.03 62,864.33	30.39 % (395,044.79)	Aaa / AA+ AAA	2.05 1.74
COMMERCIAL PAPER									
62479MK28	MUFG Bank Ltd/NY Discount CP 2.31% Due 10/2/2018	600,000.00	06/22/2018 2.36 %	596,188.50 596,419.50	99.40 2.36 %	596,419.50 0.00	0.94 % 0.00	P-1 / A-1 NR	0.26 0.25
Total Commercial Paper		600,000.00	2.36 %	596,188.50 596,419.50	2.36 %	596,419.50 0.00	0.94 % 0.00	Aaa / AA NR	0.26 0.25



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
INVESTMENT POOL									
90SDCP\$00	County of San Diego Pooled Investment Pool	5,209,000.00	Various 1.84 %	5,209,000.00 5,209,000.00	1.00 1.84 %	5,209,000.00 15,423.20	8.26 % 0.00	NR / NR AAA	0.00 0.00
Total Investment Pool		5,209,000.00	1.84 %	5,209,000.00 5,209,000.00	1.84 %	5,209,000.00 15,423.20	8.26 % 0.00	NR / NR AAA	0.00 0.00
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	27,770,218.24	Various 1.90 %	27,770,218.24 27,770,218.24	1.00 1.90 %	27,770,218.24 139,378.35	44.14 % 0.00	NR / NR NR	0.00 0.00
Total LAIF		27,770,218.24	1.90 %	27,770,218.24 27,770,218.24	1.90 %	27,770,218.24 139,378.35	44.14 % 0.00	NR / NR NR	0.00 0.00
MONEY MARKET FUND FI									
261908206	Dreyfus Treasury Money Market Fund	60,668.66	Various 1.51 %	60,668.66 60,668.66	1.00 1.51 %	60,668.66 0.00	0.10 % 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		60,668.66	1.51 %	60,668.66 60,668.66	1.51 %	60,668.66 0.00	0.10 % 0.00	Aaa / AAA NR	0.00 0.00
NEGOTIABLE CD									
38148JD40	Goldman Sachs Bank USA Negotiable CD 1.7% Due 8/20/2018	245,000.00	08/19/2015 1.70 %	245,000.00 245,000.00	99.97 1.93 %	244,920.62 1,506.25	0.39 % (79.38)	NR / NR NR	0.14 0.14
36161T2B0	Goldman Sachs Bank USA Negotiable CD 1.8% Due 9/5/2018	245,000.00	09/05/2014 1.80 %	245,000.00 245,000.00	99.97 1.95 %	244,926.99 1,425.70	0.39 % (73.01)	NR / NR NR	0.18 0.18
140420WJ5	Capital One Bank USA NA Negotiable CD 1.65% Due 10/9/2018	179,000.00	10/13/2015 1.65 %	179,000.00 179,000.00	99.91 1.96 %	178,844.09 687.80	0.28 % (155.91)	NR / NR NR	0.28 0.27
02006LVC4	Ally Bank Negotiable CD 1.6% Due 10/29/2018	245,000.00	10/29/2015 1.60 %	245,000.00 245,000.00	99.89 1.94 %	244,718.50 676.60	0.39 % (281.50)	NR / NR NR	0.33 0.33
795450XC4	Sallie Mae Bank Negotiable CD 1.6% Due 12/10/2018	245,000.00	12/09/2015 1.60 %	245,000.00 245,000.00	99.80 2.06 %	244,502.65 236.27	0.39 % (497.35)	NR / NR NR	0.45 0.44
05580AGN8	BMW Corp Negotiable CD 1.35% Due 3/11/2019	245,000.00	03/10/2017 1.35 %	245,000.00 245,000.00	99.38 2.26 %	243,471.69 1,023.97	0.39 % (1,528.31)	NR / NR NR	0.70 0.68
966594AY9	Whitney Bank Negotiable CD 1.65% Due 4/22/2019	245,000.00	04/20/2017 1.65 %	245,000.00 245,000.00	99.47 2.31 %	243,706.65 797.42	0.39 % (1,293.35)	NR / NR NR	0.81 0.80
29266NK97	Enerbank USA Negotiable CD 1.5% Due 5/15/2019	233,000.00	06/18/2015 1.58 %	232,301.00 232,844.23	99.28 2.33 %	231,322.40 153.21	0.37 % (1,521.83)	NR / NR NR	0.87 0.87



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
NEGOTIABLE CD									
89113XX33	Toronto Dominion NY Yankee CD 2.68% Due 5/24/2019	500,000.00	05/23/2018 2.68 %	500,000.00 500,000.00	100.00 2.68 %	500,000.00 1,414.44	0.79 % 0.00	P-1 / A-1+ F-1+	0.90 0.89
06740KJJ7	Barclays Bank Delaware Negotiable CD 1.9% Due 9/16/2019	245,000.00	09/16/2015 1.90 %	245,000.00 245,000.00	99.47 2.35 %	243,692.93 1,364.62	0.39 % (1,307.07)	NR / NR NR	1.21 1.19
49306SXX7	Key Bank Negotiable CD 1.7% Due 3/9/2020	245,000.00	03/08/2017 1.70 %	245,000.00 245,000.00	98.38 2.68 %	241,030.76 1,312.26	0.38 % (3,969.24)	NR / NR NR	1.69 1.65
40434AZ44	HSBC Bank USA NA Callable Neg. CD S/A 7/8/2018 1.4% Due 7/8/2020	245,000.00	09/16/2016 1.45 %	244,510.00 244,740.03	97.17 2.85 %	238,075.57 1,635.12	0.38 % (6,664.46)	NR / NR NR	2.02 1.96
254672L89	Discover Bank Negotiable CD 1.5% Due 10/26/2020	245,000.00	10/26/2016 1.50 %	245,000.00 245,000.00	96.40 3.12 %	236,178.04 664.52	0.37 % (8,821.96)	NR / NR NR	2.33 2.25
66476QBW7	Northern Nevada Bank Callable Neg CD Qtrly 6/29/18 1.85% Due 12/29/2020	245,000.00	06/29/2017 1.85 %	245,000.00 245,000.00	97.45 2.91 %	238,764.02 24.84	0.38 % (6,235.98)	NR / NR NR	2.50 2.44
94986TXN2	Wells Fargo Callable Neg CD Qtrly 9/4/18 1.15% Due 3/4/2021	243,000.00	03/04/2016 1.15 %	243,000.00 243,000.00	99.43 2.00 %	241,622.43 911.08	0.38 % (1,377.57)	NR / NR NR	2.68 0.67
20033AQU3	Comenity Capital Bank Negotiable CD 1.65% Due 6/30/2021	245,000.00	06/30/2016 1.65 %	245,000.00 245,000.00	95.99 3.05 %	235,167.66 11.08	0.37 % (9,832.34)	NR / NR NR	3.00 2.92
48126XAH8	JP Morgan Chase Bank NA Callable Neg. CD Qtrly 8/16/17 1.65% Due 8/16/2021	245,000.00	08/16/2016 1.65 %	245,000.00 245,000.00	95.38 3.21 %	233,684.43 509.47	0.37 % (11,315.57)	NR / NR NR	3.13 3.03
Total Negotiable CD		4,340,000.00	1.73 %	4,338,811.00 4,339,584.26	2.46 %	4,284,629.43 14,354.65	6.80 % (54,954.83)	Aaa / AAA AAA	1.34 1.20
SUPRANATIONAL									
4581X0CD8	Inter-American Dev Bank Note 2.125% Due 11/9/2020	750,000.00	05/22/2018 2.81 %	737,865.00 738,377.37	98.66 2.72 %	739,912.50 2,302.08	1.17 % 1,535.13	Aaa / AAA AAA	2.36 2.27
Total Supranational		750,000.00	2.81 %	737,865.00 738,377.37	2.72 %	739,912.50 2,302.08	1.17 % 1,535.13	Aaa / AAA AAA	2.36 2.27
US CORPORATE									
459200JF9	IBM Corp Note 2.25% Due 2/19/2021	500,000.00	06/26/2018 3.07 %	489,640.00 489,672.14	97.85 3.11 %	489,227.50 4,125.00	0.78 % (444.64)	A1 / A+ A+	2.64 2.51
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	350,000.00	06/28/2018 3.08 %	349,247.50 349,248.94	99.68 3.12 %	348,875.45 1,458.33	0.55 % (373.49)	A2 / A+ NR	2.87 2.71
808513AW5	Charles Schwab Corp Callable Note Cont 4/21/2021 3.25% Due 5/21/2021	320,000.00	Various 3.09 %	321,372.10 321,331.85	100.40 3.10 %	321,278.72 1,126.67	0.51 % (53.13)	A2 / A A	2.89 2.66
931142EJ8	Wal-Mart Stores Note 3.125% Due 6/23/2021	290,000.00	06/20/2018 3.13 %	289,985.50 289,985.55	100.50 2.95 %	291,438.69 100.69	0.46 % 1,453.14	Aa2 / AA AA	2.98 2.83

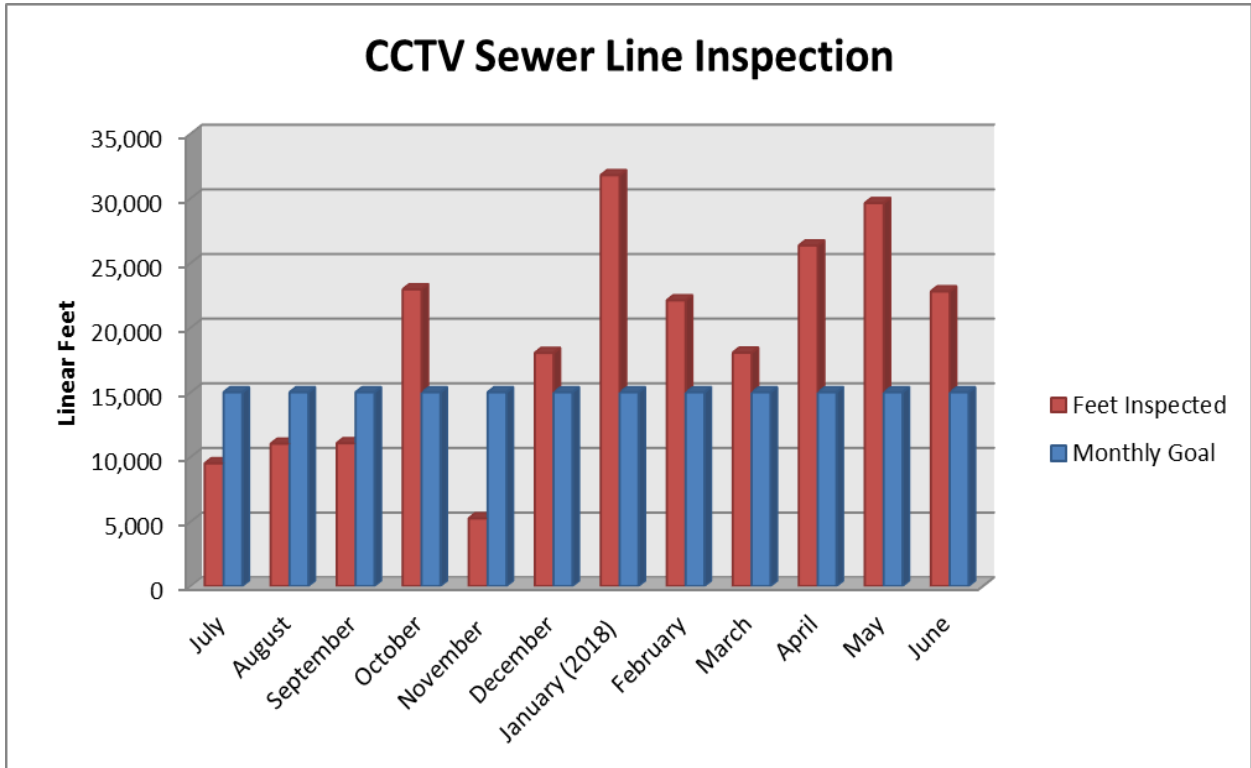


Holdings Report

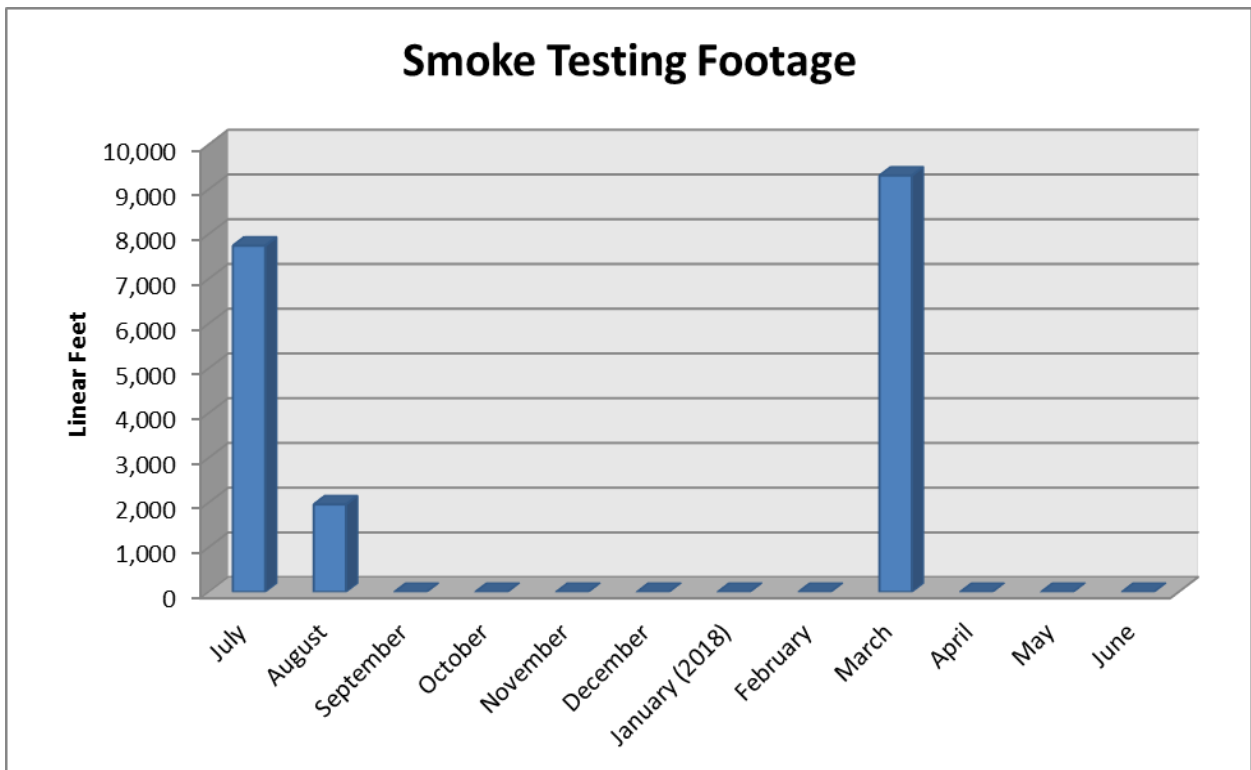
As of 6/30/18

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
89233P5F9	Toyota Motor Credit Corp Note 3.4% Due 9/15/2021	500,000.00	05/31/2018 3.03 %	505,785.00 505,654.73	100.82 3.13 %	504,121.00 5,005.56	0.81 % (1,533.73)	Aa3 / AA- A	3.21 2.99
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	250,000.00	05/10/2018 3.25 %	244,895.00 245,078.83	97.85 3.30 %	244,617.25 3,220.49	0.39 % (461.58)	A2 / A A	3.52 3.28
74005PBA1	Praxair Callable Note Cont 11/15/2021 2.45% Due 2/15/2022	300,000.00	06/27/2018 3.15 %	292,848.00 292,858.78	97.28 3.25 %	291,851.70 2,776.67	0.47 % (1,007.08)	A2 / A NR	3.63 3.40
68389XBB0	Oracle Corp Callable Note Cont 3/15/2022 2.5% Due 5/15/2022	350,000.00	06/13/2018 3.21 %	340,868.50 340,970.67	97.37 3.23 %	340,801.30 1,118.06	0.54 % (169.37)	A1 / AA- A+	3.88 3.64
Total US Corporate		2,860,000.00	3.11 %	2,834,641.60 2,834,801.49	3.14 %	2,832,211.61 18,931.47	4.51 % (2,589.88)	A1 / A+ A+	3.16 2.97
US TREASURY									
9128283Y4	US Treasury Note 2.25% Due 2/29/2020	750,000.00	06/25/2018 2.51 %	746,835.94 746,861.75	99.59 2.50 %	746,923.50 5,640.29	1.19 % 61.75	Aaa / AA+ AAA	1.67 1.61
912828XH8	US Treasury Note 1.625% Due 6/30/2020	750,000.00	05/31/2018 2.43 %	737,753.91 738,252.77	98.22 2.54 %	736,670.25 33.12	1.17 % (1,582.52)	Aaa / AA+ AAA	2.00 1.95
912828L65	US Treasury Note 1.375% Due 9/30/2020	750,000.00	06/27/2018 2.53 %	731,044.92 731,113.85	97.40 2.57 %	730,517.25 2,592.21	1.16 % (596.60)	Aaa / AA+ AAA	2.25 2.19
Total US Treasury		2,250,000.00	2.49 %	2,215,634.77 2,216,228.37	2.54 %	2,214,111.00 8,265.62	3.51 % (2,117.37)	Aaa / AA+ AAA	1.97 1.92
TOTAL PORTFOLIO		63,500,886.90	1.86 %	63,408,056.65 63,418,761.47	2.25 %	62,965,721.12 261,633.83	100.00 % (453,040.35)	Aa1 / AA+ AAA	0.96 0.84
TOTAL MARKET VALUE PLUS ACCRUED						63,227,354.95			

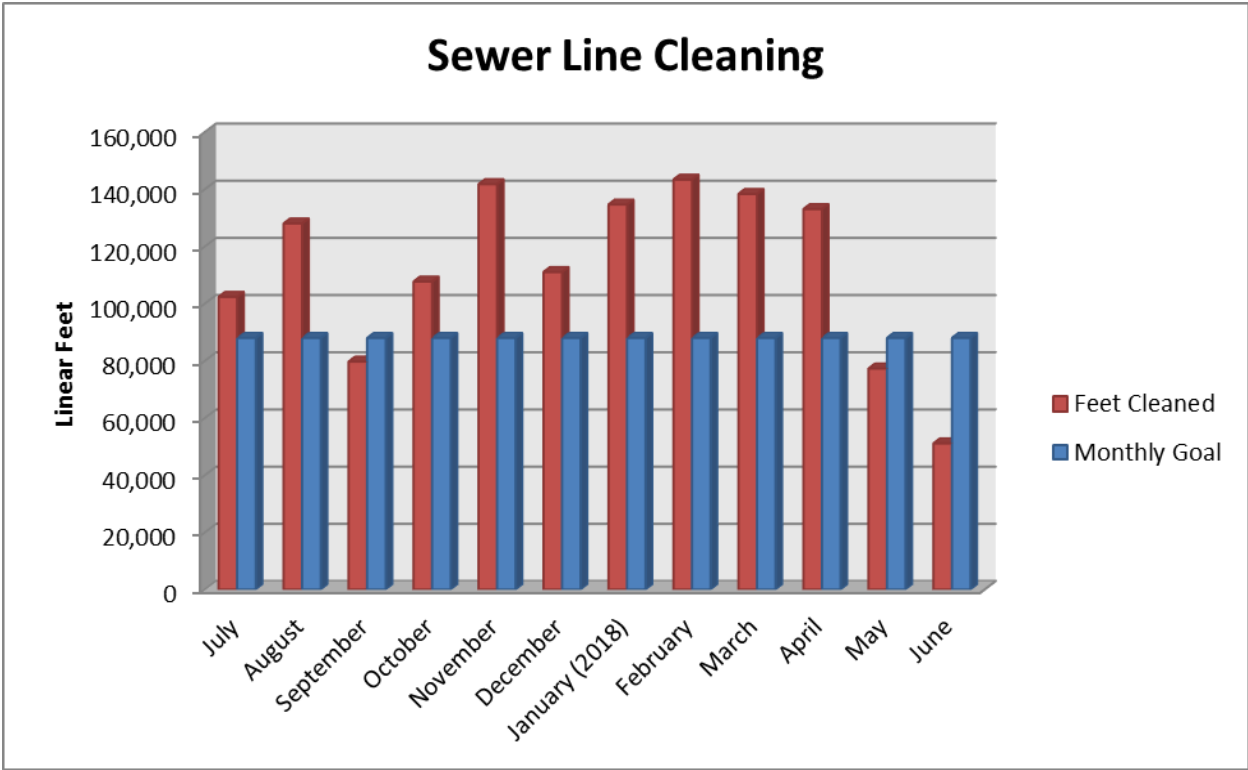
Quarterly O&M Metrics Report



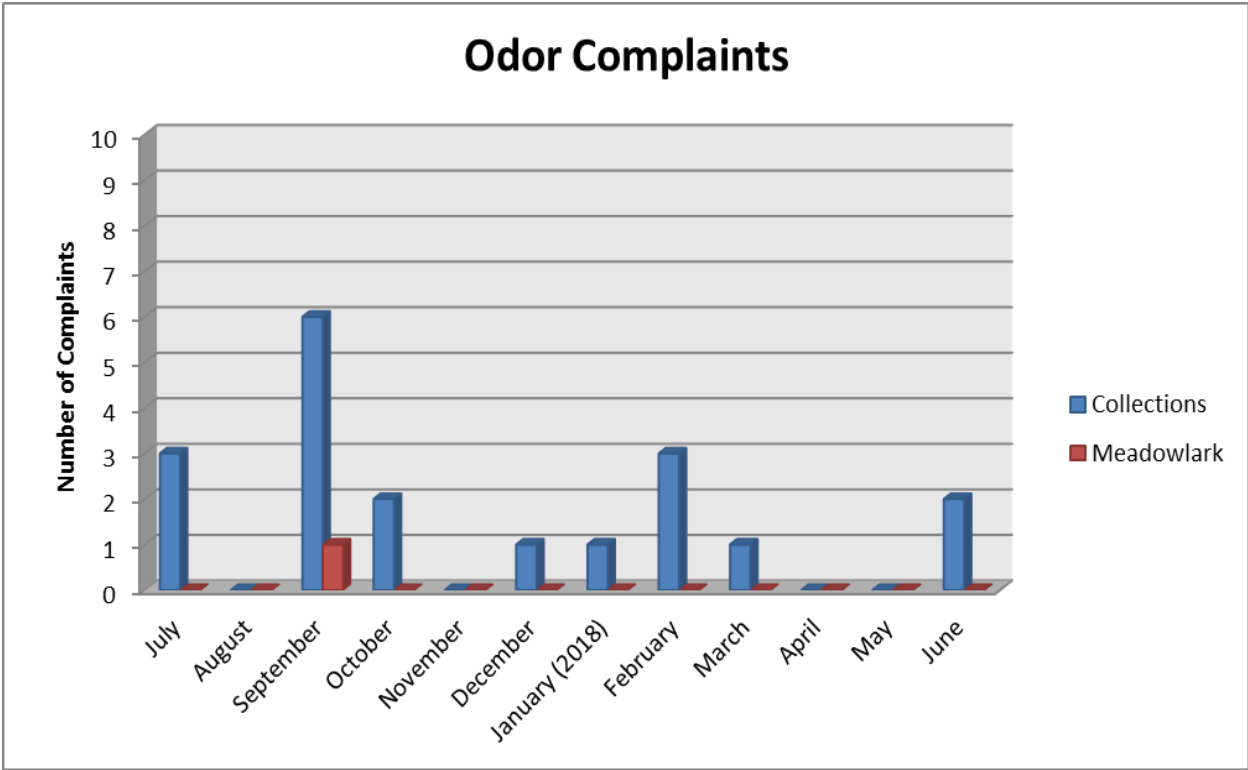
CCTV Sewer Line Inspection Totals in Feet
 (Goal is to inspect 180,000 feet of gravity lines per year. Total for 2018 = 150,751 ft)



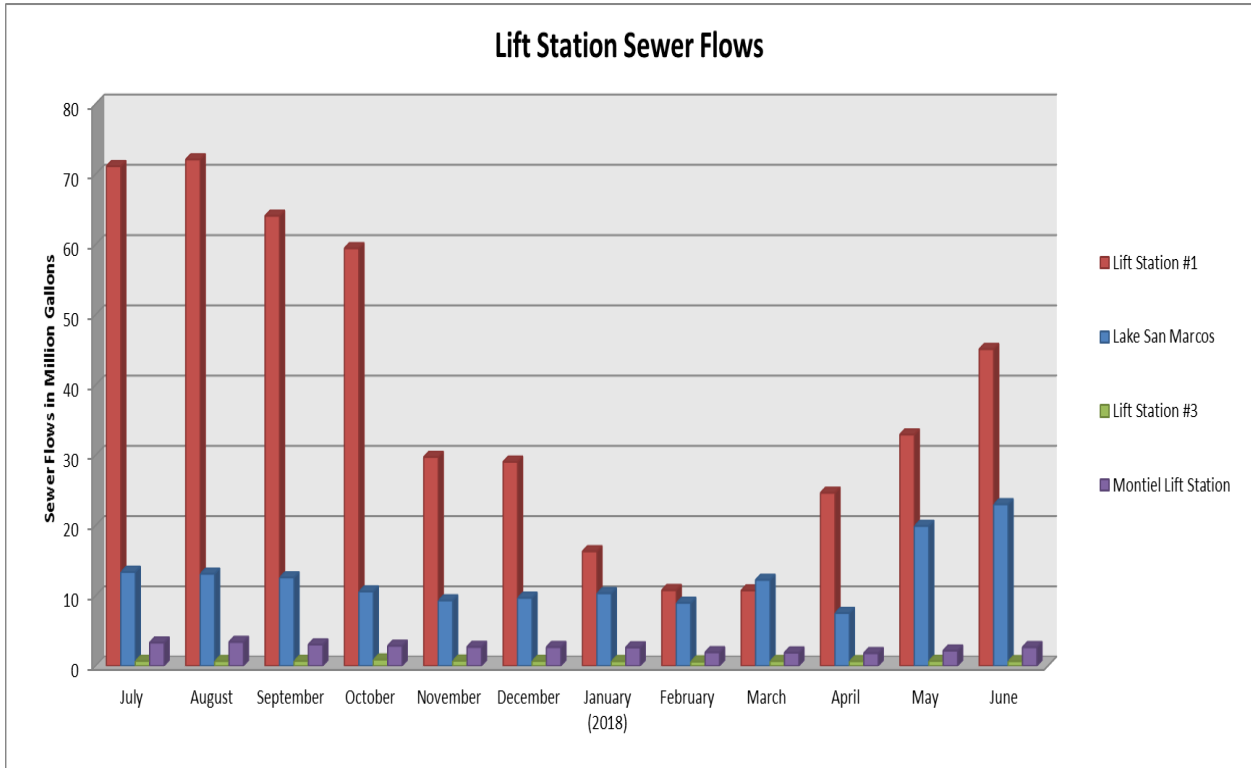
Smoke Testing of Sewer Lines in Feet
 (Goal is to Smoke Test 3 areas per year based on suspected I&I)



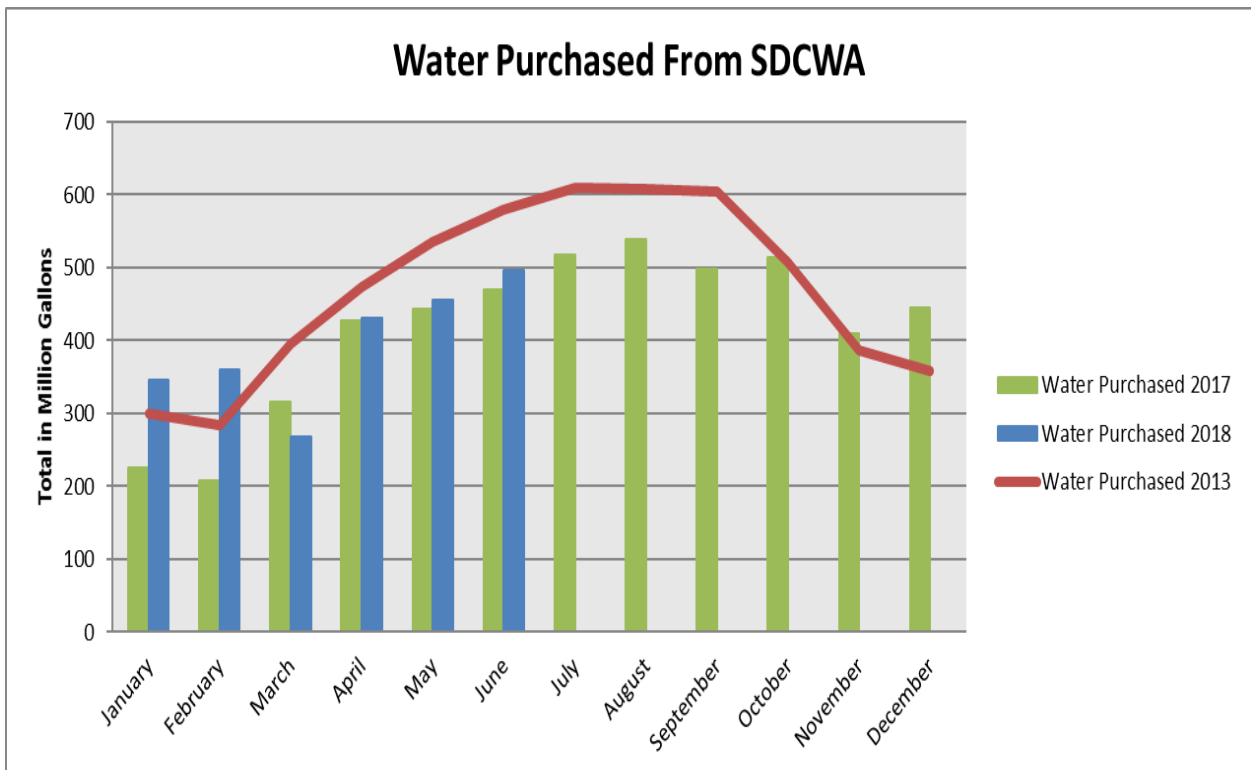
Sewer Line Cleaning Totals in Feet
 (Goal is to clean 1,000,000 ft of gravity lines per year. Total for 2018 = 677,886 ft)



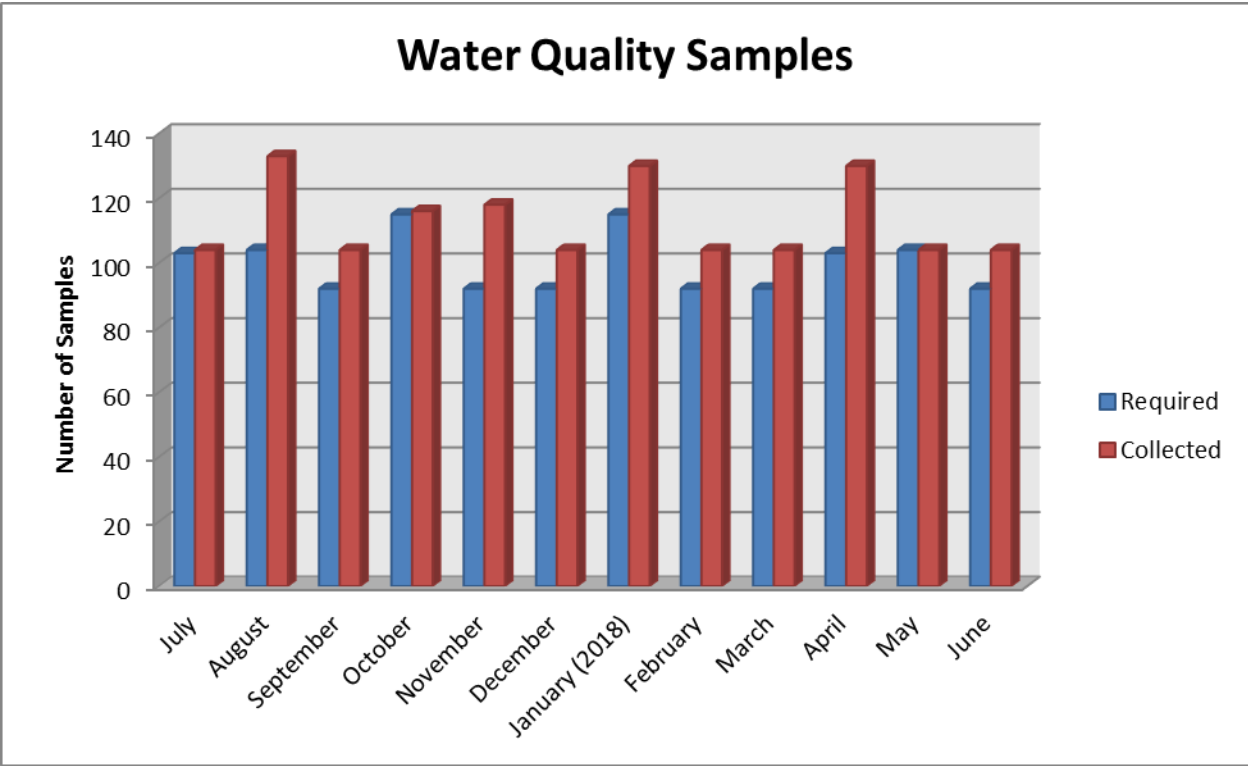
Customer Sewer Odor Complaints



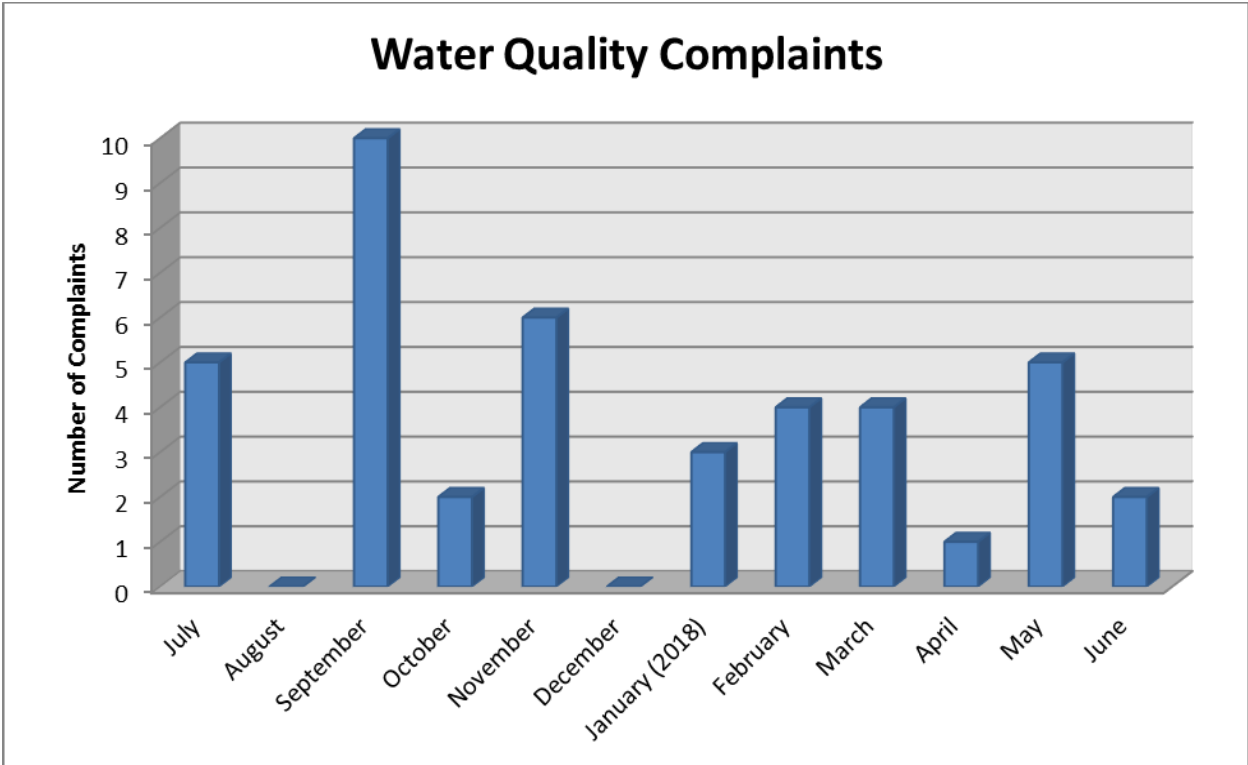
Sewer Flows Pumped from District Lift Stations



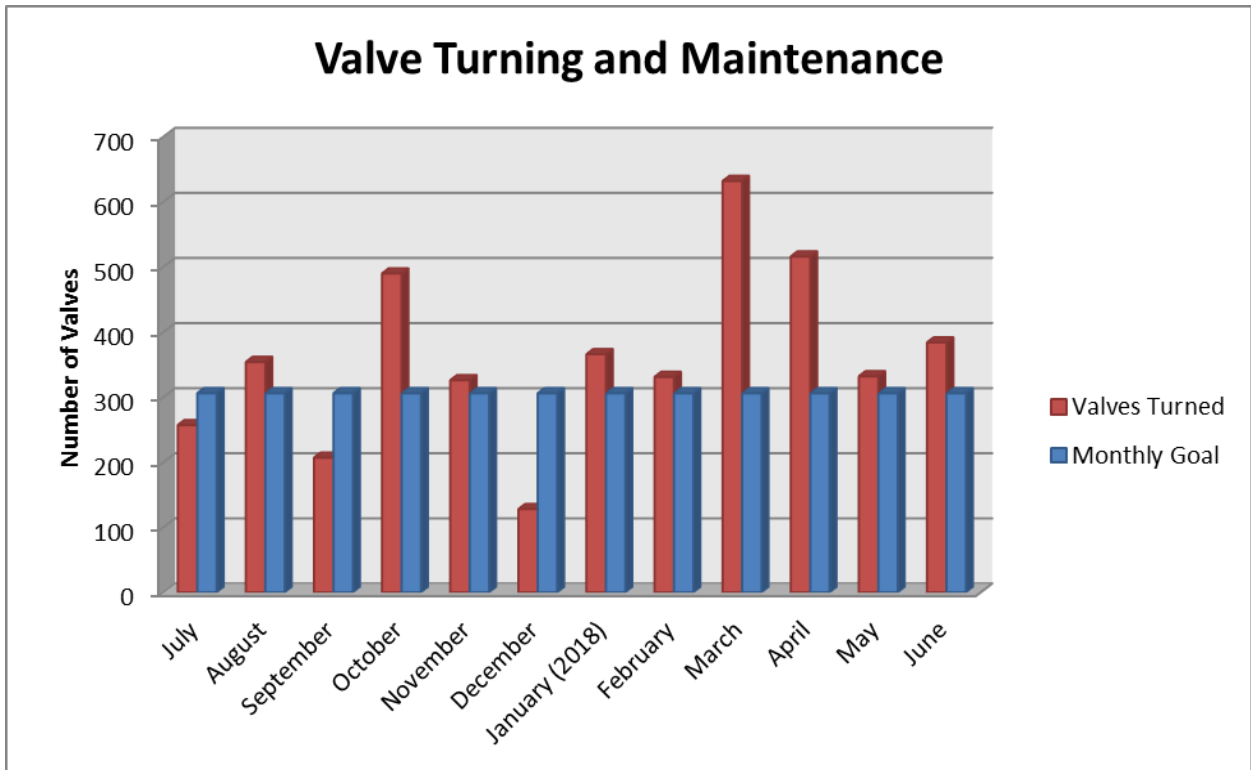
Water Purchased from the San Diego County Water Authority
(Includes water from the desalination and OMWD plants)



Bacteriological Water Quality Samples

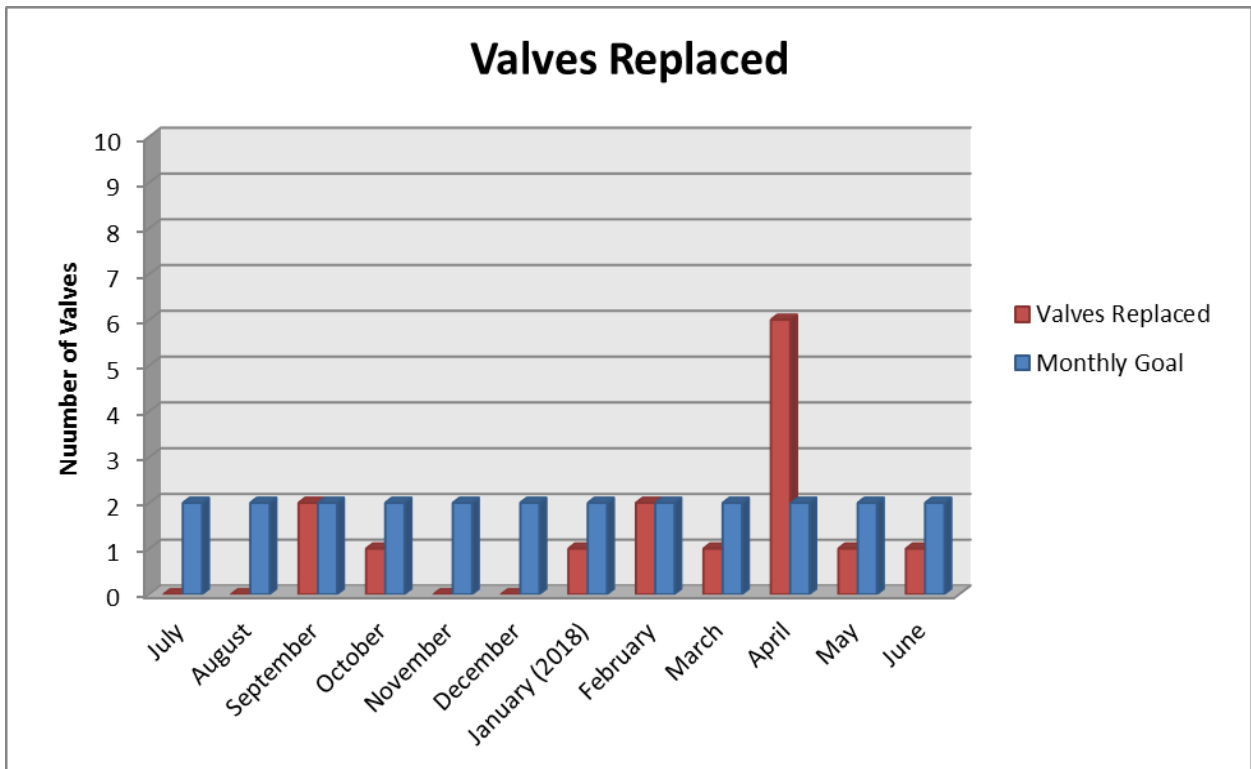


Customer Water Quality Complaints



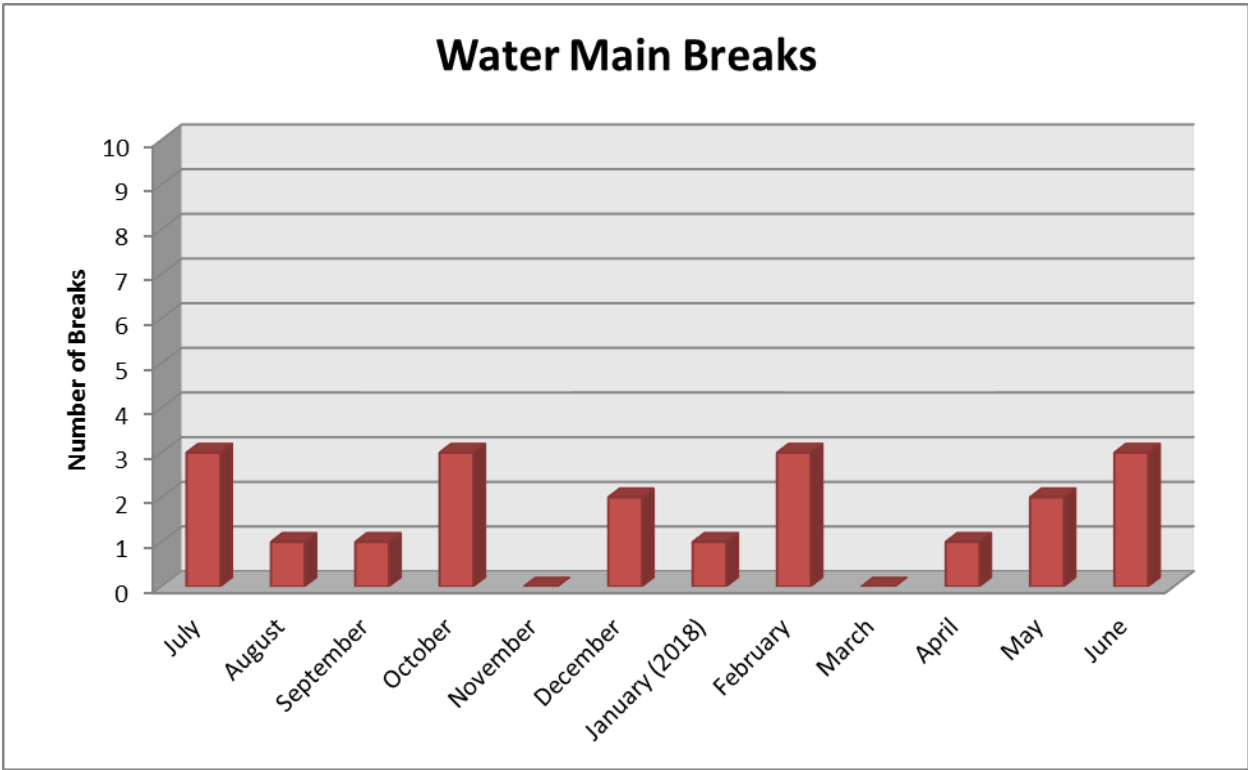
Water Valves Turned in the Distribution System

(Goal is to turn 50% of all valves every year or an average of 306/Month. 2018 = 35%)

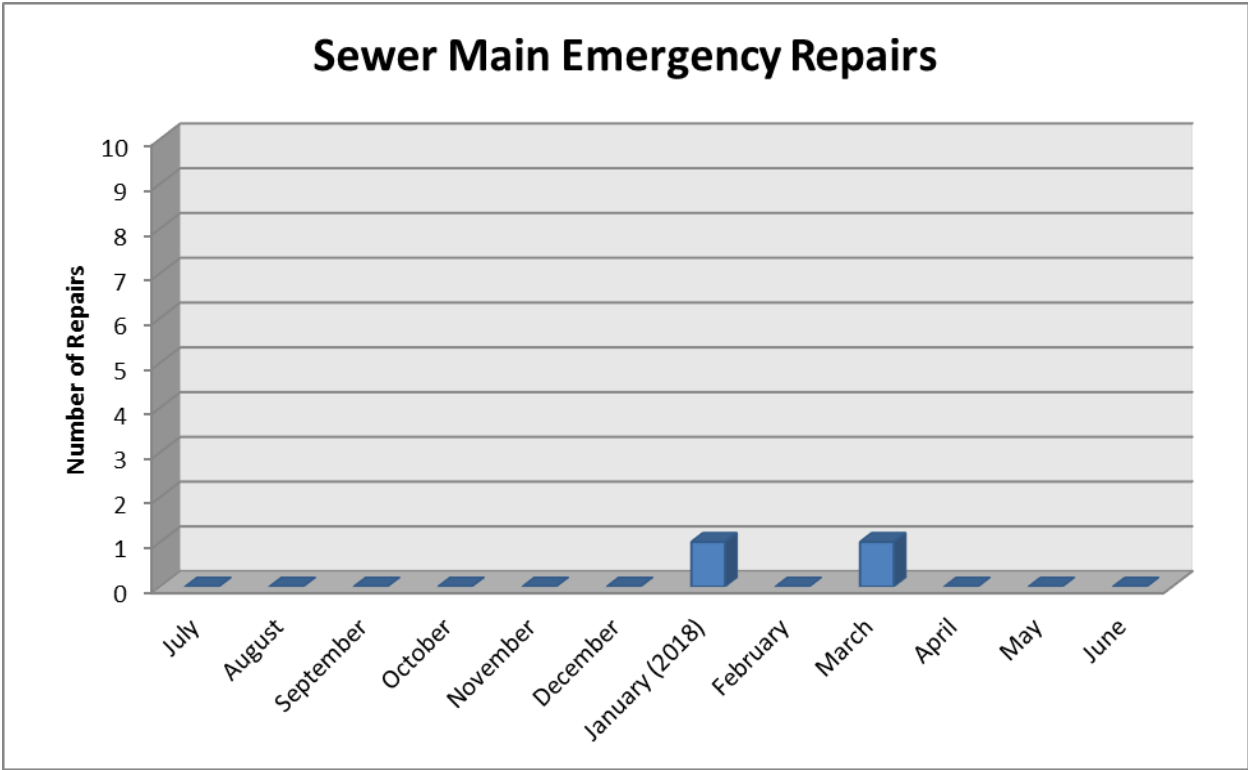


Water Valves Replaced in the Distribution System

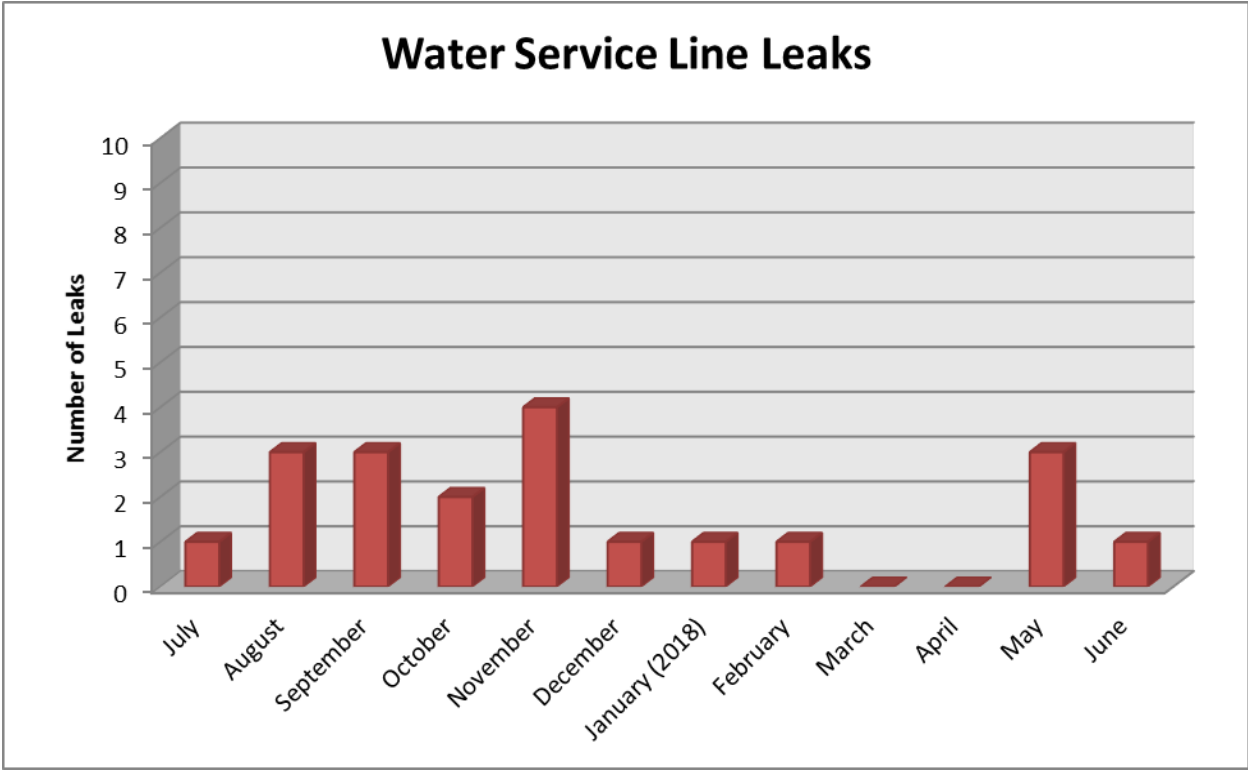
(Goal is to replace 20 valves every fiscal year or around 2 per month. Total 2017/18 = 15)



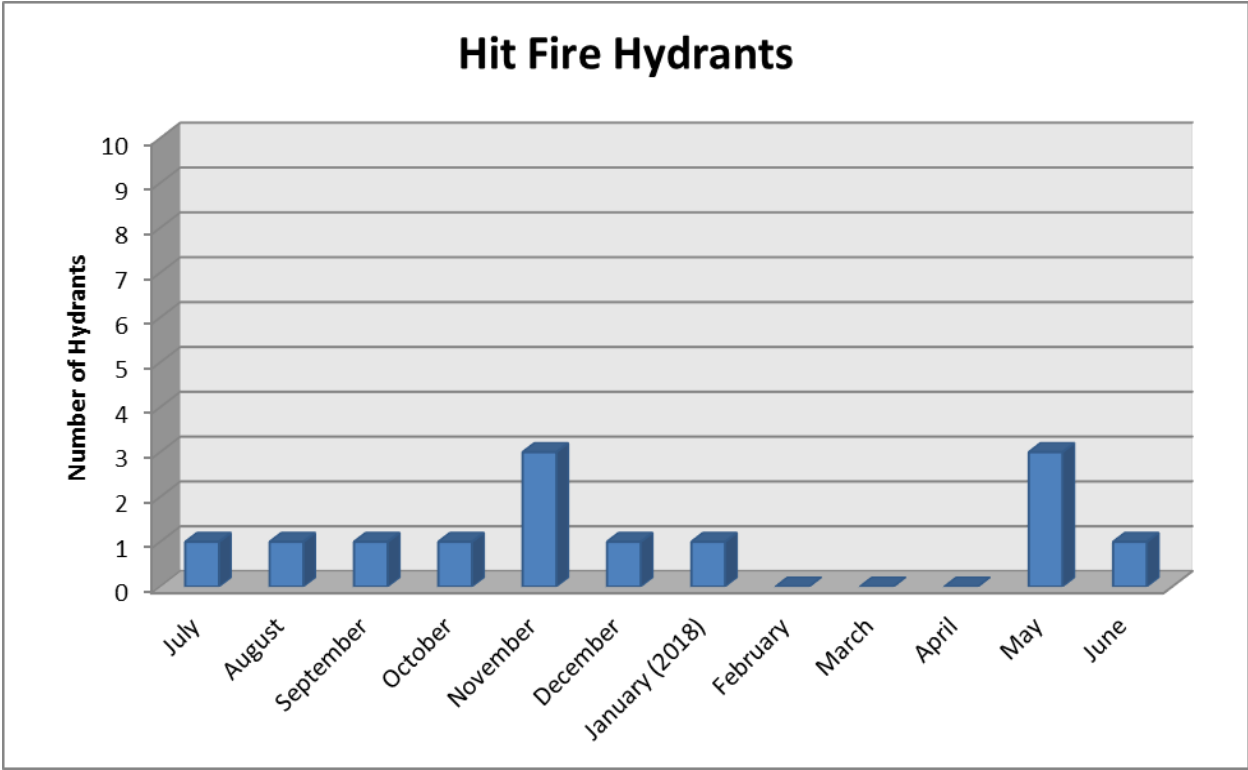
Water Mainline Breaks in the Distribution System



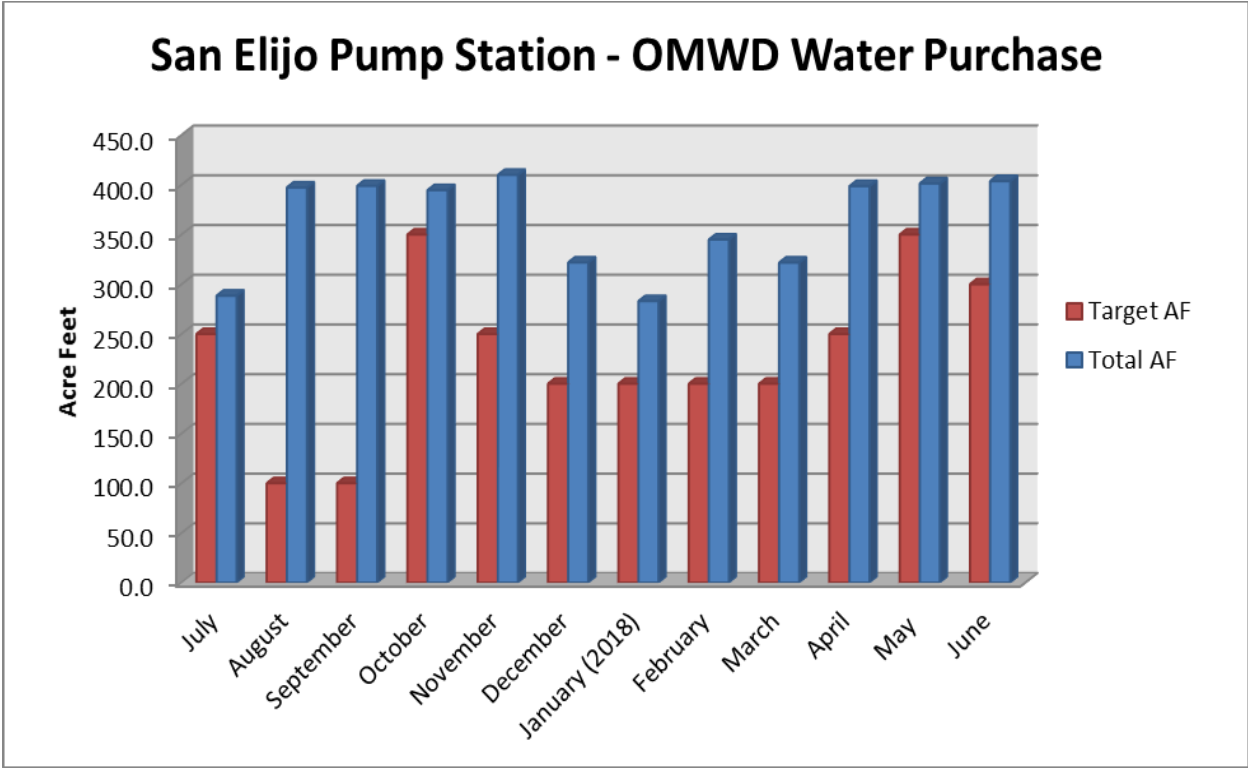
Sewer Main Emergency Repairs in the Collections System



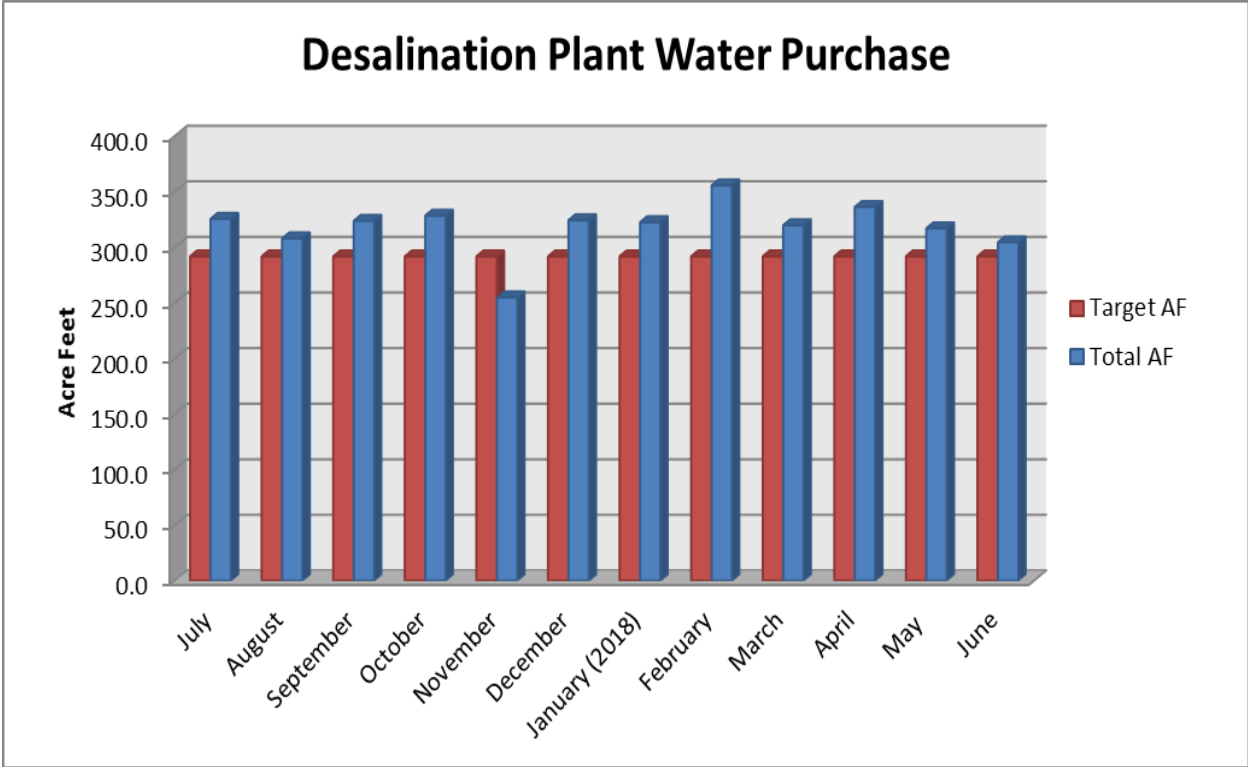
Water Service Line Leaks in the Distribution System



Fire Hydrants Hit in the Distribution System



Acre Feet (AF) of Water Purchased from Olivenhain MWD – San Elijo Pump Station



Acre Feet (AF) of Water Purchased from the Carlsbad Desalination Plant

DATE: JULY 18, 2018
TO: BOARD OF DIRECTORS
SUBJECT: FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR SAN ELIJO HILLS TOWN CENTER, APN 223-630-23 (SEH LIFESTYLE CENTER, LLC)

BACKGROUND:

SEH Lifestyle Center, LLC, owner of the project, has completed the installation of water and sewer facilities for their site located northwest of San Elijo Road South between Baker Street and Elfin Forest Road West.

DISCUSSION:

Water and/or sewer facilities are constructed by a developer. When complete, those facilities are accepted by the Board of Directors and become District property.

The project constructed approximately 109 feet of 8-inch diameter PVC water main and 15 feet of 8-inch diameter PVC sewer main.

Upon final acceptance of the project, water and sewer service will be available to 12 single family townhomes and 22,988 square feet of commercial space.

The owner has provided the District with the required security to guarantee repairs due to failure of materials or workmanship for a period of one year. All current fees and charges have been paid to date.

Along with the water and sewer mains, assorted appurtenances were installed such as water meters, fire hydrants, gate valves, and sewer laterals and manholes.

The owner has paid a total of \$77,096.00 in water capital facility fees and \$142,475.00 in wastewater capital facility fees for the residential and commercial site. All capacity fees were paid in full as of September 2005.

FISCAL IMPACT:

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

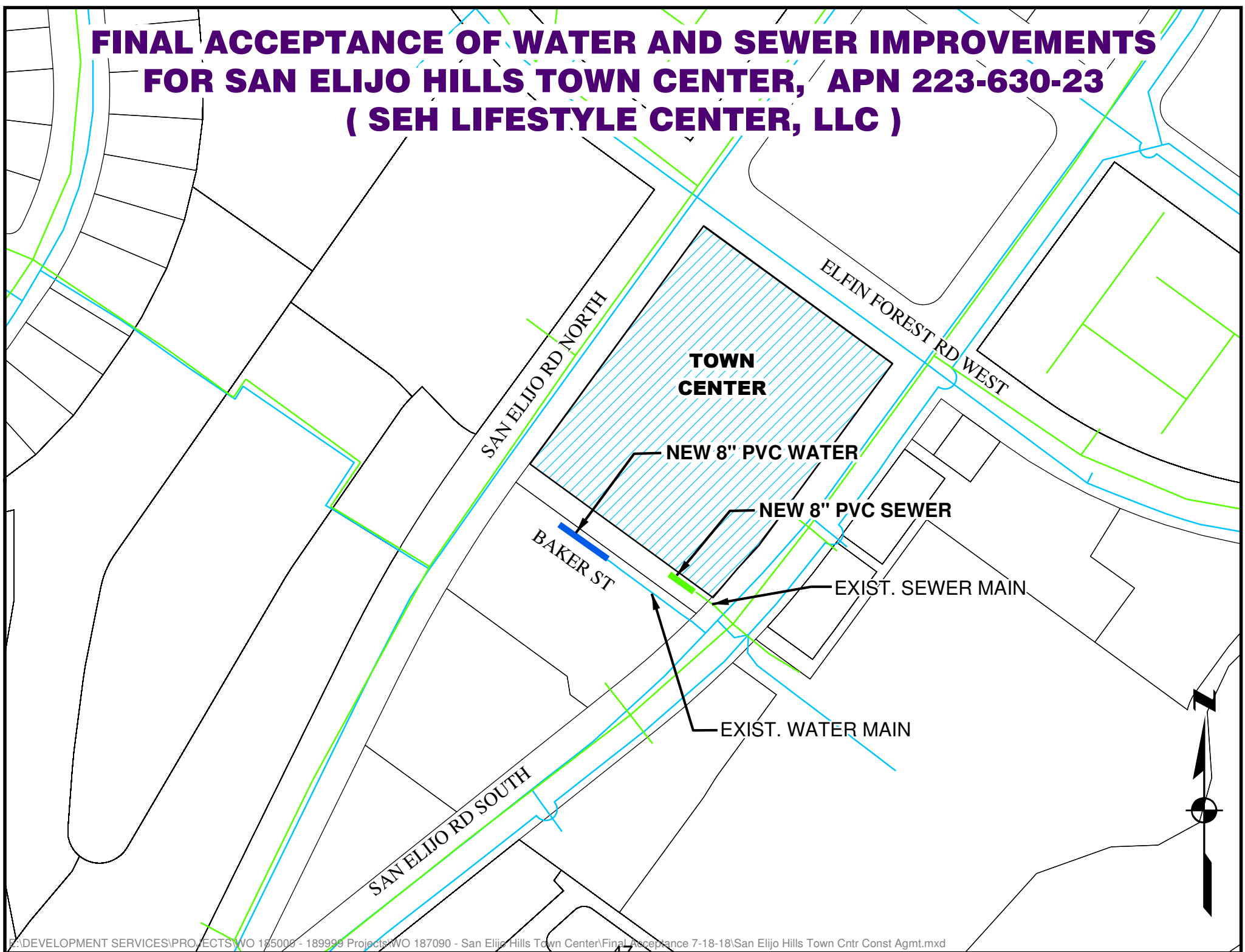
RECOMMENDATION:

Accept the project improvements and approve the filing of a Notice of Completion for San Elijo Hills Town Center.

ATTACHMENTS:

2 Map Exhibits – 1 Plat Map & 1 Aerial

FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR SAN ELIJO HILLS TOWN CENTER, APN 223-630-23 (SEH LIFESTYLE CENTER, LLC)



FINAL ACCEPTANCE OF WATER AND SEWER IMPROVEMENTS FOR SAN ELIJO HILLS TOWN CENTER, APN 223-630-23 (SEH LIFESTYLE CENTER, LLC)



DATE: JULY 18, 2018
TO: BOARD OF DIRECTORS
SUBJECT: RESOLUTION APPROVING COLLECTION OF SEWER SERVICE FEES FOR IMPROVEMENT DISTRICT "A"

Discussion:

The State Health Code requires the District to specify on an annual basis the method it will use to collect sewer service fees. Resolution No. 1540, adopted June 20, 2018, approved the District's proposed method of collection. The attached Resolution orders the collection of sewer service fees for fiscal year 2018-19. The sewer service fees will be collected by the County of San Diego and then transferred to the District.

Recommendation:

Approve Resolution.

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLECITOS WATER DISTRICT APPROVING THE SEWER
SERVICE FEES TO BE COLLECTED ON THE TAX ROLL
FOR IMPROVEMENT DISTRICT "A" FOR THE
FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019**

WHEREAS, the Vallecitos Water District duly adopted Resolution No. 1540 on June 20, 2018, electing to have the sewer service fees for Improvement District "A" for Fiscal Year July 1, 2018, to June 30, 2019, collected on the Tax Roll.

WHEREAS, a written report has been prepared and filed with the District, which contains a description of each parcel of real property in Improvement District "A" receiving sewer service and the amount of sewer service fee for each parcel for the Fiscal Year 2018-2019.

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

WHEREAS, on July 18, 2018, at the hour of 5:00 p.m., at the office of the District, 201 Vallecitos de Oro, San Marcos, California, a duly noticed public hearing was held with respect to this matter.

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

Section 1. The sewer service fees for Improvement District "A" for Fiscal Year 2018-2019, attached hereto and incorporated herein as Exhibit "A", are hereby approved.

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

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

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

Section 5. The Secretary/General Manager of the Vallecitos Water District is hereby authorized and directed to file this endorsed report with a certified copy of this Resolution with the County Auditor of the County of San Diego on or before August 1, 2018.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held on the 18th day of July 2018, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

James Hernandez, President
Board of Directors
Vallecitos Water District

ATTEST:

James Gumpel, District Engineer
Vallecitos Water District

EXHIBIT A

AVAILABLE UPON REQUEST

DATE: JULY 18, 2018
TO: BOARD OF DIRECTORS
SUBJECT: PUMP ZONE CHARGES FOR FY 2018/19 and 2019/20

BACKGROUND:

May 17, 2017 the Board of Directors adopted pump zone charges to recover the cost of electricity related to pumping water to customers in higher elevations. Only the cost of electricity is included in the pump zone charges and only customers directly benefiting from the additional cost of pumping are charged. The Board’s direction was to smooth the rate over a three-year period with a step approach. Cost recovery is estimated to be 62% in FY 2017/18, 77% in FY 2018/19, ultimately reaching 95% in FY 2019/20 and beyond.

DISCUSSION:

The District established ten pump zones, servicing approximately 2,951 customers. The pump zone charges are determined by tracking the actual SDG&E power costs for the 10 pump zones and dividing that cost by the weighted lift volume (the total volume of water lifted per 100 feet to the respective hydraulic grade line {HGL}). The goal is to collect 95% of the power costs from those customers directly benefitting from pumping water to higher elevations.

Table 1 displays the number of customers in each pump zone (as of April 30, 2018), the name of the pump zone, current charges, and updated pass through charges effective FY 2017/18 and the proposed pump zone charges for FY 2018/19 and FY 2019/20.

TABLE 1
Pump Zone Pass Through Charges

# of Customers	PUMP ZONE	FY 2017/18	FY 2018/19	FY 2019/20
128	1 - North Twin Oaks - 1,330 HGL	\$0.44	\$ 0.38	\$ 0.32
59	2 - Deer Springs - 1,235 HGL	0.21	0.22	0.23
22	3 - Coggan - 1,608 HGL	0.29	0.44	0.58
163	4 - Coronado Hills - 1,530 HGL	0.24	0.42	0.60
12	5 - Wulff - 1,588 HGL	0.57	0.55	0.54
707	6 - Palos Vista - 1,500 HGL	0.36	0.47	0.58
868	7 - School House - 1,115 HGL	0.09	0.18	0.26
867	8 - Double Peak - 1,530 HGL	0.34	0.49	0.65
125	9 - Meadowlark - 815 HGL	0.14	0.12	0.11
0	10 - High Point - 1,608 HGL	0.42	0.42	0.42
2,951				

FISCAL IMPACT:

The budget for fiscal year 2018/19 estimates pump zone revenues will be approximately \$400,000 with pumping expenses (SDG&E pass through electricity costs only) of \$518,000 for a 77% recovery. For fiscal year 2019/20, revenue is estimated at \$533,000 and expenses at \$560,000 for an approximate 95% recovery rate of electricity costs.

RECOMMENDATION:

Staff recommends adoption of the attached Ordinance establishing pump zone charges for fiscal years 2018/19 and 2019/20. The Pump Zone Charges for FY 2018/19 and FY 2019/20 are those reflected in Table 1 above. For the current fiscal year, (FY 2018/19) charges will be adjusted as soon as administratively practical and on July 1, 2019 for FY 2019/20.

ORDINANCE NO.

**AN ORDINANCE OF THE VALLECITOS WATER DISTRICT
ESTABLISHING PUMP ZONE CHARGES AND
REPEALING ORDINANCE NO. 205**

BE IT ORDAINED by the Board of Directors of the Vallecitos Water District as follows:

SECTION 1: The Board of Directors finds and determines that the following facts are true and correct:

SECTION 1.1: The Vallecitos Water District ("District") has the authority to establish water rates and charges for services provided within the District boundaries in accordance with Water Code 31024, et seq.

SECTION 1.2: Policy has been established to identify various pump zones and to periodically adjust and/or set charges required to recover power costs necessary to hydraulically lift water to various benefit areas.

SECTION 1.3: Staff has analyzed historic and projected water demand and pumping power costs within each pump zone.

SECTION 1.4: The recommendations of District staff have been considered by the Board of Directors of the District.

SECTION 1.5: Having heard, reviewed and considered the staff report and information from interested persons who have had an opportunity to express their views, the Board of Directors finds that it is in the best interests of the District and the customers served to adjust existing pump zone charges as contained in this Ordinance.

SECTION 2: In accordance with the California Environmental Quality Act Guidelines Section 15061, the Board of Directors ordains that the charges established by this ordinance are exempt from CEQA for the following reasons:

1. The pump zone charges are not a "project" as defined by Guidelines Section 15378;
2. The project is exempt in accordance with Guidelines Section 15273(1), 15273(3), and 15274(4); and
3. The activity will not have any significant effect upon the environment pursuant to Guidelines Sections 15061(b)(3).

SECTION 3: The Board of Directors of the District orders and directs that the foregoing exemptions and reasons be made a part of the Notice of Exemption and that the Notice of Exemption be filed with the County Clerk of the County of San Diego.

SECTION 4: Pump Zone Charge Schedule:

There are currently ten areas of the District that must have water pumped in order to receive service. These zones are established by the hydraulic lift required to boost water to each system. Charges are calculated to recover power costs necessary to pump water to the system for each zone. This pump zone charge is per unit (100 cubic feet) of water and is in addition to the ready to-serve and commodity charges.

The zones and charges for the next two (2) fiscal years are as follows:

Pump Zone Pass Through Charges		
PUMP ZONE	FY 2018/19	FY 2019/20
1 - North Twin Oaks - 1,330 HGL	\$ 0.38	\$ 0.32
2 - Deer Springs - 1,235 HGL	0.22	0.23
3 - Coggan - 1,608 HGL	0.44	0.58
4 - Coronado Hills - 1,530 HGL	0.42	0.60
5 - Wulff - 1,588 HGL	0.55	0.54
6 - Palos Vista - 1,500 HGL	0.47	0.58
7 - School House - 1,115 HGL	0.18	0.26
8 - Double Peak - 1,530 HGL	0.49	0.65
9 - Meadowlark - 815 HGL	0.12	0.11
10 - High Point - 1,608 HGL	0.42	0.42

SECTION 5: This ordinance shall become effective as soon as practical for fiscal year 2018/19 and on July 1, 2019 for fiscal year 2019/20

ALL OTHER ORDINANCES, ARTICLES OR SECTIONS OF ORDINANCES, OR AMENDMENTS IN CONFLICT HERewith ARE HEREBY REPEALED.

THIS ORDINANCE PASSED, APPROVED AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting this 18th day of July, 2018, by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

James Hernandez, President
Board of Directors
Vallecitos Water District

ATTEST:

James Gumpel, District Engineer
Vallecitos Water District

DATE: JULY 18, 2018
TO: BOARD OF DIRECTORS
SUBJECT: ORDINANCE ESTABLISHING ADMINISTRATIVE CHARGES TO RECOVER INDIRECT COSTS FOR FISCAL YEAR 2018/2019

BACKGROUND:

On June 25, 2018, the Finance Committee met to review the Overhead rate for fiscal year 2018/2019 as presented by staff. A side-by-side comparison of previous fiscal years’ calculations was presented and is included in this staff report.

DISCUSSION:

The 2013 Cost of Service Report (Report) recommended applying a single overhead rate to direct labor costs and adjusting the rate annually using the approved District budget in accordance with the methodology established in the Report. The methodology established a formula to be used when calculating the rate. The calculation to arrive at the overhead rate is Budgeted Indirect Costs and Employee Benefits divided by Direct Labor Costs as follows:

$$\text{Overhead Rate} = \frac{\text{Budgeted Indirect Costs and Employee Benefits}}{\text{Direct Labor Costs}}$$

A brief history of adopted overhead rates follow:

Adopted Date	Adopted Rate	Effective for FY	Indirect Costs	Direct Costs
03/05/90	75%	90/91	NA	NA
09/04/13	195%	13/14	10,154,626	5,215,174
07/16/14	188%	14/15	10,420,378	5,535,622
07/15/15	198%*	15/16	11,367,536	5,352,464
07/20/16	205%	16/17	11,607,237	5,643,763
08/16/17	221%	17/18	12,031,103	5,427,897
07/18/18	219%**	18/19	12,116,219	5,521,781
*This year the calculation result was 212% but because of one time expenses it was adopted at a lower rate of 198%				
*Proposed not adopted				

Excerpts from the 2013 Cost of Service Report explaining the formula and types of activities where the rate is applied:

1.3.4 District Staff Labor Overhead Rate

1. Black & Veatch recommends that the District utilize a 195 percent overhead rate for FY 13/14. The District can use this rate to apply to outside contractor costs, developer projects and miscellaneous billings to help recover District support associated with these costs.
2. Furthermore, Black & Veatch recommends that the District conduct an annual review of direct and indirect costs and the resulting overhead rate as these costs tend to change from year to year. The review and implementation of overhead rates should be effective as of July 1 of each fiscal year based on that year’s approved budget.

6.1.1 OVERHEAD RATE ANALYSIS

The overhead rate analysis is a simple one that consists of identifying District indirect costs that support direct services provided by the District, grouping direct labor costs of the District (less benefits), and dividing the total indirect costs by the total direct costs. Table 6-1 shows the overhead calculation and resulting rate.

Examples of types of activities where the rate is applied are:

- Outside contractor costs such as when VWD provides another agency with VWD personnel on a temporary and fee for services basis.
- Developer projects where VWD staff will review plans presented by someone at the engineering counter and bill at the staff person's hourly rate plus the overhead rate.
- Miscellaneous billings such as when a VWD asset is damaged in a traffic accident and costs of repairs are billed to the responsible party.

The proposed Ordinance recommends an overhead rate of 219% and was derived by dividing adopted FY 18/19 budgeted indirect costs by direct labor costs per the recommended methodology in the Report.

A side-by-side comparison is presented on the next page.

Side-by-side comparison:

Vallecitos Water District						
Overhead Rate Calculation						
Line		Budget				
No.	Description	FY 2018/19	FY 2017/18	FY 2016/17	FY 2015/16	FY 2014/15
	Indirect Costs					
1	Water - Safety & Regulatory Affairs	268,000	261,000	272,000	253,000	240,000
2	Water - Building & Grounds	377,000	362,000	318,000	349,000	339,000
3	Water - Information Technology	973,000	1,003,000	941,000	910,000	636,000
4	Water - General & Administration	2,985,000	2,812,000	2,773,000	3,137,000	3,033,000
5	Water - G & A Transfer	921,000	1,020,000	936,000	675,000	683,000
7	Wastewater - Safety & Regulatory Affairs	203,000	189,000	165,000	154,000	148,000
8	Wastewater - Building & Grounds	260,000	257,000	230,000	169,000	187,000
9	Wastewater - Information Technology	845,000	831,000	734,000	705,000	444,000
10	Wastewater - General & Administration	1,452,000	1,455,000	1,261,000	1,266,000	1,171,000
11	Wastewater - G & A Transfer	527,000	548,000	613,000	522,000	528,000
12	Water/Wastewater Benefits	3,305,219	3,293,103	3,364,237	3,227,536	3,011,378
	Total District Indirect Costs	<u>12,116,219</u>	<u>12,031,103</u>	<u>11,607,237</u>	<u>11,367,536</u>	<u>10,420,378</u>
	Direct Costs					
13	Water - Pumping Cost of Labor	118,000	104,000	86,000	115,000	69,000
14	Water - Water Quality Cost of Labor	54,000	63,000	89,000	111,000	85,000
15	Water - Water Treatment Cost of Labor	393,000	375,000	329,000	219,000	300,000
16	Water - Tanks & Reservoirs Cost of Labor	233,000	248,000	249,000	291,000	278,000
17	Water - T&D Cost of Labor	1,122,000	1,178,000	1,074,000	1,010,000	980,000
18	Water - Services Cost of Labor	102,000	100,000	120,000	99,000	116,000
19	Water - Meters Cost of Labor	622,000	565,000	595,000	575,000	570,000
20	Water - Backflow Prevention Cost of Labor	20,000	25,000	70,000	64,000	59,000
21	Water - Customer Accounts Cost of Labor	466,000	487,000	546,000	562,000	529,000
22	Water - Engineering Cost of Labor	1,419,000	1,315,000	1,397,000	1,281,000	1,355,000
23	Water - Equipment & Vehicles Cost of Labor	122,000	114,000	132,000	127,000	121,000
24	Wastewater - Collection Cost of Labor	1,566,000	1,517,000	1,607,000	1,555,000	1,621,000
25	Wastewater - Lift Stations Cost of Labor	168,000	187,000	167,000	152,000	160,000
26	Wastewater - Peroxide Station Cost of Labor	-	-	-	5,000	6,000
27	Wastewater - Source Control Cost of Labor	164,000	153,000	144,000	151,000	140,000
28	Wastewater - MRF Lift Station Cost of Labor	105,000	102,000	122,000	98,000	106,000
29	Wastewater - MRF Cost of Labor	1,023,000	1,009,000	1,033,000	1,058,000	939,000
30	Wastewater - Mahr Reservoir Cost of Labor	84,000	96,000	127,000	106,000	112,000
31	Wastewater - Customer Accounts Cost of Labor	334,000	364,000	362,000	341,000	320,000
32	Wastewater - Equip & Vehicles Cost of Labor	124,000	107,000	133,000	88,000	83,000
33	Wastewater - Engineering Cost of Labor	588,000	612,000	626,000	572,000	598,000
34	Total District Direct Costs	<u>8,827,000</u>	<u>8,721,000</u>	<u>9,008,000</u>	<u>8,580,000</u>	<u>8,547,000</u>
	Benefit % per budget	59.9%	60.7%	59.6%	60.3%	54.4%
	Direct Costs less Benefits	5,521,781	5,427,897	5,643,763	5,352,464	5,535,622
	Overhead Rate	219.43%	221.65%	205.66%	212.38%	188.24%

Changes between fiscal years:

Line No.	Description	Change from Previous Fiscal Year Budget			
		FY 2018/19	FY 2017/18	FY 2016/17	FY 2015/16
Indirect Costs					
1	Water - Safety & Regulatory Affairs	7,000	(11,000)	19,000	13,000
2	Water - Building & Grounds	15,000	44,000	(31,000)	10,000
3	Water - Information Technology	(30,000)	62,000	31,000	274,000
4	Water - General & Administration	173,000	39,000	(364,000)	104,000
5	Water - G & A Transfer	(99,000)	84,000	261,000	(8,000)
7	Wastewater - Safety & Regulatory Affairs	14,000	24,000	11,000	6,000
8	Wastewater - Building & Grounds	3,000	27,000	61,000	(18,000)
9	Wastewater - Information Technology	14,000	97,000	29,000	261,000
10	Wastewater - General & Administration	(3,000)	194,000	(5,000)	95,000
11	Wastewater - G & A Transfer	(21,000)	(65,000)	91,000	(6,000)
12	Water/Wastewater Benefits	12,116	(71,134)	136,701	216,158
	Total District Indirect Costs	85,116	423,866	239,701	947,158
Direct Costs					
13	Water - Pumping Cost of Labor	14,000	18,000	(29,000)	46,000
14	Water - Water Quality Cost of Labor	(9,000)	(26,000)	(22,000)	26,000
15	Water - Water Treatment Cost of Labor	18,000	46,000	110,000	(81,000)
16	Water - Tanks & Reservoirs Cost of Labor	(15,000)	(1,000)	(42,000)	13,000
17	Water - T&D Cost of Labor	(56,000)	104,000	64,000	30,000
18	Water - Services Cost of Labor	2,000	(20,000)	21,000	(17,000)
19	Water - Meters Cost of Labor	57,000	(30,000)	20,000	5,000
20	Water - Backflow Prevention Cost of Labor	(5,000)	(45,000)	6,000	5,000
21	Water - Customer Accounts Cost of Labor	(21,000)	(59,000)	(16,000)	33,000
22	Water - Engineering Cost of Labor	104,000	(82,000)	116,000	(74,000)
23	Water - Equipment & Vehicles Cost of Labor	8,000	(18,000)	5,000	6,000
24	Wastewater - Collection Cost of Labor	49,000	(90,000)	52,000	(66,000)
25	Wastewater - Lift Stations Cost of Labor	(19,000)	20,000	15,000	(8,000)
27	Wastewater - Source Control Cost of Labor	11,000	9,000	(7,000)	11,000
28	Wastewater - MRF Lift Station Cost of Labor	3,000	(20,000)	24,000	(8,000)
29	Wastewater - MRF Cost of Labor	14,000	(24,000)	(25,000)	119,000
30	Wastewater - Mahr Reservoir Cost of Labor	(12,000)	(31,000)	21,000	(6,000)
31	Wastewater - Customer Accounts Cost of Labor	(30,000)	2,000	21,000	21,000
32	Wastewater - Equip & Vehicles Cost of Labor	17,000	(26,000)	45,000	5,000
33	Wastewater - Engineering Cost of Labor	(24,000)	(14,000)	54,000	(26,000)
34	Total District Direct Costs	106,000	(287,000)	428,000	33,000

FISCAL IMPACT:

The District budget estimates the recovery of \$1.5 million of overhead costs in fiscal year 2018/19.

RECOMMENDATION:

Adopt ordinance establishing new overhead rate.

ORDINANCE NO.

**ORDINANCE OF THE VALLECITOS WATER DISTRICT
ESTABLISHING A COST RECOVERY OVERHEAD RATE FOR FISCAL YEAR 2018/2019,
AND REPEALING ORDINANCE NO. 206**

WHEREAS, the Board of Directors of the Vallecitos Water District (District) wishes to recover all direct costs and expenses associated with services provided by the District, development expenses and repair costs of damaged facilities; and

WHEREAS, on August 21, 2013, the Board of Directors accepted the District's Cost of Service Study, "Water Validation, Cost of Service & Rate Design Analysis; Wastewater Validation & Rate Analysis; Miscellaneous Fees & Overhead Rate Analysis (Report)", which established the methodology for calculating the overhead rate identified below; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE VALLECITOS WATER DISTRICT AS FOLLOWS:

SECTION 1, DIRECT COST RECOVERY: Direct costs and expenses incurred by the District such as legal services, permits, reproduction services, consulting engineers and other professional services shall be recovered at direct costs only and the administrative overhead charge shall not apply.

SECTION 2, ADMINISTRATIVE OVERHEAD CHARGE: All direct labor costs and services provided on a time and material basis, by the District, are subject to the Administrative Overhead Charge. The charge for Fiscal Year 2018/19 is hereby established as 219% of the total direct labor costs. This charge will not apply to services provided on a fixed fee basis.

SECTION 3, ADMINISTRATIVE OVERHEAD CALCULATION: The overhead rate shall be calculated concurrent with adoption of the annual budget by the Board of Directors and utilize the following methodology:

$$\frac{\text{Budgeted indirect costs and employee benefits}}{\text{Direct labor costs}}$$

SECTION 3, EQUIPMENT USAGE CHARGE: All services provided by the District which District owned equipment is used and are charged on a time and material basis will be subject to an Equipment Usage Charge. The charge is hereby established as a per hour rate in accordance with the current State of California, Department of Transportation, Division of Construction Equipment Rental Rates and shall be included in the final actual cost determination. Direct rental costs for other equipment shall be recovered based upon actual expenses. This charge will not apply to services provided on a fixed fee basis.

All other Ordinances, Articles or Sections of Ordinances in conflict with this Ordinance are hereby repealed.

This ordinance shall be effective upon adoption.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Vallecitos Water District at a regular meeting held this 18TH day of July, 2018, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Hernandez, President
Board of Directors
Vallecitos Water District

ATTEST:

James Gumpel, District Engineer
Vallecitos Water District

DATE: JULY 18, 2018
TO: BOARD OF DIRECTORS
SUBJECT: CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2018
BOARD ELECTIONS – SEAT A

DISCUSSION:

CSDA has provided a ballot for the District's use in voting to elect a representative to the CSDA Board of Directors in the District's network (Southern Network) for Seat A.

Each of CSDA's six networks has three seats on the Board. This year the District's network has one seat open for election, Seat A. The current Director serving Seat A, Jo MacKenzie, is running for re-election.

Member districts in the Southern Network will be entitled to cast one vote. Ballots must be received at CSDA by 5:00 pm on Friday, August 10, 2018.

RECOMMENDATION:

Request Board direction.



1391 Engineer Street • Vista, California 92081-8840
Phone (760) 597-3100 • Fax: (760) 598-8757
www.vidwater.org

Board of Directors

Paul E. Dorey, *President*
Jo MacKenzie
Marty Miller
Patrick H. Sanchez
Richard L. Vásquez

Administrative Staff

Eldon L. Boone
General Manager / Treasurer
Brett L. Hodgkiss
Assistant General Manager
Lisa R. Soto
Board Secretary
Joel D. Kuperberg
General Counsel

June 18, 2018

Re: Jo MacKenzie for CSDA Board of Directors, Southern Network, Seat A

Dear Board President:

On March 7, 2018, the Vista Irrigation District (VID) Board nominated Jo MacKenzie to the CSDA Board of Directors for the Southern Network, Seat A. As President of the Board, I'm requesting that your Board cast its vote for Jo MacKenzie, CSDA Board of Directors. The electronic balloting starts this week.

Jo's enthusiasm, commitment, and comprehensive knowledge of special districts have brought a high level of experience to the CSDA Board of Directors. Jo believes it is important that CSDA continue to be the voice of all special districts, and continue to build on the present foundation of legislative advocacy, educational programs, and public outreach.

Currently serving on the CSDA Board as a Past President (President, 2011). Jo served as Chair of the Legislative Committee from 2006-2010, and again in 2012. She was named Legislative Advocate of the Year in 2010. Jo currently serves as President of the CSDA Finance Corporation, and she also serves as Treasurer of the Special District Leadership Foundation. Jo has been very active with the San Diego Chapter of CSDA and served as its President 1998-2000.

Jo was elected to the VID Board of Directors in 1992, and has since served as President seven times. She is current Chair of San Diego LAFCO, and has continually served on LAFCO in various capacities since 1994. Jo is a past Board Director for ACWA and serves on the ACWA Local Government Committee (Chair 2014-15) and on the ACWA Membership Committee. She is active in her local community, having served on the City of San Marcos Planning Commission, Traffic/Safety Commission, Budget Review Committee and Affordable Housing Task Force. Jo has also been active in the San Marcos Chamber of Commerce for 30 years, serving as a Board Member and a Life Member Ambassador.

During my Board's nomination of Jo for re-election to the CSDA board, my comments was as follows:

"She's been their [CSDA's] loyal representative, for sure. And when it comes time to supporting all of their projects, you know that she provides the emphasis."

I urge your Board to vote for Jo MacKenzie for Southern Network Director. Thank you for your support!

Very truly yours,


Paul E. Dorey
President, Board of Directors

**Jo MacKenzie, Director
Vista Irrigation District**



- * DEDICATED * EXPERIENCED LEADER**
- * FISCALLY RESPONSIBLE**
- * COMMITTED TO SPECIAL DISTRICTS**

I would be honored to continue representing the Southern Network on the CSDA Board of Directors.

I am dedicated to CSDA's mission and I pledge to continue building on CSDA's foundation of education programs, legislative advocacy, and public outreach. During my tenure, special districts have gained recognition as the third leg of local government. It is important that CSDA continues to be the voice of California's special districts in the Capitol.

Representing the Southern Network, I will bring to the California Special District Association years of experience in local government including LAFCO, and a strong understanding of how CSDA can best serve its members.

I have served as CSDA President, Treasurer, and the Chair of the Legislative Committee. I know the commitment and time it takes to be an effective board member. A flexible schedule is paramount to being a successful director. I have attended all board of directors and assigned committee meetings, read through a myriad of legislation, and hundreds of pages of Board packets in order to provide the leadership necessary for the association to run efficiently and effectively to serve the needs of the diverse special districts.

I have completed CSDA's Special District Leadership Academy, a requirement to serve on the Board. Under my leadership, my district, Vista Irrigation District, has obtained the Special District Leadership Foundation District of Distinction Accreditation, Gold, and the District Transparency Certificate of Excellence.

I believe it is important to the continued success and growth of CSDA that the Board of Directors remain committed to its **mission: to provide legislative advocacy, education, and member services for all special districts.**

Your district's vote will be greatly appreciated!

**Joseph Kelly, Director
Big Bear Airport District**



**A Message from Joseph Kelly
Candidate for the California Special Districts Association
Board of Directors**

Hello, I am Joseph Kelly, your candidate for the California Special Districts Association (CSDA) Board of Directors. As an elected official, I understand the concept of serving our constituents. When elected to the CSDA Board, I will serve you.

CSDA is our "go to" organization, for training, support, data, answers and legislative outreach. During my tenure on the Big Bear Airport District Board of Directors, I have drawn on many of the resources provided by our membership in CSDA. These resources will not only continue, but get better with my input in Sacramento.

Technical innovations, communication and legislative support is what I bring to the table. I have no complaints about CSDA. To the contrary, I only seek to add my voice to make CSDA an ever improving association. I ask for your vote, the vote of your agency, to elect me to the CSDA Board of Directors.

Special Districts like yours provide vital services to a major portion of California. We as representatives require the support CSDA provides to help us carry out our responsibilities. We serve in every type of district from small rural areas to large metropolitan areas. One thing in common is that our constituents rely on us to provide services, without fail; and we are held accountable.

Each district faces its own challenges. In addition to these, some general concerns to me are:

- UNFUNDED MANDATES from Sacramento which are growing
- PREVAILING WAGE regulations impact on districts which don't have the large base of contractors
- NETWORKING AND COMMUNICATION between agencies to find solutions to problems in common
- ENCOURAGING INPUT from Special Districts as to their needs from CSDA