

VALLEY CENTER MUNICIPAL WATER DISTRICT
AGENDA

Regular Meeting of the Board of Directors

Monday, March 20, 2023 — 2:00 P.M.

The VCMWD Board of Directors welcomes the public to its Board Room in a limited capacity while accommodating virtual observation options as a convenience to the public. Seating inside the Board Room will be spaced to accommodate social distancing. Additionally, Board Meetings continue to be livestreamed for those who wish to observe remotely. *Please note that in the event of technical issues that disrupt the meeting livestream or receipt of public comments by phone or email, the meeting will continue.*

Instructions for members of the public who wish to address the Board of Directors:

Members of the public who wish to address the Board of Directors under “Audience Comments/ Questions” or on specific agenda items, may do so as instructed below. All comments will be subject to a limit of three (3) minutes.

- Making Public Comment for Those Attending In-Person: Members of the public who wish to observe or to address the Board may join the Board Members at the noticed, physical location. A Request to Speak slip is required to be submitted to the Board Secretary prior to start of the meeting (*if possible*).
- Phone Comments During the Meeting: Before the meeting, or before public comment period for the item closes during the meeting, submit a telephone number by email to the Board Secretary at publiccomments@vcmwd.org, together with the agenda item number, and the Board Secretary will call when the board is ready to hear public comments; *or*
- Emailed Comments: Before the meeting, or before public comment period for that item closes at the meeting, email your comments to the Board Secretary at publiccomments@vcmwd.org and the Board Secretary and it will be read aloud at the public comment period; *or*
- Written Comments: Written comments can be also be physically dropped off in advance of the meeting at the District’s Administrative Office or mailed in advance of the meeting to 29300 Valley Center Rd., Valley Center, CA 92082, for receipt no later than 1:00 pm on meeting day.

These public comment procedures supersede the District’s standard public comment policies and procedures to the contrary. If modifications or accommodations from individuals with disabilities are required, such persons should provide a request at least 24 hours in advance of the meeting by email to the Board Secretary at kperaino@vcmwd.org.

Meeting Broadcast: Members of the public may watch the meeting electronically by visiting the District’s website at vcmwd.org/Board/Board-Documents and then clicking the link listed below “live stream” on the page.

Meeting Documents: Board Meeting Packets (*except for closed session materials*) will be made available to the public once distributed to the Board. Please visit the District’s website at vcmwd.org/Board/Board-Documents for Agenda and related Board Meeting Documents.

ROLL CALL

APPROVAL OF AGENDA

At its option, the Board may approve the agenda, delete an item, reorder items and add an item to the agenda per the provisions of Government Code Section 54954.2.

**Valley Center Municipal Water District
Board of Directors' Meeting Agenda**

AUDIENCE COMMENTS/QUESTIONS

Comments and inquiries from the audience will be received on any matter not on the agenda, but within the jurisdiction of the Board. Comments and inquiries pertaining to an item on the agenda will be received during the deliberation of the agenda item (Government Code §54954.3).

CONSENT CALENDAR

Consent calendar items will be voted on together by a single motion unless separate action is requested by a Board member, staff, or member of the audience.

1. **Minutes of the Regular Board Meeting Held Monday, March 6, 2023; and**
2. **Audit Demands and Wire Disbursements.**

CUSTOMER APPEALS

3. **Consider Customer Appeal of Fixed Water and Wastewater Charges:**

Customer appeal of fixed water and wastewater charges will be considered.

- a. Report by Director of Finance and Administration
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny appeal

4. **Response to Hilda Elorza Water Meter Application – Comments from the March 6, 2023 Regular Board Meeting:**

Staff will provide a report on the timeline and events regarding the delay of installation of the water meters for Hilda Elorza, for discussion and direction by the Board of Directors.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, provide direction to staff

ACTION AGENDA

5. **Consider Approval of the District's Statement of Investment Policy and to Renew the Delegation of Investment Authority to the Treasurer of the District:**

Approval of the District's Statement of Investment Policy and Renewal of the Delegation of Investment Authority to the Treasurer of the District will be considered.

- a. Report by the Director of Finance and Administration
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny Ordinance No. 2023-03
- e. If desired, motion to approve or deny Resolution No. 2023-09

**Valley Center Municipal Water District
Board of Directors' Meeting Agenda**

6. Consider Approval of Change Order #4 to the Construction Contract with CCL Contracting, Inc. for the Gordon Hill Pipeline Replacement Project:

Adoption of Resolution No. 2023-10, approving Change Order No. 4 to the construction contract with CCL Contracting, Inc. for the Gordon Hill Pipeline Replacement Project, will be considered.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny Resolution No. 2023-10

7. Consider Approval of a Mid-Year Budget Adjustment for the CFD 2020-1 Series 1 Bond Issuance:

Adoption of Resolution No. 2023-11, approving an amendment to the FY 2022-23 Annual Budget to appropriate additional funding for the CFD 2020-1 - Series 1 Bond Planning and Issuance, will be considered.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to adopt Resolution No. 2023-11

GENERAL MANAGER'S AGENDA

8. General Information:

General Informational items will be reviewed.

- a. Report by General Manager
- b. Discussion
- c. Audience comments/questions
- d. Information item only, no action required

DISTRICT GENERAL COUNSEL'S AGENDA

BOARD OF DIRECTORS' REPORTS ON MEETINGS ATTENDED

CLOSED SESSIONS

At any time during the regular session, the Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within the attorney-client privilege. Discussion of litigation is within the attorney-client privilege and may be held in closed session. *Authority: Government Code §54956.9.*

**Valley Center Municipal Water District
Board of Directors' Meeting Agenda**

ADJOURNMENT

NOTICE TO THE PUBLIC:

This agenda was posted at least 72 hours before the meeting in a location freely accessible to the public. No action may be taken on any item not appearing on the posted agenda, except as provided by Government Code Section 54954.2. Any written materials provided to a majority of the Board of Directors within 72 hours prior to the meeting regarding any item on this agenda will be available for public inspection on the District's website. The agenda is available for public review on the District's website, <http://www.vcmwd.org>.

For questions or request for information related to this agenda contact Kirsten Peraino, *Board Secretary*, at (760) 735-4517 or publiccomments@vcmwd.org. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at least 48 hours before the meeting, if possible.

— End of Agenda —

VALLEY CENTER MUNICIPAL WATER DISTRICT

Regular Board Meeting

Monday, March 6, 2023 – 2:00 P.M.

Place: Board Room

29300 Valley Center Road; Valley Center, CA 92082

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Polito at 2:00 PM, via teleconference and in-person. President Polito established for the record that all Directors were able to hear the proceedings, that all members of the Board were able to hear the Directors participating remotely clearly, and that all votes would be taken by a roll call vote pursuant to the provisions of the Brown Act. The meeting was also livestreamed.

ROLL CALL

Board Members Present: *President Polito, Vice President Ferro, Director Smith, and Director Ness.*

Board Members Absent: Director Holtz

Staff Members Present: *General Manager Arant, Director of IT Pilve, District Engineer Grabbe, Director of Finance and Administration Pugh, Director of Operations and Facilities Lovelady, Manager of Accounting Velasquez, Senior Engineer Lyuber Executive Assistant/Board Secretary Peraino, Project Manager Carrillo, General Counsel de Sousa, and Federal Consultant Howells (HGR) present in-person.*

PUBLIC COMMENTS / QUESTIONS

President Polito established for the record the process by which public comments are received by the Board; this process was also described in the Agenda for the meeting. There was one in-person speaker, Bill Krusheski who voiced opposition to installation fees and charges for his client Hilda Elorza.

CONSENT CALENDAR

1. **Minutes of the Regular Board Meeting Held Tuesday, February 21, 2023;**
2. **Audit Demands for Check Nos. 165475 – 165582 from February 10 thru 23, 2023;**
3. **Treasurer's Report for Month Ending January 31, 2023; and**
4. **Adoption of Resolution No. 2023-06, Setting Public Hearing Date for Water Availability Charges.**

Action: Upon motion by Smith, seconded by Ferro; and carried with four (4) affirmative votes, the previously listed consent calendar items were approved.

**Valley Center Municipal Water District
Board of Directors' Meeting Minutes**

ACTION AGENDA

5. Adoption of Resolution No. 2023-07, Authorizing the General Manager to Enter into the Agreement between VCMWD, San Diego County Water Authority (SDCWA), and Yuima Municipal Water District (YMWD) for Funding the Construction and Operation of the North County Emergency Storage Project (NCESP) – Valley Center Improvements (VCI):

A summary of San Diego County Water Authority's North County Emergency Storage Project—Valley Center Improvements (NCESP-VCI), was provided by Senior Engineer Lyuber. In November 2018, the District entered into a Phase 1 Agreement with the San Diego County Water Authority (SDCWA) and Yuima Municipal Water District (YMWD) for funding the design of the NCESP-VCI. SDCWA will fund the pipeline and pumping improvements within the District's system to enable the ESP supply to deliver emergency water to the VC 3 Flow Control Facility and Yuima's Flow Control Facility on the First Aqueduct. Valley Center Municipal Water District ("District") is responsible for overseeing the design services and construction of the project.

Mr. Lyuber reminded the Board, that at their August 21, 2021 Regular Board Meeting, the District adopted Resolution No. 2021-30 making responsible agency findings pursuant to the California Environmental Quality Act, adopted the associated Mitigation Monitoring Program, approving the North County Improvements of the Emergency Storage Project, and directed staff to file the Notice of Determination with the County Clerk as the responsible agency.

A review of the stakeholder responsibilities was given, by Mr. Lyuber. The SDCWA is responsible for the reimbursement of all costs (including staff expenses), the design and construction of the project, and will be the primary O&M during an ESP event. The SDCWA is also responsible for CEQA environmental compliance and land acquisitions. YMWD will coordinate with the District in the design and construction of the project, and will enter into a separate O&M agreement with VCMWD. Lastly, the District is responsible for facilitating all phases of design & construction, and at the conclusion of the project, the District will own and operate all improvements. A summary of next steps was given, stating that the construction phase agreement was approved by YMWD at their February 27, 2023 Board Meeting and will be presented for approval by SDCWA at their March 23, 2023 Board Meeting. Staff will return to the Board in April with request to award the construction contracts for the project.

Staff recommended adoption of Resolution No. 2023-07, approving the construction phase agreement between Valley Center Municipal Water District, San Diego County Water Authority, and Yuima Municipal Water District for funding the construction and for the operation of the Emergency Water Storage Project (ESP) Improvements in Valley Center and Yuima Municipal Water Districts.

Action: Upon motion by Ferro, seconded by Ness; the following Resolution was approved with four (4) affirmative votes:

RESOLUTION NO. 2023-07

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT APPROVING THE CONSTRUCTION PHASE AGREEMENT BETWEEN THE SAN DIEGO COUNTY WATER AUTHORITY, THE VALLEY CENTER MUNICIPAL WATER DISTRICT, AND THE YUIMA MUNICIPAL WATER DISTRICT FOR FUNDING THE CONSTRUCTION AND FOR THE OPERATION OF THE EMERGENCY WATER STORAGE PROJECT IMPROVEMENTS IN VALLEY CENTER AND YUIMA MUNICIPAL WATER DISTRICTS

Valley Center Municipal Water District Board of Directors' Meeting Minutes

was adopted by the following vote, to wit:

AYES: **Directors Polito, Ferro, Smith, and Ness**
NOES: **None**
ABSENT: **Holtz**

INFORMATIONAL AGENDA

6. Lower Moosa Canyon Main Motor Control Center Replacement Project Closeout Report:

Closeout Report for the Lower Moosa Canyon Main Motor Control Center Replacement Project ("Project") was provided by Project Manager Carrillo. Project background, details and pictures were presented for review. Hydrotech Electric was the low bidder and selected for the project with a bid amount of \$531,471, 15% higher than the Engineer's Estimate. The project consisted of the removal of existing gear, Meter/Main Switchboard (MSB), MCC-1 and EMCC-1 and replaced it all in place. A temporary switchboard was installed for temp power to the existing plant equipment during the cutover period.

The project construction began on July 14, 2021, with an original contract duration of 279 calendar days. The project was actually completed in 443 calendar days, with the Notice of Completion taking effect on September 16, 2022. Mr. Carrillo noted, the majority of the project duration was the procurement of the MCC equipment and gear. Due to supply chain issues and long lead times for the equipment the project was extended multiple times.

An overview of the change orders issued throughout the project was given, as follows:

- **Change Order 1** – Time Extension for delayed delivery of the Main Service Panel of 134 calendar days; no additional costs.
- **Change Order 2** – Furnish labor and materials to incorporate the operation of Clarifier #2 into the construction sequence per VCMWD; \$1,559 in additional costs.
- **Change Order 3** – SDG&E Installation service fee and a time extension of 30 calendar days for manufacturer delays for the main circuit breaker and surge protection device; \$8,657 in additional costs.

Funding in the amount of \$50,000 for the project was originally authorized with the FY 2017-18 Annual Budget and amended in FY 2019-20, FY 2020-21, and FY 2021-22 for a total budget of \$925,000. The project was completed \$30,748 under budget (with balance to be recaptured in the FY 2023-24 annual budget), with a final project cost of \$894,252, stated Mr. Carrillo.

Action: Informational item only, no action required.

7. Burnt Mountain and Reidy Canyon Nos. 1 & 2 Reservoirs Painting and Recoating Project Closeout Report:

Closeout Report for the Burnt Mountain and Reidy Canyon Nos. 1 & 2 Reservoirs Painting and Recoating Project ("Project") was provided by Senior Engineer Lyuber. Project background, details and pictures were presented. Reidy Canyon No. 1 is a 50-foot diameter by 35-foot tall 0.5 million gallon aboveground welded steel potable water reservoir, Reidy Canyon No. 2 is a 70-foot diameter by 35-foot tall 1.0 million gallon aboveground welded steel potable water reservoir, and Burnt Mountain Reservoir is a 74-foot diameter by 34-foot tall 1 million gallon aboveground welded steel potable water reservoir.

Valley Center Municipal Water District Board of Directors' Meeting Minutes

Burnt Mountain and Reidy Canyon No. 2 involved interior coating, exterior painting, and structural repairs. Structural repairs included the removal of the interior ladders, removal and replacement of existing earthquake straps, removal and replacement of rafters, rafter tail nuts, girder clips and hardware. Reidy Canyon No. 1 only received exterior painting, interior coating was completed in 2019 (at that time, it was decided to postpone the exterior as it was still in okay enough shape with the anticipation of this project to take a place a few years later).

The notice to proceed was issued on May 31, 2022, with an original contract duration of 120 calendar days. The project was actually completed in 202 calendar days, with the notice of completion taking effect on December 19, 2022.

An overview of the change orders issued throughout the project was given, as follows:

- **Change Order No. 1** — At Reidy Canyon No. 2, the existing doubler plate and vent required full replacement and replacement of roof rafter beam clips and various additional welding and reinforcement work. Net increase to the contract in the amount of \$36,150 and 14 additional days to the contract duration.
- **Change Order No. 2** — Addition of 30-inch access manways at Reidy Canyon No. 2 and Burnt Mountain. The contractor was behind schedule causing additional inspection expenses to the District. The value of the manways offset the District expenses caused by Contractor delays, resulting in a net zero cost and 40 additional days to the contract duration.
- **Change Order No. 3** — At Burnt Mountain, the existing doubler plate and vent were found to be corroded beyond repair requiring full replacement along with additional material cost due to increase in rafter size (documents specified a smaller rafter size than those that existed). Net increase of \$24,556 and 28 additional days to the contract.

The District's performance standard of +/- 10% of engineer's estimate of \$850,000, was not met due to market volatility resulting from the pandemic. The project was originally budgeted in FY 2021-22 with a total project budget amount of \$1,150,000. A mid-year adjustment was made increasing the budget to the current amount of \$1,340,000 when the project was awarded later in the fiscal year. The project was completed under budget (with \$111,885 being recaptured in the FY 2023-24 annual budget).

Action: Informational item only, no action required.

GENERAL MANAGER'S AGENDA

8. Adoption of Resolution No. 2023-08, Action to Support of Application for House and Senate Interior, Environmental, and Related Agencies Appropriations Bill:

The Board will consider action to support the District's application for Federal Infrastructure funding through the House and Senate Interior, Environment, and Related Agencies Appropriations Bill. Jaqueline Howells of HGR Government Relations (consultant for the District) prepared a grant application for the Old Castle Road Phase 2 Pipeline Replacement Project, totaling \$3,772,000 in funding. The grant applications will be submitted to the offices of Senator Feinstein and Padilla later today – the application through Congressman Issa's office will follow later this month. Resolution No. 2023-08 will indicate the need and the District's support of the grant application.

Action: Upon motion by Smith, seconded by Ness; the following Resolution was approved with four (4) affirmative votes:

Valley Center Municipal Water District
Board of Directors' Meeting Minutes

RESOLUTION NO. 2023-08

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT SUPPORTING
AND SEEKING FAVORABLE CONSIDERATION FOR THE
VALLEY CENTER MUNICIPAL WATER DISTRICT'S APPLICATION
FOR FY 2024 FEDERAL NON-DEFENSE CONGRESSIONALLY-DIRECTED
SPENDING THROUGH THE INTERIOR, ENVIRONMENT, AND
RELATED AGENCIES APPROPRIATIONS BILL

was adopted by the following vote, to wit:

AYES: **Directors Polito, Ferro, Smith, and Ness**
NOES: **None**
ABSENT: **Holtz**

9. SB 366 (Caballero) California Water Plan: Long-Term Supply Targets; Support for "CA Water for All":

Background on the Save the Water Crisis (STWC), "CA Water for All" program, and SB366 was given by General Manager Arant, who stated that there is growing interest among California's legislators to address the issue that continuing to just focus on water conservation year after year is not going to solve California's looming water supply crisis. SB 366, by Senator Caballero, is closely aligned with the *Solve the Water Crisis* effort and is judged to have the greatest chance of success.

While the STWC Coalition will continue its efforts with the existing funding (though at a reduced level of activity), the main effort among its supporters will shift to developing a new public relations program, aimed at securing the passage of SB 366 into law. The legislative public relations program, known as "CA Water for All", will be led by the California Municipal Utilities Association (with support from ACWA) and will run in parallel with the STWC education efforts. There is an anticipated budget of \$431,000 for the new program, which will run between now and the end of the session in September 2023, when the bill is anticipated to be signed into law. Details on how the funds will be expended are contained in the attachment, "CA Water for All." Organizations that would like to participate at the funding level have been asked to make a one-time \$20,000 contribution to California Municipal Utility Association, in support of this effort.

Staff recommended the District participate in this new effort, which will not require a budget increase since needed funds can be reallocated from existing under-expended accounts. As a result of the STWC campaign, attention has been brought to long-term water issues among our opinion, policy, and political leaders. Currently, the "CA Water for All" effort has captured the attention of a state legislator, willing to draft a bill that will set forth actual infrastructure goals and timelines, as well as hold state agencies responsible and accountable for meeting those goals.

Action: Upon motion by Ferro, seconded by Ness; staff recommendation to approve up to \$20,000 to support the "CA Water for All" program, was approved with four (4) affirmative votes.

10. San Diego County Water Authority's Board Meeting Summary:

San Diego County Water Authority Board Meeting Summary for February 23, 2023 was reviewed.

Action: Informational item only, no action required.

**Valley Center Municipal Water District
Board of Directors' Meeting Minutes**

11. General Information:

General informational items were reported on by General Manager Arant.

Action: Informational item only, no action required.

DISTRICT GENERAL COUNSEL'S AGENDA

General Counsel de Sousa gave a brief update on pending legislation.

BOARD OF DIRECTORS' REPORTS ON MEETINGS ATTENDED

None

CLOSED SESSIONS

At any time during the regular session, the Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within the attorney-client privilege. Discussion of litigation is within the attorney-client privilege and may be held in closed session. *Authority: Government Code §54956.9.*

ADJOURNMENT

Action: Upon motion by Smith, seconded by Ness; motion passes with four (4) affirmative votes, the regular meeting of the Board of Directors was adjourned at 3:32 PM.

ATTEST:

ATTEST:

Robert A. Polito, President

Kirsten N. Peraino, Secretary

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 24, 2023 THROUGH MARCH 02, 2023

MARCH

CHECK #	PAYEE	DESCRIPTION	AMOUNT
165583	Affordable Openers	Materials - Field	75.69
165584	Alpha Analytical Laboratories, Inc.	Testing	2,475.00
165585	Amazon Capital Services	Office Supplies	124.88
165586	Babcock Laboratories, Inc	Testing	120.00
165587	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	4,625.08
165588	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	4,080.00
165589	Cass Construction, Inc.	Lilac Road Pipeline Upsize Project	101,650.00
165590	Complete Office of California, Inc	Office Supplies	61.49
165591	Delta Pest Management	Pest Control	115.00
165592	Diamond Environmental Services, LP	Services	810.00
165593	DIRECTV	Dish Service 02/24/23-03/23/23	52.99
165594	Lorena Espinoza	Janitorial Service - February 2023	1,875.00
165595	Grangetto's Farm & Garden Supply Co	Materials - Field	147.07
165596	HealthEquity Inc.	Employee Contributions 02/10/23-02/24/23	1,004.14
165597	Lon W. House	Services - Energy Consulting Analysis of Lake Turr	6,562.50
165598	iDrains LLC	Services - Jett/Vac Truck Woods Valley & Moosa F	1,850.00
165599	International City Mgmt Association Re	MissionSquare Remittance 02/10/23-02/24/23	5,517.06
165600	Konica Minolta Premier Finance	Copier Rental - March 2023	1,753.94
165601	Garnishment	Garnishment Paydate 03/02/23	346.15
165602	PEBSO/Nationwide Retirement	Deferred Compensation 02/10/23-02/24/23	9,050.30
165603	Pitney Bowes Inc	Postage Meter Rental 12/06/22-03/05/23	145.46
165604	RAMCO	Materials - Field	255.35
165605	San Diego Gas & Electric	Electric Services - #0010212819358	64,928.08
165606	Southwest Answering Service, Inc	Answering Service 01/26/23-02/22/23	441.76
165607	United Way of San Diego County	Employee Contributions 02/10/23-02/24/23	20.00
165608	VCMWD Employees Assoc.	Employee Contributions 02/10/23-02/24/23	671.50
165609	Water Isac	Annual Membership Dues	550.00
TOTAL			<u>209,308.44</u>

Approved By: _____

General Manager



Director of Finance & Administration

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD MARCH 03, 2023 THROUGH MARCH 09, 2023

MARCH

CHECK #	PAYEE	DESCRIPTION	AMOUNT
165610	Ababa Bolt	Materials - Field	81.92
165611	Ardurra Group, Inc.	Services - November 2022	2,827.50
165612	Atlas Technical Consultants LLC	Services - Orchard Run Lift Station Project	1,226.50
165613	Babcock Laboratories, Inc	Testing	677.97
165614	Bavco	Materials - Field	3,323.49
165615	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	357.07
165616	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	300.17
165617	California Farm Water Coalition	CFWC Membership - Full District Membership 202	250.00
165618	California Municipal Utilities Association	CA Water For All - Legislative PR Support Effort	10,000.00
165619	CDW Government	Cisco SmartNet Service Agreement 02/11/23-02/10	1,646.00
165620	Corodata Media Storage, Inc.	Record Storage - February 2023	218.79
165621	Corodata Records Management	Record Storage - February 2023	106.35
165622	County of San Diego	Permit	118.50
165623	County of San Diego	Repeater Site Rent Acct#7019 - Palomar Mountain	884.00
165624	Culligan of Escondido	Washrack Service	59.86
165625	Diamond Environmental Services, LP	Services	4,300.00
165626	Doane and Hartwig Water Systems, Inc	Materials - Field	34,041.25
165627	EDCO Waste & Recycling Service	Trash Services - February 2023	846.76
165628	Electrical Sales, Inc	Materials - Field	1,271.45
165629	Hilda Elorza	Keys Creek Fire Hydrant	716.22
165630	FedEx	Shipping Services	32.63
165631	Firehawk Corporation	Annual Service 12/21/22	902.90
165632	Gilbert P. Franco	Hazardous Waste Removal	92.00
165633	Genworth Life & Annuity Ins. Co.	Employee Paid Life Insurance Premium - February	12.69
165634	Hasa, Inc.	Chemicals	1,959.35
165635	HealthEquity Inc.	Monthly Fees - March 2023	17.70
165636	Inductive Automation, LLC	T&M Desgin Hours	524.00
165637	IntelePeer Holdings Inc.	Services	665.76
165638	Interstate Battery of San Diego, Inc.	Batteries	300.52
165639	Koppel & Gruber Public Finance	Services	1,039.06
165640	Mediacom	Internet Service - March 2023	1,311.00
165641	Napa Auto Parts	Vehicle Maintenance	591.63
165642	National Safety Compliance, Inc	DQF Online Monthly Fee - February 2023	58.40
165643	Nestle Waters North America	Deliveries - February 2023	150.66
165644	Nova Services	Services - Gordon Hill Pipeline Replacement	23,834.50
165645	O'Reilly Automotive, Inc.	Vehicle Maintenance	570.88
165646	Pacific Pipeline Supply	Materials - Field	457.77
165647	Palomar Termite & Pest Control	Pest Control - February 2023	80.00
165648	Rancho Land Company	Services - Deb's Sewer Easement	1,000.00
165649	Cliff Reeh	Cash Advance For Con Expo In Las Vegas, NV 03/	400.00
165650	Richard Brady & Associates, Inc.	Services	10,028.50
165651	Rincon Band of Luiseno Indians	Monitoring Services - January 2023 Gordon Hill	9,764.53
165652	Roadrunner Publications, Inc	Advertising	610.00
165653	Rockwell Construction Services, LLC	Services	14,630.00

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD MARCH 03, 2023 THROUGH MARCH 09, 2023

MARCH

CHECK #	PAYEE	DESCRIPTION	AMOUNT
165654	Roy Rutherford	Cash Advance For Con Expo In Las Vegas,NV 03/	400.00
165655	S & R Towing, Inc.	Services	260.00
165656	San Diego Gas & Electric	Gas Services - February 2023	23,099.46
165657	San Diego Gas & Electric	Electric Services - #0007242272582	63,608.18
165658	San Diego Gas & Electric	Electric Services - #0010212819358	37,318.52
165659	Self Insured Services Company	Reimbursement Request For Dental Funding Datec	3,381.35
165660	Self Insured Services Company	Reimbursement Request For Dental Funding Datec	4,894.30
165661	Sierra Analytical Labs, Inc	Testing	200.00
165662	Stehly Brothers Drilling Inc	Materials - Field	10,170.00
165663	Sunbelt Rentals, Inc.	Diesel Generator Rental 01/25/23-02/21/23	1,965.44
165664	Jared Thomas	Cash Advance For Con Expo In Las Vegas,NV 03/	400.00
165665	United Water Works, Inc.	Materials - Field	4,071.16
165666	UPS	Shipping	10.57
165667	Valley Chain & Gear Inc.	Materials - Field	2,122.48
TOTAL			<u>284,189.74</u>

Approved By: _____

General Manager

J.V. Pugh
Director of Finance & Administration

VALLEY CENTER MUNICIPAL WATER DISTRICT
ELECTRONIC DISBURSEMENTS
FOR PERIOD FEBRUARY 1, 2023 THROUGH FEBRUARY 28, 2023

SEQ. #	DATE	PAYEE	DESCRIPTION	AMOUNT
BANK TRANSFERS:				
ACH:				
526	02/02/23	Direct Deposit	DIRECT DEP PAYROLL 01/13/23-01/27/23	206,557.31
	02/03/23	IRS	P/R TAX 01/13/23-01/27/23	43,186.24
	02/03/23	EDD	P/R TAX 01/13/23-01/27/23	13,373.84
	02/03/23	CALPERS	CALPERS CONTRIBUTIONS 01/13/23-01/27/23	53,877.16
	02/03/23	EXPERTPAY	GARNISHMENT 01/13/23-01/27/23	1,241.54
	02/13/23	IRS	P/R TAX 01/27/23-02/10/23	1,349.77
	02/13/23	EDD	P/R TAX 01/27/23-02/10/23	273.22
527	02/16/23	Direct Deposit	DIRECT DEP PAYROLL 01/27/23-02/10/23	194,063.50
	02/17/23	IRS	P/R TAX 01/27/23-02/10/23	39,640.17
	02/17/23	EDD	P/R TAX 01/27/23-02/10/23	11,869.23
	02/17/23	CALPERS	CALPERS CONTRIBUTIONS 01/27/23-02/10/23	53,406.75
	02/17/23	EXPERTPAY	GARNISHMENT 01/27/23-02/10/23	1,241.54

ONE TIME WIRES:

02/09/23	Chicago Title Compnay	PURCHASE OF AT PORTION OF PARCEL 129-390-78 FOR CIRCLE R RESERVIOR	12,580.00
02/28/23	SkyMark Refuelers LLC	Inv# 5957 - Purchase of 2023 Isuzu NRR Cab & Chasis	94,380.00

RECURRING WIRES:

580	02/09/23	SDCWA	WATER DELIVERY - DECEMBER 2022	1,309,520.58
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TOTAL 2,036,560.85

APPROVED BY:

GENERAL MANAGER

DIRECTOR OF FINANCE

March 20, 2023

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

SUBJECT: Billing Protest by Customer

PURPOSE:

Mr. Puneeth Kumar Padmanabha, has questioned his water bill for January 2023. He is questioning the flat charges being posted every month and requests consideration of eliminating or even reducing the charges. Staff has declined the request and Mr. Padmanabha is appealing to your Board.

SUMMARY:

The water and wastewater bill for the period December 31, 2022 to January 31, 2023 was \$157.12 for 6 units of consumption. Mr. Padmanabha wrote a letter to the District dated February 3, 2023, challenging the fixed charges versus the charges for usage consumed and he is asking that the fixed charges be eliminated or reduced. He states that there are only two adults and a baby in the house and that the consumption amounted to only \$28.94 against a total of \$158.00.

Mr. Padmanabha's appeal for the elimination or reduction in the fixed charges was denied by staff. The District's letter of denial outlines the fixed charges with an explanation for each. A copy of the letter is attached.

Mr. Padmanabha, by email dated February 23, 2023, subsequently appealed his case to the Board of Directors.

Attached to this report are:

- The appeal letter from Mr. Padmanabha;
- January 2023 Billing Statement;
- Staff's response to his letter; and
- Mr. Padmanabha's email requesting Board review.

RECOMMENDATION:

Staff recommends the Board deny Mr. Padmanabha's appeal to eliminate or reduce the monthly fixed charges.

PREPARED BY:



James V. Pugh
Director of Finance & Administration

SUBMITTED BY:



Gary T. Arant
General Manager

From,

Puneeth Kumar Padmanabha
28059 Harvest Ct,
Valley Center, CA 92082

Date: Feb-03-2023

To,

Valley Center Municipal District
29300 Valley Center Rd,
Valley Center, CA 92082

Subject: Inquire charges posted on Water bill for Jan 2023 (Account: 018675-000)

Respected District Officer,

I am writing in concern with our monthly water bill charges vs usage that we consume on daily basis. Our usage with water is very limited since we have only 2 adults and a baby. I would like to question the flat charges being posted every month and request to consider eliminating or even reduce the charges. Our usage for January 2023 month is \$28.94 and we got \$157.12 in total so close to \$130 extra (other fees).

I would like to request to consider this and provide us a solution for every month bills since there is only person working at home to pay home mortgage and other bills.

If you have any questions, please feel free to reach out to me @858-705-2485 and/or puneethkum@gmail.com

Thank you again,

Puneeth Kumar Padmanabha





VALLEY CENTER MUNICIPAL WATER DISTRICT
P.O. Box 67, 29300 Valley Center Road
Valley Center, CA 92082-0067
Finance Department 760-735-4502 | District Phone 760-735-4500
Fax 760-749-2931 | TDD 760-749-2665

VMW0130C
9000000071 00.0000.0071 71/1

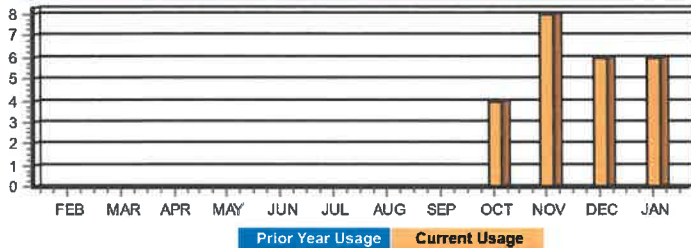


VIJAYAMEENA CHANDRAKUMAR AND PUNEETH KUMAR
PADMANA
28059 HARVEST CT
VALLEY CENTER CA 92082-6965

SPECIAL MESSAGE

Effective January 1, 2023, and reflected on February 2023 bills, water rates will increase 4.7% for Domestic/Commercial and 5.7% for PSAWR customers. Increases are primarily to pass through wholesale increases from SDCWA and MWD. The new rates are \$5.6756/HCF for Domestic/Commercial and \$4.3148/HCF for PSAWR. Only 11.0% of the commodity rate is retained for the local water system. The monthly water meter service charge will increase 5.2%, \$2.34 for 3/4-inch meters to \$47.46 and \$3.20 for 1-inch to \$64.84; the larger meters sizes will increase proportionately. Fire meter service charges are increasing 5.2%. Pumping rates will increase 10.0% due to increases in rate tariffs and maintenance costs. There is no increase in the SDCWA Infrastructure Access Charge. There is a 5.2% increase in the Moosa wastewater service fee and low-pressure wastewater collection system maintenance fee.

USAGE HISTORY (Hundred Cubic Feet)



All bills are due upon receipt and are considered delinquent if not received on or before the "due by" date listed below.



Water Bill - January 2023

ACCOUNT INFORMATION

PLEASE RETURN THIS PORTION ALONG WITH YOUR PAYMENT
PLEASE MAKE CHECKS PAYABLE TO:

VALLEY CENTER MUNICIPAL WATER DISTRICT

ACCOUNT: 018675-000
SERVICE ADDRESS: 28059 Harvest Ct
SEQUENCE/ROUTE NUMBER: 00294/33A
BILLING DATE: 01/31/2023
DUE DATE: 02/21/2023

Vijayameena Chandrakumar and Puneeth Kumar Padmana
28059 Harvest Ct
Valley Center, CA 92082

Statement

ACCOUNT INFORMATION

ACCOUNT: 018675-000
SERVICE ADDRESS: 28059 Harvest Ct
SEQUENCE/ROUTE NUMBER: 00294/33A
RATE CODE: D
SERIAL NUMBER: 88098537
BILLING DATE: 01/31/2023
DUE DATE: 02/21/2023

METER READING

Previous Reading (HCF) Date	Reading	Current Reading (HCF) Date	Reading	Total Units
12/16/2022 P	18	01/17/2023	24	6
12/16/2022 F	0	01/17/2023	0	0

P = Primary E = Exchanged F = Fire I = Irrigation W = Wastewater

CURRENT CHARGES

MWD/SDCWA Wholesale	28.94
Pumping Zone 4	2.19
SDCWA IAC	4.24
Total Controlled by Others	35.37
VCMWD Commodity	3.58
Meter Service	45.12
Fire Meter Service	13.23
Wastewater Service	52.74
Backflow Inspection	7.08
Total Current Bill	\$157.12

BILL SUMMARY

PREVIOUS BALANCE	120.34
PAYMENTS RECEIVED	-120.34
DELINQUENCY/ADJUSTMENTS	0.00
ADDITIONAL BILLING	0.00
CURRENT CHARGES	157.12

TOTAL AMOUNT DUE \$157.12

AMOUNT DUE

TOTAL AMOUNT DUE BY 02/21/2023 \$157.12

AMOUNT ENCLOSED

AUTOPAY - DO NOT PAY

REMIT PAYMENT TO:

☐ Please check box if address is incorrect or has changed, and indicate change(s) on reverse side.



VALLEY CENTER MUNICIPAL WATER DISTRICT
PO BOX 67
VALLEY CENTER CA 92082-0067





VALLEY CENTER MUNICIPAL WATER DISTRICT

A Public Agency Organized July 12, 1954

Board of Directors

Robert A. Polito

President

Enrico P. Ferro

Vice President

Daniel E. Holtz

Director

Oliver J. Smith

Director

Cooper T. Ness

Director

February 17, 2023

Mr. Puneeth Kumar Padmanabha
28059 Harvest Court
Valley Center, CA 92082

RE: Inquire charges posted on Water Bill for Jan 2023 (Account: 018675-000)

Dear Mr. Padmanabha,

This letter is in response to your letter of February 3, 2023, in which you are writing with your concern with the monthly bill charges versus the usage that you consume on a daily basis. You state that your usage is very limited as there are only two adults and a baby in the house. You are questioning the flat charges being posted every month and request consideration eliminating or even reducing the charges.

The letter states that your usage is \$28.94 for January with close to \$130 extra (other fees). Your usage is in fact a total of 6 units of water with the total cost of the water consumed of \$34.71. This figure is comprised of the MWD/SDCWA Wholesale cost of \$28.94, the pumping cost of \$2.19, and the VCMWD Commodity cost of \$3.58. These costs cover the water usage along with the cost to deliver the water, pumping, to your home.

The fixed charges cannot be eliminated nor reduced. The fixed charges are listed below with an explanation for each.

SDCWA IAC - The SDCWA Infrastructure Access Charge is a pass-through charge from the San Diego County Water Authority (SDCWA) to finance projected fixed annual costs including the construction, operation, and maintenance of aqueducts and the Emergency Storage Project.

The Meter Service Charge – This monthly charge for a ¾-inch meter is used to recover at least 60% of the Districts fixed local operating costs, which include, but are not limited to, the costs of operating and maintaining the water system, meter service support and maintenance, the collection of meter reads, billing and collections, customer service, and other related services.

Fire Meter Service Charge - This monthly charge for a 1-inch meter is used to recover the cost of providing water to properties for private fire service protection.

Wastewater Service - The monthly wastewater service charges are structured to recover the cost to collect, treat, and dispose of sewage. This is a Mid-Year Service Connection fee that is collected on the water meter bill until the end of the fiscal year, after which time the charges shall be levied on the property tax roll.

Backflow Inspection - All installed backflow devices must be tested on an annual basis. The annual inspection fee is broken down and charged on a monthly basis. The fee covers the costs to inspect, repair, and or replace the backflow(s) if necessary.

If you wish, you may appeal this decision in writing to the Board of Directors within seven days of this letter.

Sincerely,



James V. Pugh
Director of Finance

Jim Pugh

From: puneethKumar Padmanabha <puneethkum@gmail.com>
Sent: Thursday, February 23, 2023 7:50 PM
To: Jim Pugh
Cc: Andrew Huerta
Subject: Re: Your Inquiry of Charges on Water Bill for Jan 2023

CAUTION: EXTERNAL EMAIL. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Hello Jim,

Thank you for the letter and i still want to escalate/appeal this case to the Board of directors. Please let me know what are the next steps. Thank you.

Regards,
Puneeth

On Fri, Feb 17, 2023 at 3:52 PM Jim Pugh <JPugh@vcnwd.org> wrote:

Mr. Padmanabha,

Please see the attached response to your letter of February 3, 2023, concerning the fixed charges on your January 2023, water bill. If there are any further questions, please let us know.

Regards,

Jim Pugh

Director of Finance & Administration

Valley Center Municipal Water District

--

Regards,
Puneeth

March 20, 2023

TO: Honorable President and Board of Directors

FROM: Gary Arant, General Manager

SUBJECT: Response to Hilda Elorza Water Meter Application – Comments from the March 6, 2023 Regular Board Meeting

PURPOSE:

Provide background and explanation of the District's position in response to the inquiry presented by Mr. Bill Krusheski, representing Hilda Elorza (Ms. Elorza) concerning outstanding fees and charges for water service to APNs 128-480-14, 15, 16.

BACKGROUND

As the current owner of the subject parcels, Ms. Elorza is required to pay \$19,401 for the difference in fees and charges from the rates that were effective when the initial payment was made in 2015 for three ¾-inch domestic meters and three 1-inch fire meters. For reasons outside District control, the meters were not eligible to be installed at that time. Property changed ownership multiple times. Ms. Elorza purchased the parcels in 2019, and evidently, the status of the water meters was misrepresented to her by the seller. District staff does not participate in reviewing real estate advertisements or disclosures. Seller stated water meters existed to serve parcels, however, no physical water meters were ever installed.

The District Administrative Code Article 160 requires fees and charges to be paid current at the time of water meter installation. The code allows for a 6-month grace period from the time the fees and charges are collected from the applicant to complete any work or provide any documents needed for the installation. If the meters are not able to be installed within the 6-month period, the difference in the fees and charges from the amount paid to the current rate is required prior to installation or the amount paid will be fully refunded if the applicant is no longer interested in obtaining service.

District staff remained in regular communication with the various owners throughout the eight-year period. The additional fees and charges were discussed on numerous occasions, with the District staff remaining transparent and consistent in their message about the apparent shortfall. The previously paid fees and charges were not refunded because it was implied that meters will be installed eventually and difference paid at that time.

The situation was explained to Ms. Elorza upon her acquiring the property, demonstrating understanding that additional fees and charges would be required once they were finally ready to install the meters. Email correspondence with Mr. Krusheski on August 8, 2019, included in the attachment, shows they were aware and willing to submit the difference in

the balance of the fees and charges was not made and the meters have not been released for installation.

RECOMMENDATION:

Staff recommends the Board of Directors enforce the District's Administration Code requiring the additional fees and charges to be paid prior to releasing the meters for installation.

PREPARED BY:



**Wally Grabbe
District Engineer**

SUBMITTED BY:



**Gary T. Arant
General Manager**

Attachments:

- Keys Creek Meter History Memorandum
- Site Map

Memo

To: Wally Grabbe
From: Annelise Villalobos
Subject: Keys Creek Meter History
Date: March 9, 2023

BACKGROUND:

In August of 2015 the Valley Center Municipal Water District Approved the concept approval of the Keys Creek Waterline Relocation Project. Donald Becker Inc., as the owner of Parcels 1 and 3 of Parcel Map No, 16998 located North of Keys Creek Road intended to build single family dwellings for each parcel. The Parcel Map contained a covenant for developers of the property to provide fire protection and improve Keys Creek Road between Lilac Road and the easterly boundary of the project.

In March of 2015 Valley Center Municipal Water District received payment of \$67,270 from Mr. Donald Becker for the full installation of four Domestic Meters and six Fire Meters to serve APNs #128-352-03, 04, 05, 14, 15, & 16. APNs 128-352-04 and 128-352-03 had existing 3/4" Domestic Meters.

The meters for APNs 128-352-03, 04, 05 were later installed in 2015 however the remaining meters were unable to be installed due to easement issues. There were discrepancies on whether or not the VCMWD easement adjoined the parcels in question. VCMWD worked with the engineers on the Keys Creek Waterline project, the Wiggins Group and the State of California (Caltrans) to work out the easement discrepancy while the remaining meter installations and waterline project were on hold. It was ultimately determined in August of 2017 that the VCMWD easement did adjoin the parcels in question, however additional easement would need be granted by the developer in order to install meters and appurtenances.

Kirk Sirbaugh, a business partner of Donald Becker, had taken over the project and the parcels after Mr. Becker's passing. Following the conclusion of the easement, Mr. Sirbaugh was given information on either refunding the amount paid towards meters for the remaining lots or what the difference in fees would be to move forward with the meter installation. There were several emails and phone calls exchanged with Mr. Sirbaugh but he never moved forward with either option.

From: Michelle Wick
Sent: Monday, September 18, 2017 8:11 AM
To: 'Kirk Sirbaugh'
Subject: RE: Keys Creek Meters

Good morning Kirk,

I am sorry that I missed your call on Friday, I was out of the office. I think it may be best for you to come in just to clarify exactly what you are doing and which meters you still want. I also need to give you a meter stake to place.

We need to install these meters asap. They should have been installed or refunded within 6 months of the original purchase date. If you do not want to install now, I need to process refunds for all meters. If you are ready to install, I will calculate the refund for unwanted meters minus any cost increases that have occurred since the original purchase. Please note, the SDCWA Capacity Charges are not refundable.

Michelle Wick

From: Michelle Wick <MWick@vcnwd.org>
Date: Fri, May 4, 2018 at 7:49 AM
Subject: RE: Keys Creek Meters
To: Kirk Sirbaugh <kirksirbaugh@gmail.com>
Cc: Dennis Williams <DWilliams@vcnwd.org>

Hello Kirk,

Valley Center Municipal Water District (District) received payment of \$43,584 on March 17, 2015 for the full installation of three domestic and three fire meters to APN's 128-480-14, 128-480-15 & 128-480-16. (Invoices attached) However, these meters have yet to be installed pending completion of your off site water and road improvements. Unfortunately, several meter installation fees have increased since you deposited the funds with the District and additional funds will be necessary to bring your application current. There are also additional increases to be effective July 1, 2018.

During our prior email correspondence in August and September 2017, you proposed installing a domestic and fire meter to serve either Lot 1 or Lot 3 but did not pursue the paperwork at that time. VCMWD can calculate updated costs should you move forward with requesting meter service to one, two, or all three lots.

Please contact me to schedule an appointment to review the status of your applications and discuss further actions necessary to provide water service to your project.

Ultimately the Keys Creek Waterline Relocation Project became inactive due to feasibility challenges with realigning the pipeline and the required road improvements. Mr. Sirbaugh stopped maintaining correspondence with VCMWD and the project sat on the inactive list.

July 30th of 2019 Hilda Elorza contacted the District to get meter information for the parcels she had just acquired. She was given updated fee information on what the price per meter would be to get the meters installed.

Michelle Wick

From: Coral Williams
Sent: Tuesday, July 30, 2019 12:42 PM
To: Michelle Wick
Subject: APN # 128-480-16 -Interested in Meter Sales

Hilda Elorza

760-889-0702

Best Regards,

Coral Williams

Meter Fees
APNs: 128-480-14, 128-480-15 & 128-480-16

3/4" Domestic Meter	Paid	Current Cost	Amount Due
3/4" Meter/Connection Fee	\$ 505.00	\$ 6,872.00	\$ 6,367.00
VCMWD Capacity	\$ 4,644.00	\$ 4,731.00	\$ 87.00
SDCWA Capacity	\$ 4,681.00	\$ 5,267.00	\$ 586.00
SDCWA Treatment	\$ 119.00	\$ 146.00	\$ 27.00
Aux DC BF	\$ 240.00	\$ 382.00	\$ 142.00
Total	\$ 10,189.00	\$ 17,398.00	\$ 7,209.00
1" Fire Meter			
1" Fire Meter/Connection Fee	\$ 3,944.00	\$ 335.00	\$ (3,609.00)
Aux DC BF	\$ 295.00	\$ 499.00	\$ 204.00
Fire Tee	\$ 100.00	\$ 247.00	\$ 147.00
Total	\$ 4,339.00	\$ 1,081.00	\$ (3,258.00)
Meter/Fire Meter	\$ 14,528.00	\$ 18,479.00	\$ 3,951.00

In August of 2019 Bill Brusheski, who was assisting Hilda Elorza, contacted VCMWD and stated Hilda agreed to come in and pay for the remaining balance on all three meters with a cashier's check.

From: krusheski [<mailto:krusheski@yahoo.com>]
Sent: Thursday, August 8, 2019 10:33 AM
To: hildaedorza1@gmail.com; Michelle Wick
Subject: Elorza, Hilda Contact info page for your files

Good Morning Michelle,
Attached is the contact information for Hilda Elorza and Marlen Elorza Rojas
re: APN's 128-480- 14 and 15 and 16
Hilda is scanning the Grant Deed to send to you.
She plans to meet you this afternoon as agreed with 2 cashiers checks:
1) \$11,853.00 for meters installation balance due all three parcels
2) \$3,000.00 deposit towards work to be completed for the fire hydrant
Payable to: "VCMWD"

Thank you for all your help and guidance. Please feel free to contact me directly as needed.

Best Regards,

Bill Krusheski

The previous owner had not completed the grant of easement necessary to set the meters so VCMWD informed Hilda and Bill that as the new owner, they would still need to sign a grant of easement. Additionally VCMWD had questions regarding the previous Keys Creek Waterline Relocation Project and what would be required by the County of San Diego in order to develop the lots.

Hilda and her engineers worked with the County of San Diego over the next few years to amend the covenant to no longer require the road work that governed the waterline relocation. The new requirements changed the scope of the project to only include installing a fire hydrant to serve APNs 128-480-14, -15 and -16. Once a contractor was procured for the Fire Hydrant project, VCMWD again provided updated water meter quotes in April of 2020. Hilda then worked with contractor John Draves to proceed with a the Fire Hydrant installation and to get a cost estimate on having Draves Pipeline install the water services instead of VCMWD.



Mon 4/27/2020 12:12 PM

Michelle Wick

Meter Service Laterals - Keys Creek

To jdraves@dravespipeline.com; hildaerza1@gmail.com

Cc Roman De Manriquez; Annelise E. Villalobos

 Follow up. Start by Tuesday, March 7, 2023. Due by Tuesday, March 7, 2023.

Hello John and Hilda,

I did the calculations for the cost of VCMWD installing the 1" service laterals for the meters, it is approximately \$6,000 per meter at today's costs. This cost may change depending on when this work is actually completed. A contractor can install laterals during the hydrant work if desired and less costly.

Please keep in mind that none of this work can begin until the gap in the easement is resolved, the plans are reviewed and a Special or Developer Project is opened with the District.

Hilda, is the County still requiring road improvements to remove the hill? If not, we will need that documentation as well. If so, that will mean a Developer Project and waterline relocation.

If the work is only a hydrant and/or meter laterals, that is a Special Project.

Regarding the easement documentation you sent, VCMWD will require a recorded easement document signed by the State. I am unable to assist in the creation of that document, you may want to contact an Engineering firm or other easement specialist for assistance.

Thank you,

Michelle Wick

The project again sat until, February of 2022 when Hilda started to move forward with the submittal process for the fire hydrant installation. At that time Hilda stated she believed all water meters were paid for. VCMWD responded with the necessary items to move along the fire hydrant installation and another clarification on the meter installation requirements.

From: Roman De Manriquez

Sent: Friday, February 4, 2022 11:23 AM

To: 'Triny La Leyenda' <hildaedorza1@gmail.com>

Cc: Jeson S. Nikrasch <JNikrasch@vcmwd.org>; erin@designgroupca.com; ranka@designgroupca.com; Annelise Villalobos <AEVillalobos@vcmwd.org>

Subject: RE: KEYES CREEK ROAD

Good morning Hilda,

Thanks for taking my call yesterday to clarify what I was referring to when I spoke of "moving the water services", and not the "water main".

You also mentioned that the water meter and installation fee's were paid for, and I stated to you that I'd check. Office staff checked the meter application(s) and the following was found:

- Fee's were paid for (3) ¾" domestic and (3) 1" meters to serve each of the 3-lots.
 - The fee's paid; is for VCMWD to perform the full installation
 - The meter fee paid for each lot was \$ 14,528 (¾" and 1", domestic/fire combination)
 - Because the meter(s) have not been installed, and meter cost have increased since the purchase back in 2015, the following cost is due per meter installation:
 - \$5,108 per lot.
 - **\$15,324 total.**
 - See attached PDF's
- With that said, the only part of your project (Special Project) with VCMWD would be:
 - Grant of easement from you to VCMWD
 - Installation of a fire Hydrant (installed by your licensed contractor)
 - Performance and Warranty Bond for fire hydrant install

Please contact me if you have any questions/concerns.

Roman De Manriquez
Engineering Technician III

Again Ms. Elorza responded that it was her belief that water meters were paid for in full and included a photo of a property sign listed by the realtor selling the property that read "6 water meters". Hilda references our administrative code section 160.2(c)5. "A meter application shall be considered valid for no longer than six months. Should an application remain on the installation list for six months through no fault of the District, the meter application will be canceled and all monies paid for the meter service will be refunded to the applicant."



Fri 12/2/2022 12:15 PM

Triny La Leyenda <hildaedorza1@gmail.com>

Re: Medidores de Agua para las propiedades en Keys Creek

To Roman De Manriquez

Cc Annelise Villalobos; Jeson S. Nikrasch; jesusxponce@gmail.com

 Follow up. Start by Tuesday, March 7, 2023. Due by Tuesday, March 7, 2023.

CAUTION: EXTERNAL EMAIL. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Hi Roman, The water meters in Keys Creek are 3 paid in full, including installation, on 3/16/2015 in the amount of \$14,528.00 APN: 128-480-14-00 APN:128-480-15-00 \$14,528 APN:128-480-16-00 \$14,528 paid a total of \$43,584.00 dollars to Valle Center Municipal water District. I understand the policies of the district department which had 6 months to install the water meters or refund the client the money in full. Valle Center municipal water district kept the money as payment for the 3 meters without paying the client any interest on said amount from the aforementioned date to the current date. I am attaching evidence of aver purchased with 3 meters on the grounds. Verify and let me know as soon as possible about the installation of the 3 meters and the misunderstanding that exists with the payments. Thank you.



Conversations between VCMWD staff and Hilda have continued in which Ms. Elorza said she will not be paying any additional fees to have the meters installed. VCMWD has explained that we have no control over what a realtor may put on their sign or how they advertise the property. Although it may have been advertised to have meters onsite, VCMWD would have been able to confirm before purchase that meters still needed to be installed. At present time, the amount due per meter to account for the increase in time, materials and capacity fees is \$6,467.00 for a total of \$19,401.00. Ms. Elorza completed the Fire Hydrant installation project and it was final accepted by the District as of February 2nd 2023.

SENSITIVE MATERIAL
Property of
Valley Center Municipal Water District
For Recipients Use Only
Not To Be Reproduced
Return Data to VCMWD



PARK LILAC

OLD LILAC





KEYS CREEK

12848014

12848016

12848015

Limits of Road Improvements per Covenant

-  Elorza Parcels
-  Additional Easement
-  VCMWD Easement
-  VCMWD Main



March 20, 2023

TO: Honorable President and Board of Directors

FROM: Gary Arant, *General Manager*

SUBJECT: ANNUAL REVIEW OF INVESTMENT POLICY

PURPOSE:

To facilitate a review of the District's investment policy by the Board of Directors as is required by Administrative Code Section 50.1(j). In addition, Government Code Section 53607 requires the delegation of investment authority by the Board to be reconfirmed annually.

SUMMARY:

Annually, the Board of Directors is required, by Government Code Section 53646(a)(2) and our Administrative Code Section 50.1(j), to review the investment policy of the District to confirm its appropriateness for the District's operation. The District's investment policy continues to be conservative, in that the type of investments allowed are limited to those investments that carry the least risk while continuing to pay at least a market rate of return. The primary goals of the policy are: first, preservation of capital and second, to maintain enough liquidity to meet our cash flow requirements. After these goals, investment income is considered.

A copy of the current investment policy is attached. Aside from two glossary modifications to the current investment policy there is also the addition of an additional investment avenue, the California Asset Management Program (CAMP).

The California Asset Management Program is a California Joint Powers Authority established in 1989 to provide California public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio and CAMP Term are permitted for all local agencies under California Government Code Section 53601(p).

CAMP is directed by a Board of Trustees, which is made up of experienced local government finance directors and treasurers. It offers a range of services to assist public agencies with investing their operating funds, bond proceeds, debt service funds, and reserve funds.

Government Code Section 53607 requires the legislative body of the local agency to annually confirm the authority delegated to the Treasurer of the local agency to invest and reinvest District funds. The District's Administrative Code Section 40.6 delegates the authority to invest and reinvest District funds to the Treasurer of the District. Since 1984, the Director of Finance has been appointed Treasurer of the District. It is

recommended that the Board renew the authority to invest and reinvest District funds to the Treasurer of the District.

RECOMMENDATION:

That (1) the Board adopt Ordinance No. 2023-03 to approve the District's Statement of Investment Policy as amended, and

(2) that the Board adopt Resolution No. 2023-09 to approve the District's Statement of Investment Policy amended, and to renew the authority delegated to the Treasurer to invest and reinvest District funds.

PREPARED BY:



James V. Pugh
Director of Finance & Administration

SUBMITTED BY:



Gary T. Arant
General Manager

Attachments

RESOLUTION NO. 2023-09

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT
TO APPROVE THE STATEMENT OF INVESTMENT POLICY
AND TO RENEW THE DELEGATION OF INVESTMENT
AUTHORITY TO THE TREASURER OF THE DISTRICT**

WHEREAS, Government Code Section 53646(a)(2) requires annual review of the Statement of Investment Policy by the legislative body of the local agency; and

WHEREAS, Section 50.1(j) of the Administrative Code of the Valley Center Municipal Water District requires that review to occur in the month of March each year; and

WHEREAS, Government Code Section 53607 provides that the delegation of the authority to invest or reinvest local agency funds to the Treasurer of the local agency must be renewed annually by the legislative body of the local agency; and

WHEREAS, the Board of Directors of Valley Center Municipal Water District has reviewed the Statement of Investment Policy and desires to confirm and approve the policy as currently adopted in Administrative Code Section 50.1. The Board further desires to confirm the delegation of investment and reinvestment authority to the Treasurer of the District.

NOW, THEREFORE, IT IS HEREBY RESOLVED, ORDERED AND DETERMINED by the Board of Directors of Valley Center Municipal Water District as follows:

Section 1. That the Statement of Investment Policy attached hereto as Section 50.1 of the Administrative Code has been reviewed as required by Government Code Section 53646(a)(2) and is approved.

Section 2. That the authority to invest and reinvest the funds of the District as currently delegated to the Treasurer of the District is approved and renewed for the period provided by law.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** held on the 20th day of March, 2023, by the following vote:

ATTEST:

Robert Polito, *Board President*

Kirsten Peraino, *Board Secretary*

ORDINANCE NO. 2023-03

**ORDINANCE OF THE BOARD OF DIRECTORS OF
THE VALLEY CENTER MUNICIPAL WATER DISTRICT
AMENDING THE ADMINISTRATIVE CODE TO PROVIDE
FOR CHANGES IN THE STATEMENT OF INVESTMENT POLICY**

BE IT ORDAINED by the Board of Directors of the VALLEY CENTER MUNICIPAL WATER DISTRICT as follows:

Section 1. The VALLEY CENTER MUNICIPAL WATER DISTRICT Administrative Code is amended to provide for changes in the statement of investment policy by the modification of Article 50, which is set forth on Exhibit A attached hereto.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of **Valley Center Municipal Water District** held on the 20th day of March, 2023, by the following vote, to wit:

ATTEST:

Robert Polito, *Board President*

Kirsten Peraino, *Board Secretary*

Sec. 50.1Investment Policy

- (a) Mission Statement. It is the policy of the District to invest public funds in a manner which will provide the maximum security with a market rate of return, while meeting the daily cash flow demands of the entity and conforming to all state and local statutes governing the investment of public funds.
- (b) Scope. This policy applies to the investment of all funds, excluding the investment of employee retirement and deferred compensation funds. Proceeds from certain debt issues and funds held by fiscal agents are covered by separate policies. The funds are accounted for in the District's *Annual Comprehensive Financial Report* and include the general water and wastewater treatment funds.
 - 1. Pooling of Funds. Except for cash in certain restricted funds, the District will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.
- (c) Objectives. The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield (Government Code (GC) 53600.5):
 - 1. Safety. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - A. Credit Risk. The District will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:
 - (1) Limiting investments to the types of securities listed as "authorized investments" in this Policy.
 - (2) Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the District will do business in accordance with section (e).
 - (3) Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Sec. 50.1 Investment Policy (Cont'd.)(c) Objectives (Cont'd.)

- B. Interest Rate Risk. The District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:
- (1) Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
 - (2) Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section (h)).
2. Liquidity. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.
3. Yield. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:
- A. A security with declining credit may be sold early to minimize loss of principal.
 - B. A security swap would improve the quality, yield, or target duration in the portfolio.
 - C. Liquidity needs of the portfolio require that the security be sold.

Sec. 50.1 Investment Policy (Cont'd.)(d) Standards of Care.

1. Prudence. All participants in the investment process shall recognize that the investment portfolio is subject to the prudent investor standard as set forth by California Government Code Section 53600.3. This standard recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent investor" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflicts of Interest. Officers and employees involved in the investment process shall follow the District's Code of Ethical Practices. Outside employment, business relationships, financial transactions, and other interests or actions which are, or could be judged to be incompatible with, would interfere with, or impair the independent judgment in the proper discharge of official duties and responsibilities shall not be continued or engaged.
3. Authority. Investment of public funds of local agencies including Valley Center Municipal Water District is authorized and controlled by the California Government Code beginning with Section 53600. Authority for the investment of public District funds rests primarily with the Board of Directors (Government Code Section 53601 etc.). In accordance with Sections 53607 and Section 40.6 of this Code, the Board has delegated the authority and responsibility to invest and reinvest the funds of the District to the Treasurer. Implied within the investment of public funds includes the purchasing, selling, acquiring, exchanging, investing and reinvesting of surplus funds as authorized or limited by this code and state law. The Treasurer may further delegate the day to day operations of investment of public funds to Finance Department personnel.

Sec. 50.1 Investment Policy (Cont'd.)

- (e) Authorized Financial Institutions and Brokers/Dealers. A list will be maintained of financial institutions authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by creditworthiness. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

1. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
2. Proof of National Association of Securities Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties)
3. Proof of state registration
4. Completed broker/dealer questionnaire (not applicable to Certificate of Deposit counterparties)
5. Certification of having read and understood and agreeing to comply with the District's investment policy
6. Evidence of adequate insurance coverage

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Treasurer.

(f) Safekeeping & Custody

1. Delivery vs. Payment. All trades of marketable securities will be executed by delivery vs. payment (DVP).
2. Safekeeping. Where possible, investment securities are to be purchased in book-entry form in the District's name and held in safekeeping for the District by the broker, bank, or other institution properly insured and recognized as an appropriate depository for similar investments. Term and non-negotiable instruments, such as certificates of deposit, can be held by the Treasurer or in safekeeping as the Treasurer deems appropriate. All instruments shall be in the name of the District.
3. Internal Controls. The Treasurer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the District's independent auditor. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers of the District. The controls shall include the requirement that all purchases and sales of investments be by wire transfer from and to the District's authorized depository.

Sec. 50.1 Investment Policy (Cont'd.)(g) Authorized Investments.

1. The following investments will be permitted by this policy and are those defined by state law where applicable:
 - A. Bonds issued by the District (GC 53601(a)).
 - B. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest (GC 53601(b)).
 - C. Federal agency or United States government-sponsored enterprise (GSE) obligations, participations, or instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises, as provided by Government Code Section 53601(f). These include but are not limited to:

	<u>Type</u>	<u>Agency/ GSE</u>	<u>U.S. Gov't. Guaranteed</u>
Federal Farm Credit Banks (FFCB)	Coupon or discount	GSE	No
Federal Home Loan Banks (FHLB)	Coupon or discount	GSE	No
Federal Home Loan Mortgage Corporation (FHMLC)	Mortgage pass-through	GSE	No
Federal National Mortgage Association (FNMA)	Coupon	GSE	No
Government National Mortgage Association (GNMA)	Mortgage pass-through	Agency	Principal and interest
Small Business Administration (SBA)	Variable rate	Agency	Face value and interest
Tennessee Valley Authority (TVA)	Coupon	GSE	No

Sec. 50.1 Investment Policy (Cont'd.)(g) Authorized Investments (Cont'd.)

- D. Certificates of deposit and other evidences of deposits issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Such deposits must be fully insured by the federal government and have, at the time the investment is made, a rating of satisfactory (or equivalent) or better on the most recently available report from a reputable rating service. Certificates of deposit shall not exceed 30 percent of the District's investment portfolio. Deposits with any single institution which exceed federal insurance limits shall not exceed \$500,000, be properly collateralized in accordance with law, have, at the time the investment is made, a rating of excellent (or equivalent), or better on the most recently available report from a reputable rating service, and not exceed one year. The maximum exposure to the portfolio for the total of all collateralized deposits will be limited to 10% (GC 53601(i)).
1. Certificates of deposit may be purchased through a commercial bank, savings bank, savings and loan association, or credit union that uses a private sector entity that assists in the placement of certificates of deposit in accordance with GC 53601.8 in accordance with the above limits. These certificates of deposit are included in the 30 percent limit above.
- E. Shares of beneficial interest issued by a diversified management company as authorized by Government Code Section 53601(l).
- F. Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in Government Code Section 53601(a) through (q), inclusive (including repurchase agreements otherwise prohibited by paragraph 4 below). Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. The joint powers authority shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission, (2) The adviser has not less than five years of experience investing in the securities and obligations authorized, and (3) The adviser has assets under management in excess of \$500 million (GC 53601(p)).

Per Ordinance No. 2012-01 Adopted 3/19/12 [Sec. 50.1(g)(1)(D) and (F)]

Per Resolution No. 2018-08 Adopted 3/19/18 [Sec. 50.1(g)(F)]

Sec. 50.1 Investment Policy (Cont'd.)(g) Authorized Investments (Cont'd.).

- G. Deposits in the State of California Local Agency Investment Fund (GC 16429.1).
- H. Deposits with the Treasurer of the County of San Diego in accordance with Government Code Section 53684.
- I. Deposits with the California Asset Management Program (CAMP) in accordance with Government Code Section 53601.

- 2. Investment Pools. A thorough investigation of government sponsored pools (either state-administered or developed through joint powers statutes) and money market mutual funds should be made prior to investing, and on a continual basis. The following shall be considered:
 - Eligible investments.
 - Statement of investment policy and objectives.
 - Interest, gains, and losses calculations and allocations.
 - Safeguarding and settlement processes.
 - Securities pricing and audit processes.
 - Deposit and withdrawal eligibility and restrictions.
 - Reporting schedule.
 - Use of reserves, retained earnings, etc. by the pool.
 - Fee schedule.
 - Eligibility for bond proceeds.
- 3. Collateralization. Full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.
- 4. Prohibited Investments. The District shall not invest any surplus funds in:
 - A. Inverse floaters, range notes, mortgage derived interest-only strips, or in any security that could result in zero interest accrual if held to maturity, and any investment not expressly authorized in this code (GC 53601.6).
 - B. Any security that at the time of purchase has a term remaining to maturity in excess of five years, unless the Board of Directors has granted specific express authority to purchase the investment (GC 53601).
 - C. Repurchase agreements.

Per Ordinance No. 2012-01 Adopted 3/19/12 [Sec. 50.1(g)(4)A & B]

Sec. 50.1 Investment Policy (Cont'd.)

(h) Investment Parameters.

1. Diversification. The investments shall be diversified by:
 - A. Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
 - B. Limiting investment in securities that have higher credit risks,
 - C. Investing in securities with varying maturities, and
 - D. Continuously investing a portion of the portfolio in readily available funds such as local government investment pools or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Some investment instruments have specific limitations as noted in "Authorized Investments" above.
2. Maximum Maturities. To the extent possible, the District shall attempt to match its investments with anticipated cash flow requirements. Any security that at the time of purchase has a term remaining to maturity in excess of five years is not permitted, unless the Board of Directors has granted specific express authority to purchase the investment.
3. Investment Procedures. The investment officer shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include reference to safekeeping, delivery vs. payment, investment accounting, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.
4. Trading. The District shall not make investments for the purpose of trading or speculation as the dominant criterion such as anticipating an appreciation of capital value through changes in market rates.

Per Ordinance No. 2006-02 Adopted 5/1/06 [Sec. 50.1(h)(2)]

Sec. 50.1 Investment Policy (Cont'd.)

- (i) Reporting. The Treasurer shall render monthly investment reports, within 30 days following the end of the month, to the General Manager and Board of Directors. These reports will include for all investments the type of investment, issuer, date of maturity, par and dollar amount invested, rate of interest, and current market value. It will include the individual transactions executed over the last month, and average weighted yield to maturity of the portfolio as compared to applicable benchmarks. These reports will state compliance of the portfolio to the statement of investment policy or the manner in which the portfolio is not in compliance, the ability of the District to meet its expenditure requirements for the next six months, and the source of market values presented.
 - 1. Performance Standards. The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. An appropriate benchmark shall be established against which portfolio performance shall be compared on a regular basis. Market-average rate of return is defined as the twelve-month rolling average return on one-year U. S. Treasury bonds.
 - 2. Marking to Market. The market value of the portfolio shall be calculated at least monthly and the market value of the portfolio shall be included in the investment report. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed.
- (j) Review. Annually, during the month of March, the Treasurer shall present the statement of investment policy to the Board of Directors for review and modification, if necessary.
- (k) Glossary.

Accrued Interest: Interest earned on a bond but not yet paid by the issuer.

Agencies: Securities issued by a federal or federally sponsored agency.

Amortization: Annual recognition of discount received or premium paid on an investment, or periodic payments of principal owed on a debt.

Annual Comprehensive Financial Report (ACFR): The official annual report for the District.

Basis Point: A unit of measurement used in valuing fixed income securities, 1/100 of 1 percent.

Benchmark: A comparative base for measuring the performance or risk tolerance of the investment portfolio.

Book Value: The value at which a security is carried on the books of the investor. Typically cost adjusted for amortization of discount or premium.

Broker: A broker brings buyers and sellers together for a commission.

Call: The redemption of a bond by the issuer before maturity in accordance with the terms of the bond.

Sec. 50.1 Investment Policy (Cont'd.)(k) (Glossary (Cont'd.))

California Asset Management Program (CAMP): A California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate.

Collateral: Securities or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Coupon: The annual rate of interest paid on the bond's face value. Also, a certificate attached to a bond evidencing interest due on a payment date.

Credit Risk: The risk to an investor that an issuer will default on a security.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery Versus Payment: Delivery of securities with an exchange of money for the securities. The opposite is delivery versus receipt, which is delivery of securities with an exchange of a signed receipt for the securities.

Depository: A financial institution in which the moneys of the District are deposited (GC 53630(c)).

Derivative: Financial instrument created from, or whose value depends upon, one or more underlying indexes or securities.

Discount: The difference between the cost of a security and its maturity when quoted at lower than face value.

Discount Securities: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, such as U.S. Treasury Bills.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Federal Agencies: See Agencies.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits.

Federal Farm Credit Banks (FFCB): Government sponsored wholesale banks that provide credit for agriculture. Includes Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal Land Banks.

Federal Home Loan Banks (FHLB): Government sponsored wholesale banks that provide credit in the housing market.

Federal Home Loan Mortgage Corporation (FHLMC): Government sponsored wholesale banks that provide credit in the housing market. Also known as "Freddie Mac."

Sec. 50.1Investment Policy (Cont'd.)(k) Glossary (Cont'd.)

Federal National Mortgage Association (FNMA): FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

GC: California Government Code.

Government National Mortgage Association (GNMA or Ginnie Mae): GNMA was also chartered under the Federal National Mortgage Association Act in 1938. Securities are guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities, often referred to as "pass-throughs," are backed by the FHA, VA, or FmHA mortgages.

Internal Controls: A system designed to ensure reasonable assurance that assets are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the likely benefits and that the valuation of costs and benefits requires estimates and judgments by management.

Liquidity: An asset that can be converted easily and rapidly into cash without a substantial loss of value.

Local Agency Investment Fund (LAIF): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

Market Risk: The risk that the value of security will adversely change as a result of changes in market conditions.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Maturity: The date on which the principal of an investment becomes payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

Money Market Mutual Fund: An investment company that pools money and invests solely in money market instruments.

Net Asset Value: The market value of one share of an investment company, such as a mutual fund, calculated by totaling the fund's assets, subtracting the fund's liabilities, and dividing this total by the number of shares outstanding.

Sec. 50.1 Investment Policy (Cont'd.)(k) Glossary (Cont'd.)

Par: Face value of a bond.

Portfolio: Collection of securities held by an investor.

Premium: The amount by which the price paid for a security exceeds its par value.

Principal: The face value or par value of a debt instrument.

Prudent Person Rule: An investment standard. The law requires that the investment officer may invest money only in list of securities selected by the custody state. The trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

Repurchase Agreement (RP OR REPO): An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Safekeeping: Holding of assets (securities) by a financial institution.

San Diego County Treasurer's Pooled Money Fund: Local government investment pool managed by the San Diego County Treasurer-Tax Collector.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Small Business Association (SBA): Guarantees private loans to certain eligible enterprises.

Structured Notes: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, etc.) and Corporations that have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options, and shifts in the shape of the yield curve.

Tennessee Valley Authority (TVA): A federal corporation and the nation's largest public power company.

Treasury Bills: Short-term U.S. Treasury non-interest bearing discount securities issued as direct obligations of the U.S. Government and having initial maturities ranging from a few days to 26 weeks.

Treasury Bonds: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of 10 to 30 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

Yield: The rate of annual income return on an investment, expressed as a percentage. Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

March 20, 2023

TO: Honorable President & Board of Directors

FROM: Gary T. Arant, General Manager

**SUBJECT: REQUEST BOARD APPROVAL OF CHANGE ORDER NO. 4 TO THE
GORDON HILL ROAD PIPELINE REPLACEMENT PROJECT -
[PROJECT NO. 01-06-78-51412]**

PURPOSE:

Request the Board of Directors adopt Resolution No. 2023-10 approving Change Order No. 4 for the Gordon Hill Pipeline Replacement Project ("Project") with CCL Contracting, Inc. ("CCL") in the amount of \$138,141.

SUMMARY:

The Project is one of three projects included in the "2020 Pipeline Replacement Program" funded by the State Revolving Fund ("SRF") loan which was approved by the State Water Resource Control Board in March 2022.

The Project consists of the installation of approximately 4,700 linear feet of 12-inch diameter polyvinyl chloride ("PVC") waterline including valves, water services, appurtenances within Gordon Hill Road and VCMWD Easements between Old Castle Road and Welk View Drive, as shown on the attached exhibit. The project replaces the existing 8-inch and 10-inch steel waterline (originally installed in 1961) and relocates the portion of the existing alignment in the fenced backyards of the parcels immediately south of Old Castle Road to Gordon Hill Road.

Change Order No. 4 is for additional paving of Gordon Hill Road.

CCL Contract Summary

Contract was awarded to CCL on August 15, 2022 for their low bid amount of **\$2,384,649**. Notice to Proceed was issued on September 20, 2022. To date, staff processed Change Orders No. 1-3, in total of \$130,516, for a current contract amount of **\$2,515,165**.

Previously Approved Change Order #1-3 Summary:

Change Order No. 1 (0 days and \$0 cost):

Administrative amendment to update wage determinations as required by SRF requirements, no time or cost impact.

Change Order No. 2 (0 days and \$91,645 increase):

- Survey work to verify easement limits;
- Realignment of the waterline to avoid the need for a highline;
- Improvements to easement road;
- Survey to facilitate private easement; and
- Restoration of Survey Monuments within Gordon Hill Road.

Change Order No. 3 (5 days and \$38,871 increase):

- Additional survey work for private easement;
- Correct a 1½-inch meter service that was represented as 1-inch;
- Add 2-inch meter service;
- Repair of sinkhole;
- Relocate 1-inch Air and Vacuum Assembly;
- Additional Non-Rippable Rock impact beyond allowance amount;
- Two additional 1-inch meter services; and
- Memorializing five rain days.

Proposed Change Order #4 Summary:

Approximately 3,300 linear feet of the new waterline is located within Gordon Hill Road, which is a private road. The road is owned by the various properties it lies within, 54 total properties use it to access their residences. No formal HOA or road maintenance agreement exists to our knowledge. The road was in fair condition prior to the District project taking place. The road was significantly impacted by construction activity compared to its pre-construction condition. The original project scope included repavement of the four-foot-wide area over the trench line only. The contrast of new pavement against the existing road will not yield a good result that is comparable to the pre-construction condition. Staff is recommending a 2-inch thick full road width overlay to be added to the project scope in order to adequately restore the road pavement. The additional cost reflects credit from the contractor for the amount they had budgeted to do the four-foot wide strip. The contractor is also sharing in some of the costs to offset needed repairs caused by their actions. See attached Exhibit A showing the area of pavement replacement. Refer to Exhibit B for the road section illustrating the proposed work.

The total cost of Change Order No. 4 is **\$138,141** with no time impacts to the contract duration.

Project Funding

Funding for the project was included in the FY 2022-2023 Annual Budget and is sufficient to cover the costs of the proposed Change Order No 4. The following table is a summary of the Project budget showing the inclusion of these costs.

Description	Current Budget	Budget Reallocation	Revised Project Budget
Staff Time	\$ 160,000	\$ -	\$ 160,000
Construction Contract	\$ 2,384,649	\$ 268,658	\$ 2,653,307
Change Order No. 1	\$ -	\$ -	\$ -
Change Order No. 2		\$ 91,645	\$ 91,645
Change Order No. 3		\$ 38,871	\$ 38,871
Change Order No. 4		\$ 138,141	\$ 138,141
Outside Services (Design, CM & Insp)	\$ 160,000	\$ -	\$ 160,000
Geotechnical Testing Services	\$ 60,000	\$ -	\$ 60,000
Biological Monitoring	\$ 60,000	\$ -	\$ 60,000
Native American Monitoring	\$ 35,000	\$ -	\$ 35,000
Labor Compliance	\$ 20,000	\$ -	\$ 20,000
Miscellaneous	\$ 30,000	\$ -	\$ 30,000
Contingency	\$ 470,351	\$ (268,658)	\$ 201,693
Total Project	\$ 3,380,000	\$ -	\$ 3,380,000


SCHEDULE

No impacts to the schedule results from Change Order No. 4, contract duration remains at 370 Calendar Days, with the project to be completed by September 25, 2023.

RECOMMENDATION:

Staff recommends the Board of Directors adopt Resolution No. 2023-10 approving Change Order No. 4 in the amount of **\$138,141** to the contract with CCL Contracting, Inc. for the construction of Gordon Hill Road Pipeline Replacement Project resulting in new contract amount of **\$2,653,307**.

PREPARED BY:


Wally Grabbe
District Engineer

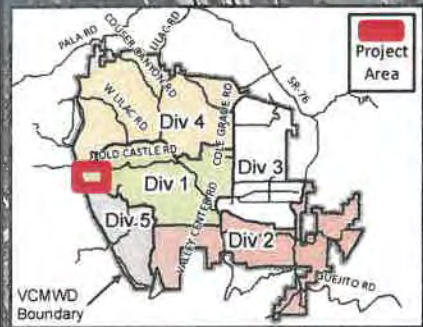
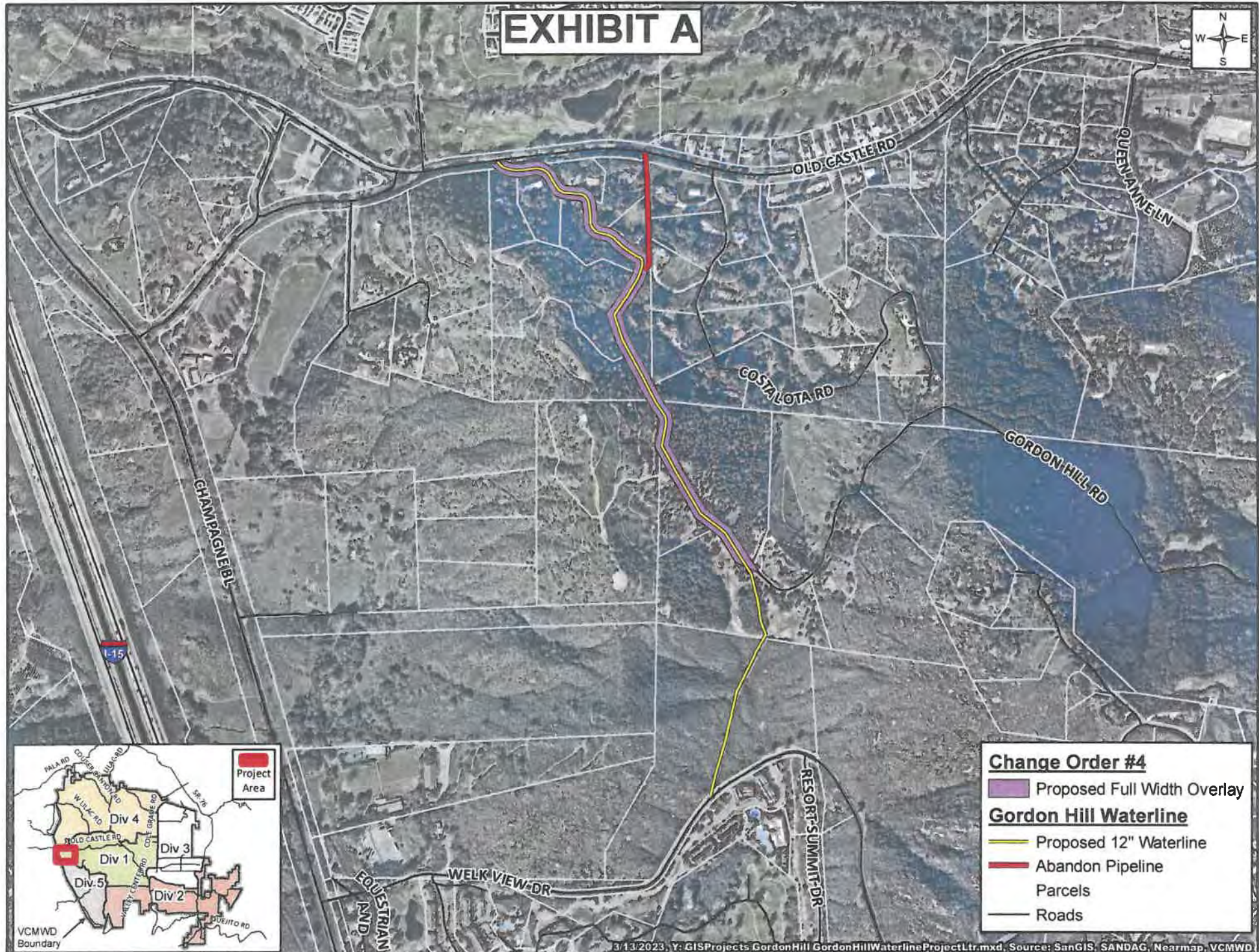
SUBMITTED BY:


Gary T. Arant
General Manager

Attachments:

Exhibit A: Overall Map
Exhibit B: Road cross section
Resolution No 2023-10

EXHIBIT A



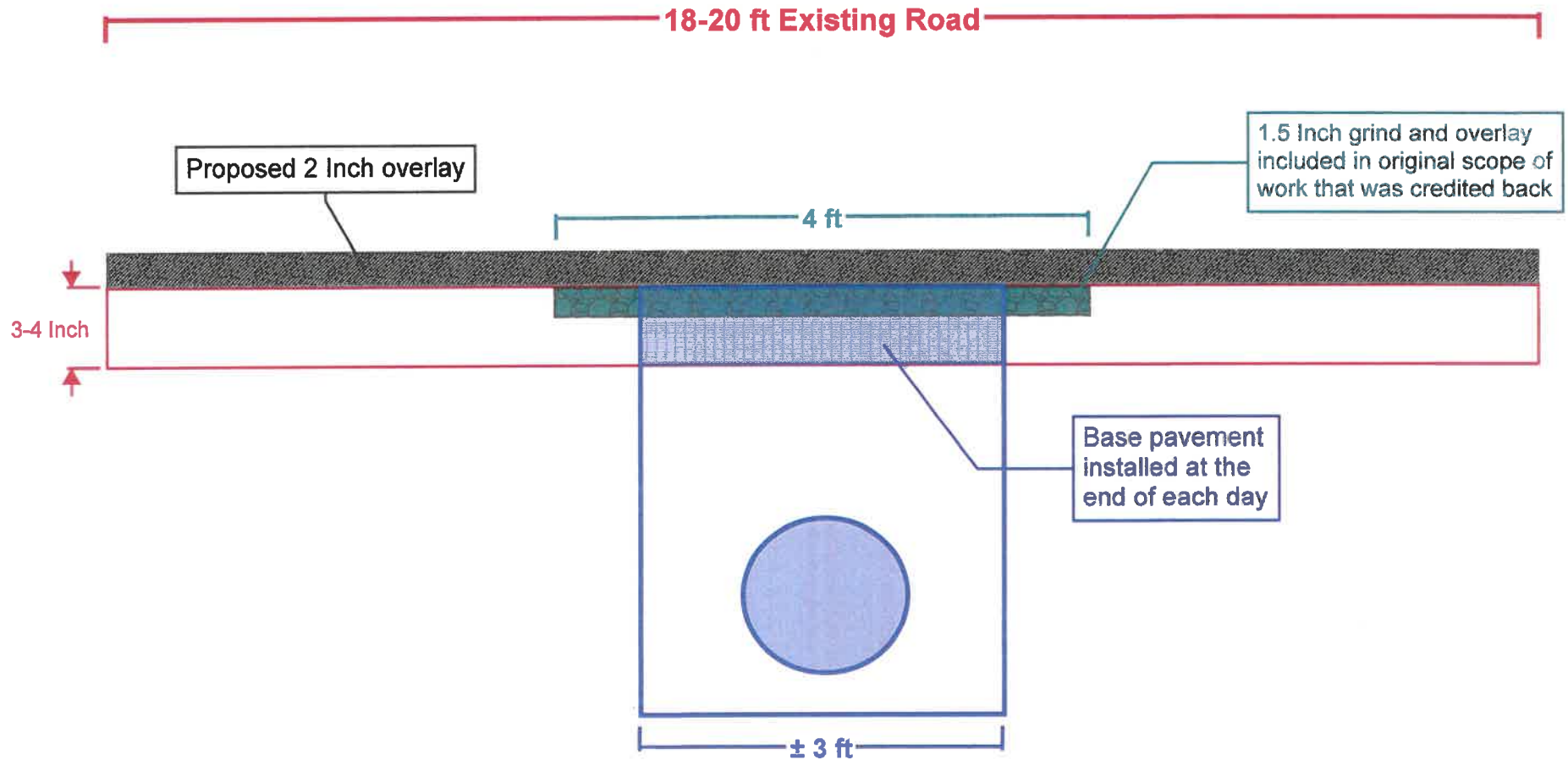
Change Order #4

- Proposed Full Width Overlay

Gordon Hill Waterline

- Proposed 12" Waterline
- Abandon Pipeline
- Parcels
- Roads

EXHIBIT B



RESOLUTION NO. 2023-10

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT APPROVING CHANGE ORDER NO. 4 TO THE CONSTRUCTION CONTRACT WITH CCL CONTRACTING, INC. FOR THE GORDON HILL ROAD PIPELINE REPLACEMENT PROJECT [PROJECT NO. 01-06-78-51412]

WHEREAS, Valley Center Municipal Water District (District) entered into a construction contract with CCL Contracting, Inc. (CCL) for the Gordon Hill Road Pipeline Replacement Project for a contract amount of \$2,384,649;

WHEREAS, Change Orders 1-3 have been processed for a total amount of \$130,516, for a current contract amount of \$2,515,165.

WHEREAS, Change Order No. 1 to the contract, was previously processed by the District to update Davis Bacon wage determinations as part of the State Revolving Fund Loan requirements. The change was administrative with no cost or time impact to the construction contract;

WHEREAS, Change Order No 2, was previously processed providing the following amendments to the contract scope:

1. Additional Survey to establish easement limits;
2. Waterline realignment to eliminate a portion of the highline;
3. Place aggregate base and install drainage swale upon easement road;
4. Perform additional survey and produce easement to facilitate meter relocates; and
5. Replacement of property corner monuments.

WHEREAS, Change Order No 3, was previously processed providing the following amendments to the contract scope:

1. Additional survey work for private easement;
2. Correct a 1½-inch meter service that was represented as 1-inch;
3. Add 2-inch meter service;
4. Repair of sinkhole;
5. Relocate 1-inch Air and Vacuum Assembly;
6. Additional Non-Rippable Rock impact beyond allowance amount;
7. Two additional 1-inch meter services; and
8. Memorializing five rain days.

WHEREAS, proposed Change Order No 4 allows for additional paving of Gordon Hill required to restore the impacted pavement surface;

WHEREAS, staff has reviewed the scope of work and associated costs and has found them to accurately reflect the level of effort necessary to complete the work at a fair and reasonable cost; and

WHEREAS, there is sufficient funding in the approved budget to cover the costs of this change order.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT as follows:

1. The District finds and determines that the preceding recitals are true and correct.
2. Change Order No. 4, in the amount of \$138,141, to the existing Construction Contract with CCL Contracting Inc. for the Gordon Hill Road Pipeline Replacement Project is approved and the General Manager is authorized to execute the change order on behalf of the District.
3. Establishing a new contract amount with CCL in the amount of \$2,653,307.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Valley Center Municipal Water District held on the 20th day of March 2023 by the following vote:

Robert A. Polito, *President*

ATTEST:

Kirsten Peraino, *Board Secretary*

March 20, 2023

TO: Honorable President and Board of Directors

FROM: Gary Arant, General Manager

**SUBJECT: Community Facilities District No. 2020-1 Series 1 Bond Issuance
Planning Cost - Mid-Year Budget Amendment
[Account No. 15-06-78-55330]**

PURPOSE:

Request the Board of Directors adopt Resolution No. 2023-11 amending the FY 2022-2023 Annual Budget to appropriate additional funding for the Community Facilities District No. 2020-1 (Park Circle East/West) ("CFD") Series 1 Bond Issuance planning costs.

SUMMARY:

A project account was established in the FY 2021-2022 Annual Budget in the amount of \$150,000 to track District expenses for the preparation of the planning documents for the proposed Community Facilities District No. 2020-1 (Park Circle East/West) ("CFD") Series 1 bond sale. The planning expenses for issuance costs of the bond were to be funded from the CFD's net special tax proceeds and reimbursed from the Series 1 bond. The bond sale was originally intended to be completed in the Fall of 2021 but has been delayed to June 2023. The scope of this effort included not only preparation for the issuance of the Series 1 bond but also confirmation of the funding sources and securities for the Phase 3 improvements. As a result of the delays, additional costs were incurred by staff and the financial team not anticipated in the original agreements and additional funding in the amount of \$150,000 is requested. The majority of the project cost is for District staff time with the balance divided among the various finance team consultants.

CFD 2020-1 was established to provide the funding for the wastewater facilities needed for the Park Circle Projects ("the CFD Facilities"). The CFD Facilities include assuming the CFD's share of the Assessment District No. 2012-1 (AD 2012-1) indebtedness of the Woods Valley Ranch Wastewater Expansion Project (including the CFD's share of the Clean Water State Revolving Fund ("SRF") loans), capacity charges, construction of the Orchard Run Lift Station, design and construction of the Phase 3 expansion of the Woods Valley Ranch Water Reclamation Facility, additional recycled water seasonal storage and recycled water transmission facilities; all pursuant to the terms and conditions of the CFD Financing Agreement dated May 18, 2020 between the Valley Center Municipal Water District and owners of the Park Circle Projects.

Two series of Limited Obligation Improvement Bonds were planned to be sold to fund the wastewater facilities needed for the CFD. The Series 1 Bond is proposed to fund the construction of the Orchard Run Lift Station, the balance of the Phase 2 capacity charges and now repayment of the CFD's share of the SRF loans. The second series bond, planned for 2029 or later, is to fund the Phase 3 improvements needed for the CFD.

In late 2021, the bond underwriter requested that we obtain SWRCB authorization to issue the CFD bond on parity with the SRF loans. Since that time staff, BBK, Fieldman-Rolapp and Integra Realty (Appraiser) have been working to obtain that authorization resulting in significant additional costs. The following table summarizes the project budget for completing the Series 1 bond sale.

Description	FY 2021-22	FY 2022-23	Total Project Budget
	Prior Budget	Mid-Year Budget Allocation	
Project Budget			
Staff Time	90,000	40,000	130,000
Staff Time	90,000	40,000	130,000
Consultants	42,000	110,000	152,000
Fieldman-Rolapp	0	45,000	45,000
Best Best & Krieger	5,000	20,000	25,000
Koppel & Gruber	5,000		5,000
Appraiser - Integra Realty	30,000	15,000	45,000
Rancho Land Surveying	2,000		2,000
Birdseye Environmental	0	30,000	30,000
Miscellaneous	5,000		5,000
Contingency	13,000		13,000
Total	150,000	150,000	300,000

Funding for the additional \$150,000 expense authorization is available from the CFD Special Fund established for the cumulation of special taxes collected in excess of the CFD's current debt obligations. Currently, through FYE 2023, there is approximately \$735,000 available in the Special Fund. Issuance and planning expenses funded from the Special Fund could be reimbursed from the bond proceeds.

RECOMMENDATION:

Staff recommends the Board of Directors adopt Resolution No. 2023-11 amending the FY 2022-2023 Annual Budget to authorize an additional \$150,000 for the CFD Series 1 Bond Issuance planning costs [Project Account 15-06-78-55330].

PREPARED BY:



Wally Grabbe, PE
District Engineer

SUBMITTED BY:



Gary T. Arant
General Manager

Attachments:

Resolution No. 2023-11

RESOLUTION NO. 2023-11

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT AMENDING THE
FY 2022 – 2023 ANNUAL BUDGET TO APPROPRIATE
ADDITIONAL FUNDING FOR THE
COMMUNITY FACILITIES DISTRICT NO. 2020-1
SERIES 1 BOND ISSUANCE PLANNING COSTS
[Account No.15-06-78-55330]**

WHEREAS, Community Facilities District No. 2020-1 (Park Circle East/West) ("CFD") was established to provide the funding for the wastewater facilities needed for the Park Circle Projects ("the CFD Facilities").

WHEREAS, the CFD Facilities included the assumption of the CFD's share of the Assessment District No. 2012-1 (AD 2012-1) indebtedness of the Woods Valley Ranch Wastewater Expansion Project (including the CFD's share of the Clean Water State Revolving Fund ("SRF") loans), and the funding of capacity charges, construction of the Orchard Run Lift Station, design and construction of the Phase 3 expansion of the Woods Valley Ranch Water Reclamation Facility, additional recycled water seasonal storage and recycled water transmission facilities

WHEREAS, a Series 1 bond sale was proposed for late 2021 to fund the construction of the Orchard Run Lift Station, the balance of the Phase 2 capacity charges and repayment of the CFD's share of the SRF loans.

WHEREAS, funding, in the amount of \$150,000, was included in the FY 2021-2022 Annual Budget for the CFD Series 1 Bond Issuance planning costs;

WHEREAS, special taxes received in excess of the current debt obligations is accumulated in the CFD Special Fund;

WHEREAS, funding for the Series 1 Bond Issuance planning costs was provided from the CFD Special Fund;

WHEREAS, the CFD Special Fund would be reimbursed from the proceeds of the Series 1 bond for the issuance and planning expenses;

WHEREAS, during the course of preparing for the bond sale, the bond underwriter requested the District obtain the State Water Resources Control Board authorization to issue CFD Bonds on parity with the Clean Water State Revolving Fund Loan indebtedness;

WHEREAS, additional funding in the amount of \$150,000 is needed to fund additional staff and financial team expenses needed to complete the preparation of the CFD Series 1 bond sale; and

WHEREAS, the additional funds needed for the Series 1 Bond Issuance planning costs are available from the CFD Special Fund and could be reimbursed from the Series 1 bond proceeds.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of the VALLEY CENTER MUNICIPAL WATER DISTRICT as follows:

1. The District finds and determines that the preceding recitals are true and correct.
2. The FY 2022-2023 Annual Budget as originally adopted by Resolution No. 2022-25 on July 5, 2022, is amended by appropriating an additional \$150,000 from the CFD's Special Fund for the CFD 2020-1 Series 1 Bond issuance and planning expenses.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Valley Center Municipal Water District held on the 20th day of March 2023 by the following vote:

President / Chairperson

ATTEST:

Secretary to the Board

March 20, 2023

TO: Honorable President & Board of Directors

FROM: Gary T. Arant, *General Manager*

SUBJECT: DISTRICT STATUS REPORT – JANUARY 2023

PURPOSE:

To provide the Board with a status report on District operations, activities and projects.

SUMMARY:

For the month of January 2023, the following reports are presented by the Operations, Engineering, Finance, IT and General Administration Departments:

I. OPERATIONS DEPARTMENT:

A. WATER / WASTEWATER DIVISION:

	<u>JAN</u>	<u>JAN</u>	<u>FY</u>	<u>FY</u>
Water Operations	<u>2023</u>	<u>2022</u>	<u>2022-23</u>	<u>2021-22</u>
Flow (average cfs)	4.6	14.5	22.83	24.49
Total Rainfall (inches)	7.97	0.4	13.75	6.87
Average 24 Hr. Temp. (EF)	50	56	65	65
Average High Temp. (EF)	60	68	77	784

Water Purchases (A.F.)	285.0	891.50	9,728.84	10,315.75
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	<u>Budgeted</u>	<u>Projected</u>	<u>Actual</u>
	<u>2022-23</u>	<u>2022-23</u>	<u>2021-22</u>
Water Sales (A.F.)	16,500	14,900	16,207

	<u>DEC</u>	<u>NOV</u>	<u>F.Y.</u>
	<u>2022</u>	<u>2022</u>	<u>2022-23</u>
Power Purchases			<u>to Date</u>
Electricity and Natural Gas			
Total kWh Purchased	608,310	487,068	4,942,073
Avg. Cost/kWh	\$0.294705	\$0.242203	\$0.220983
Total Therms Purchased	42,138	38,046	288,015
Avg. Cost/Therm	\$1.49119	\$1.25824	\$1.43721

RENEWABLE ENERGY PROGRAM

Project	Start Date	kWh Produced DEC 2022	Savings from Solar DEC 2022	CSI Rebate NOV 2022	kWh Produced Fiscal Year	Savings from Solar Fiscal Year	CSI Rebate Fiscal Year	kWh Produced To Date	Savings from Solar To Date	CSI Rebate To Date
Lake Turner	1/1/2009	126,703	Not Available		872,431	Not Available		24,208,113	\$443,357	
Tyler <i>Pump Station</i>	6/3/2013	5,062	\$1,114		43,029	\$8,835		848,831	\$167,512	\$61,739
Circle R <i>Pump Station</i>	11/13/2013	5,067	\$1,115		43,267	\$8,887		857,736	\$169,990	\$68,201
Cobb Reservoir	4/1/2015	2,965	\$652		26,559	\$5,450		431,455	\$86,386	\$37,481
MJM <i>Pump Station</i>	6/1/2015	2,439	\$537		22,579	\$4,629		355,480	\$71,668	\$32,525
Cool Valley <i>Pump Station</i>	3/23/2016	8,271	\$1,820		58,053	\$11,993		1,038,413	\$214,556	
Miller <i>Pump Station</i>	7/1/2016	6,302	\$1,387		64,336	\$13,556		736,473	\$151,637	
TOTALS		156,809	\$6,625	\$0	1,130,254	\$53,350	\$0	28,476,501	\$1,305,106	\$199,946

Total Program Cost Savings **\$1,505,052**

Total Metric Tons of CO2e Offset by Renewable Energy Production **9,169**

SDG&E CO2e Factor **0.322**

Total Renewable Energy Credits Sold: **24,284** Value: **\$40,549.60**

Operations and Facilities Department RENEWABLE ENERGY PROJECTS



Country Club Res - 58kW



Miller Pump Sta. (A) - 70kW



Tyler Pump Station - 52kW



Cool Valley Res - 91kW



MJM Pump Station - 30kW



Lake Turner - 1.1MW



Cobb Res - 30kW

Solar Sites Online

^ (7) Sites - Total: 1.43MW

Proposed Future Solar Sites

P Betsworth Pump Station	868kW
P Corporate Facility	110kW
P Lower Moosa Canyon WRF	187kW
P Miller Pump Station (B)	431kW
Total: 1.6MW	

Terms:

kW - Kilowatt or 1,000 Watts
MW - Megawatt or 1,000 Kilowatts
1 MW will power 1,000 Homes



Wastewater	<u>JAN 2023</u>	<u>JAN 2022</u>	<u>JAN 2021</u>
Daily Flows (Average M.G.D.)			
Moosa	.279	.280	.268
Woods Valley	.119	.067	.055

	<u>JAN 2023</u>	<u>JAN 2022</u>	<u>F.Y. 2021-22 to Date</u>	<u>F.Y. 2020-21 to Date</u>
Recycled Water				
Woods Valley Ranch WWRF (A.F.)	11.4	6.43	63.66	38.97

B. CUSTOMER CONTACTS:

	<u>JAN 2023</u>	<u>JAN 2022</u>	<u>F.Y. 2022-23 to Date</u>	<u>F.Y. 2021-22 to Date</u>
Customer Service Requests				
Backflow Leaking	2	2	35	38
Conservation	0	0	0	0
Facilities Damaged by Others	0	0	0	6
Leaks	21	25	146	151
Miscellaneous	12	21	257	189
No Water	1	5	24	29
Pressure	8	10	72	70
Sewer	0	0	2	0
STEP System	0	1	3	18
Water Quality	0	0	6	8
After-Hour Call-Outs				
SCADA	5	0	26	24
Customer	14	9	72	54

C. SAFETY/MEETINGS:

Safety Meetings

01/10/23	- Qualified Electrical (select personnel)	(Brandon Dendy)
01/17/23	- Insects and Spider Bites (C&P, P&M and WW)	(Bill Morris)
01/18/23	- Insects and Spider Bites (Ops and Meters)	(Bill Morris)

Seminars/Meetings

01/11/23	- Entra Pass Corporate Virtual Training hosted by Kantech Products attended by Brandon Dendy
01/12/23	- ASDWA LSLI/LSLR Series #3 Records Review for Inventory Development hosted by SDCWA attended by Julee Scott

D. SECURITY:

	<u>JAN 2023</u>	<u>JAN 2022</u>	<u>F.Y. 2022-23 to Date</u>	<u>F.Y. 2021-22 to Date</u>
Trespassing/Break-ins	0	0	1	1
Vandalism	0	0	0	0
Threats/Suspicious Activity	0	0	0	0
Theft	0	0	0	0

E. METER SERVICES DIVISION:

	<u>JAN 2023</u>	<u>F.Y. 2022-23 to Date</u>	<u>F.Y. 2021-22 to Date</u>
Installation/Maintenance/Repair			
Meters Installed	22	371	276
Meter Service Repairs	20	53	18
Total Meters Exchanged	9	125	141
Meter Flow Test Bench			
Meters Tested	2	63	47
Backflow Program RP & DC Devices			
Tested	468	3,137	2,730
Repaired	14	133	139
Installed	55	244	304
Replaced Due to Theft/Damages	0	0	13

F. WATER FACILITIES DIVISION:

	<u>JAN 2023</u>	<u>F.Y. 2022-23 to Date</u>	<u>F.Y. 2021-22 to Date</u>
Pump Maintenance			
Pumps Pulled	0	2	0
Electric Motors Repaired	0	0	0
Electric Motors Rewound	0	0	0

G. CONSTRUCTION & MAINTENANCE DIVISION:

	<u>JAN 2023</u>	<u>F.Y. 2022-23 to Date</u>	<u>F.Y. 2021-22 to Date</u>
Pipeline Maintenance/Repair			
Mainline Repairs	2	10	9
Shutdowns	0	4	12
Shutdowns Due to New Construction	1	7	2
Valve Maintenance			
Quad completed: A – J			
16% through Quad K			

Leak Detection Program Status

100% of facilities detected through Quads: A – J

16% of facilities detected through Quad K

	<u>DEC</u> <u>2022</u>	<u>F.Y.</u> <u>2022-23</u> <u>to Date</u>	<u>F.Y.</u> <u>2021-22</u> <u>to Date</u>
Landscape (Reservoirs) Maintenance			
Station Maintenance	20	110	134

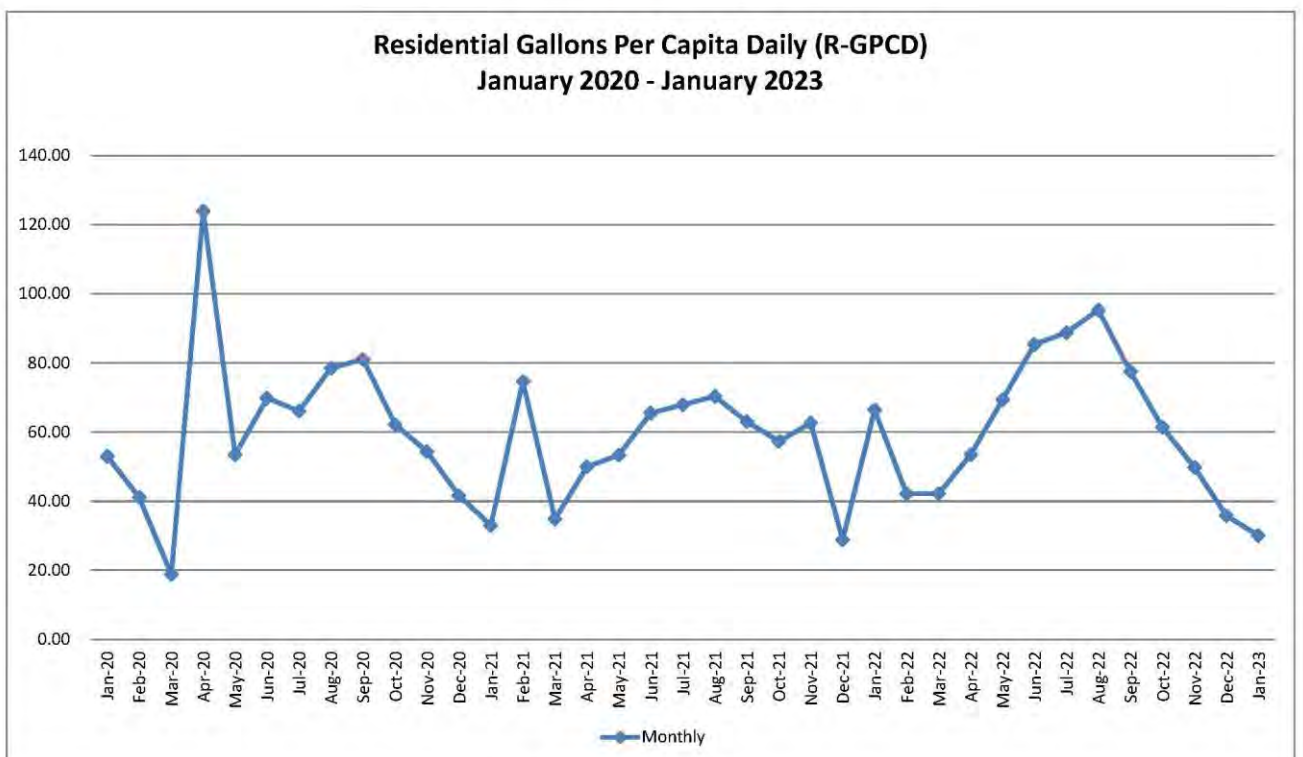
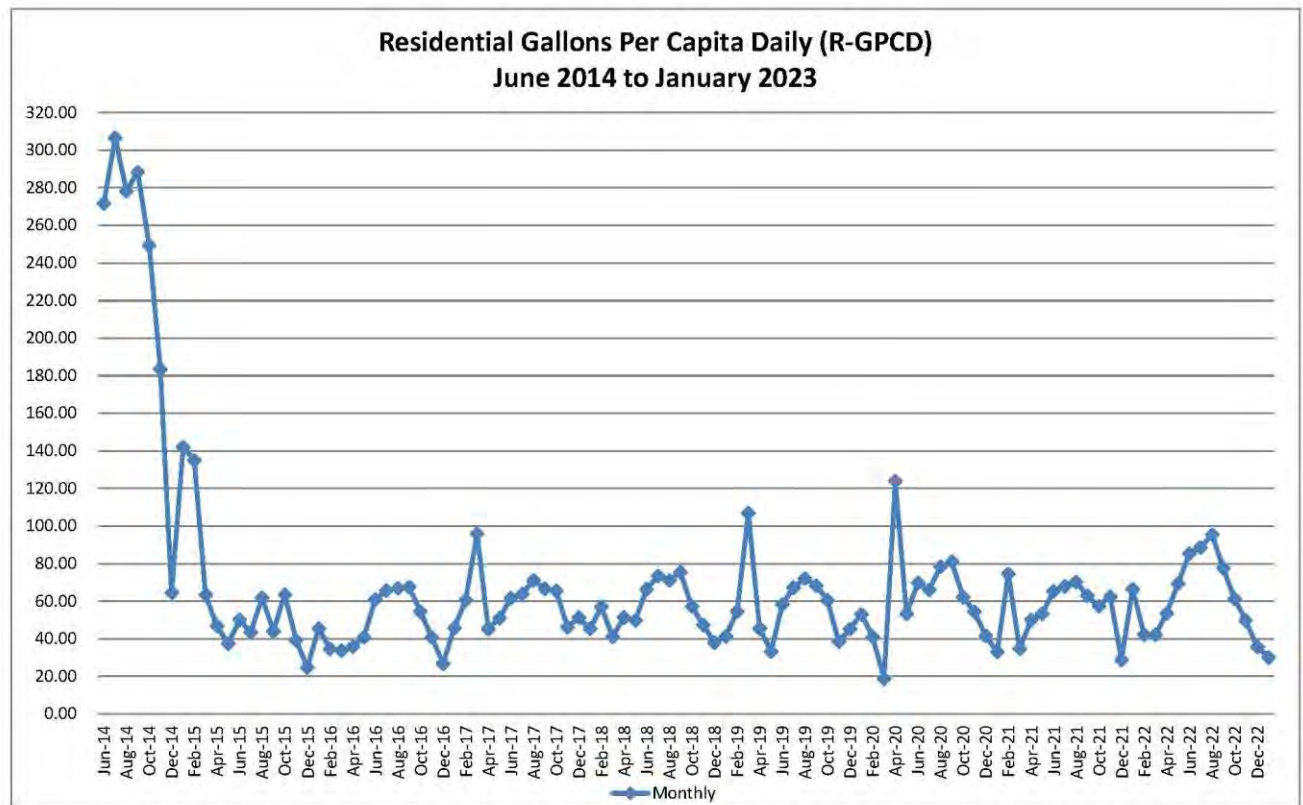
H. VEHICLE MAINTENANCE:

	<u>JAN</u> <u>2023</u>	<u>F.Y.</u> <u>2022-23</u> <u>to Date</u>	<u>F.Y.</u> <u>2021-22</u> <u>to Date</u>
Vehicles Serviced	1	35	36
Miles Driven	27,987	194,312	174,209
Gallons of Fuel Consumed - Vehicles	2,550	16,351	14,984
Gallons of Fuel Consumed – Equipment	180	1,309	1,016
MPG (average)	12.3	11.9	11.3
<i>Pickup Trucks MPG</i>	15.4	14.7	13.6
<i>Service Trucks MPG</i>	8.0	7.3	7.2
Average Vehicle Miles	538	525	461
Total Mileage on Vehicles		4,833,021	4,955,996
 Total Number of Vehicles in Fleet	 52		
Vehicles in Service	47		
Surplus Vehicles in Service	3		
Surplus Vehicles Out of Service	2		

**FIELD DEPARTMENT
CAPITAL FUNDED PROJECTS SUMMARY**

Project No.	Name	F.Y. Auth- orized	Budget 2022-2023	Total Project Budget	Contracts		Comments	Dept.
					Contractor / Consultant	% Complete DEC JAN		
01-06-78-51050	Natural Gas Engine Controls Upgrade and Automation	16-17		\$190,000		30% 30%	Construction in progress	P&M
01-06-78-51650	Risk & Resilience Assessment & Emergency Response Plan	20-21		\$151,000		95% 95%	Risk & Resiliency Assessment & ERP complete - training will take place after COVID	SAFETY
01-06-78-51080	Pump Station Power Monitors	22-23	\$56,220	\$56,220		15% 15%	Construction in progress	P&M
01-06-78-51370	Vehicles - Pickup Truck	20-21	\$54,500	\$214,100		35% 50%	1 Complete, 1 On Order	P&M
01-06-78-51371	Vehicles - Service Truck	21-22	\$283,100	\$430,525		35% 35%	1 Received, Out Fitting in Progress	P&M
01-06-78-51372	Vehicles - Dump Truck	21-22	\$189,100	\$353,525		20% 20%	On Order	P&M
01-06-78-51373	Vehicles - Hooklift Truck	22-23	\$238,800	\$238,800		20% 20%	On Order	P&M
13-06-78-53140	Lower Moosa Collection System Vitrified Clay Pipe Lining	18-19		\$119,000		90% 90%	Contractor making repairs	WW
13-06-78-53060	Lower Moosa Canyon Reclamation Facility Solar Evaluation	19-20		\$15,000		0% 0%		WW
13-06-78-53430	Lower Moosa Canyon WRF Islands Lift Station Generator	20-21		\$55,000		20% 20%	On Order	P&M
13-06-78-53300	Sludge Transfer Pump Upgrade/Replacement	22-23	\$33,000	\$33,000		10% 10%	On Order	WW
13-06-78-53370 17-06-78-57370	Vehicles - Pickup Truck	22-23		\$58,000		20% 20%	On Order	P&M
13-06-78-53371 17-06-78-57371	Vehicles - Utility Pumper Truck	21-22	\$135,000	\$135,000		20% 20%	On Order	P&M
13-06-78-53372 17-06-78-57372	Vehicles - Service Truck	22-23		\$119,590		15% 15%	Out for Bid	P&M
17-06-78-57040	Lift Pumps	21-22	\$33,000	\$33,000		100% 100%	Completed	WW

II. Residential Gallons Per Capita Daily (R-GPCD):



Residential Gallons Per Capita Daily for January 2023 is 30.08

III. ENGINEERING DEPARTMENT:

A. ENGINEERING SERVICES:

	<u>January 2023</u>	<u>December 2022</u>	<u>F.Y. 2022-23 To Date</u>	<u>F.Y. 2021-22 Total</u>
Fire Meter Sales	17	23	200	315
Meter Sales	17	26	200	295
Meter Relocation	0	0	5	7
Meter Resize	0	0	3	5
Maps Processed (PF letters)	2	3	13	15
Agency Clearances Signed	5	5	40	107
Fire Hydrants/Special Projects Accepted	1	0	1	6
Underground Service Alerts/Mark-Outs	325	218	1,836	2,514
Potable Construction Meters	3	3	35	34
Non-Potable Construction Meters	0	0	0	0
One Day Permits	0	1	2	2
Wastewater Inspections	0	1	2	3

General Activity:

In addition to the items listed in the above table, Engineering has been involved in two pipeline projects. The Gordon Hill Pipeline Replacement and Lilac Road Upsize Project are currently active, with another pipeline project to start next month. In the month of January, 15 sets of meters were installed in Park Circle. This leaves the Park Circle Community with less than 200 meters left to be installed.

GEOGRAPHICAL INFORMATION SYSTEM (GIS):

GIS staff gathers and updates the facility data in the GIS as it's modified and assists project managers with various project maps/exhibits and data analysis. The following took place in January 2023:

1. The Engineering technician is learning the Esri application, ArcGIS StoryMaps. This is in preparation for publicizing information on some of our Capital Projects, the progression and status. Additionally, she has taken on the large task of analyzing, adding, and updating all our facilities. Drawing out any improvements and bringing the as-builts together to hyperlink for staff to use in the Cityworks application or GIS web maps. This month the Reid Hill Reservoir and all four of the Master Meter sites were reviewed and updated;

2. Preparing data & work processes for Cityworks Phase II, Computerized Maintenance Management System. The backflow devices will be tracked and inspected with the help of Cityworks. This is a new feature; we have reviewed the data and created the geometry points. We have also added the necessary data fields to populate the customer information. This next part of the process was completed by IT, where they created a link to our Finance system and added identifying information for the backflows. With this complete, we have added the information to the Cityworks application and GIS web maps;
3. Staff employed a consultant to digitize district easements to display in GIS. We have received multiple files consisting of over 900 Easements. We are currently reviewing this data and have added it to our Geodatabase so we can view it in our Web applications.

B. EASEMENT ENCROACHMENTS:

Summary of Activities:

In the month of January, no Violations were discovered and no Permits were requested. All other existing files are still pending.

ENCROACHMENT STATUS TABLE					
January	Encroachment Violations			Encroachment Permits	
	Pending Evaluation ⁽¹⁾	Owner Resolution ⁽²⁾	District Resolution ⁽³⁾	Pending Evaluation ⁽⁴⁾	Active Permits ⁽⁵⁾
Beginning Log	12	22	11	17	9
Plus New	0	0	0	0	0
Less Completed	0	0	0	0	0
Ending Log	12	22	11	17	9

Encroachment Table Footnotes:

- 1) Pending Evaluation – This column represents the status of reported encroachment violations. The number of new violations reported during the month is indicated along with the number of violations that were resolved during the month. Resolution may result in either a) the property owner agreeing to remove the encroachment violation, b) in some cases, the District allowing the encroachment violation to remain pending resolution by the District, c) issuance of an encroachment permit that allows the encroachment to remain as is, or d) issuance of an encroachment permit that requires modification of the encroachment by the owner. Once the course of action for resolution of the encroachment violation has been determined, it is shown completed in the Pending Evaluation column and becomes a new item in either the Owner Resolution Column, the District Resolution Column or the Active Permit Column.
- 2) Owner Resolution – Removal of the encroachment violation is a property owner action requirement and will be inspected by District staff. The number of encroachment violations that were removed during the month is indicated as completed in this column.

- 3) District Resolution – Staff has determined that the encroachment violation is not a result of current owner's action and has agreed allow the encroachment to remain pending resolution by the District. The encroachment violation is properly documented and made clear to the owner that the District is not responsible for damage to the encroachment as a result of the operation, maintenance or failure of the District's facility in the easement.
- 4) Pending Evaluation – This column represents the status of requests to construct facilities or other improvements within a District easement under review and consideration. The number of requests received during the month is indicated as new and the number of requests resolved is indicated as completed. Resolution of the request included either a) denial of the encroachment request, or b) issuance of an encroachment permit. Many times the encroachment permits is issued concurrently with the completion of the work. Encroachment permits that will require further follow up inspection are shown in the Active Permits column.
- 5) Active Permits – This column shows the status of encroachment permits approved by District with work in progress and being inspected by District staff. Although the work is authorized, work may not commence immediately.

C. DEVELOPER FUNDED PROJECTS:

See Table I and Location Map for project details and general status of the Special Projects, Private Low-Pressure Wastewater Collection System Installations and Cell Site Projects that are in process.

See Table II and Location Map for general status of all developer funded projects.

**ENGINEERING DEPARTMENT
TABLE I - ENGINEERING SERVICES PROJECTS SUMMARY**

Special Projects (01-00-00-182xx)								
Job # 182xx	PROJECT NAME	<u>Owner Engineer</u>	Plan Approval	Estimated Construction Cost	Contractor	% Complete Construction	Final Accept.	January 2023 Comments
15	North Avenue Estates - RDDMWD & COE Project, Incl. VCMWD Waterline Relocation and Access Easement	Jared Aronowitz (Beazer) <u>Masson & Associates</u>	11/2/2022	N/A		5%		Grant of access easement to VCMWD is pending. Easement will be recorded as a separate instrument once subdivision map is recorded. Site grading is taking place. Developer has not provided a schedule for when VCMWD facilities will be worked on.
28	Miller Road Plaza - Shopping Center: Water/Irrig. & Fire Service, w/Grinder Pump	<u>Valley Center View Properties</u> Wynn Engineering	10/12/22	\$400,000	Gratzl Heavy Equipment Rental (Grading)	0%		Developer is working on securing performance bonds. Contractor has started with the submittal process. Preconstruction meeting will be held once work is onsite is ready to begin.
39	KA Enterprises - Fire Service/FH/Meter Relocate for new Circle R at Mountain Meadow Rd.	<u>KA Enterprises</u> Omega Engineering Consultants	6/3/2021	\$21,200	BC3 Equipment	90%		Contractor continues to work on final punch list items. Project was moving towards acceptance until the Fire Assembly was damaged as a result of a car accident. VCMWD staff worked with contractor so they could begin making repairs.
44	San Pasqual Retail Center adjacent to Horizon Ph 1 - Water Service Installation Ph 2 - Road Widening and Appurtenance Relocation	<u>San Pasqual Economic Development Corporation</u> Masson and Associates Inc	3/18/2021	\$92,758	TLM Petro Labor force, Inc.	70%		Developer inquired about a new water service connection. Staff is working with developer on conditions for service.

**ENGINEERING DEPARTMENT
TABLE I - ENGINEERING SERVICES PROJECTS SUMMARY**

Special Projects (01-00-00-182xx), Continued.								
Job # 182xx	PROJECT NAME	<u>Owner</u> Contactor	Plan Approval	Estimated Construction Cost	Contractor	% Complete Construction	Final Accept.	January 2023 Comments
64	Anthony Rd. Fire Hydrant - Blackrock	<u>David Klose</u>	N/A	Pending	Pending	0%		Project was established and performance bond received in October 2021. No VCMWD activity in January.
65	ARCO Gas Station and Store at VC Rd & Cole Grade Rd Domestic/Irrig/Fire Service and Sewer with Grinder pump	<u>Rafat Mikhail</u> Civil Landworks		Pending	Gratzl Heavy Equipment Rental	5%		Project is in the plan check stage, the latest plan check was sent back to developer on January 31st. Staff is awaiting revised plans to be re-submitted.
66	Darling Sewer Lateral	<u>Terri Darling</u>	4/29/2021	\$15,300	Draves Pipeline Inc.	100%	8/23/2022	In 1-year Warranty Period through August 2023.
67	Hamid Quitclaim	<u>Hamid Liaghat</u>		\$2,000	Szytel Engineering	80%		Staff transmitted comments to the property owners surveyor to address. Staff is awaiting revised documents to proceed. Property owner put quitclaim on hold for now.
69	Goldman FH	<u>Melanie Goldman</u>		\$17,365	Draves Pipeline Inc.	0%		A site visit is scheduled to take place on February 4th 2023 to discuss new hydrant location.
81	Erler/Carney Rd FH	Hank Erler	N/A	\$37,090	Draves Pipeline Inc.	100%	1/10/2023	Final Acceptance completed, and memo copied to Finance, GIS, and property owner on 1-18-2023. Begin 1-year Warranty period. Process final accounting for disbursement to property owner.
82	V.C. Fire Station No. 3 Domestic Service and Fire Detector Assembly	Erickson-Hall Construction Co. Brandon Hamlett	N/A		Pending	0%		VCMWD held a kickoff meeting on November 3rd. Erickson-Hall is working on their private onsite plans and will reconvene with VCMWD when complete. No VCMWD activity in January.
83	McNally - JHR Partners Fire Hydrant	JHR Partners Wade Rupe	N/A		Pending	0%		VCMWD staff had preliminary meeting with developer to discuss project. Project account was established and initial \$5,000 deposit was received.

**ENGINEERING DEPARTMENT
TABLE I - ENGINEERING SERVICES PROJECTS SUMMARY**

Private Grinder Pump - LPS Installations (13-06-78-53250 or 17-06-78-57250 - Function 64)								
App#	APPLICANT	Plan Submittal	Plan Approval	Estimated Construction Cost	Contractor	% Complete Construction	Final Accept.	January 2023 Comments
417	Papa Bears (Armando & Maria Sanchez)	11/26/18	11/26/18	N/A	Pending	98%		No VCMWD activity in January.
11165	Humberto Perez (10137 Tall Oak Dr)	11/29/22	11/29/22	N/A				No VCMWD activity in January.
11166	Antonio Vera (Woods Valley Ct)	11/09/22	11/09/22	N/A				Exterior plumbing from home to grinder pump was installed and Grinder pump pit dug as of December. Staff waiting on further construction by property owner.
11698	Good Standing - Hakeem Milbes (Tall Oak Lot 27)	01/23/23	01/25/23	N/A				Received Plan Submittal and approved.
11699	Good Standing - Hakeem Milbes (Tall Oak Lot 24)	09/20/22	09/26/22	N/A				No VCMWD activity in January.
Cell Site Installations (01-03-23-50001 Function 122)								
Site #	SITE	Plan Submittal	Plan Approval	Estimated Construction Cost	Cell Company	% Complete Construction	Final Accept.	January 2023 Comments
								No Cell Site Installation Plans or Work in Process

**ENGINEERING DEPARTMENT
TABLE II - DEVELOPER FUNDED PROJECTS SUMMARY**

Job # 01-00-00- 180xx	PROJECT NAME		Proj. Mgr.	Map No.	Lots/ Units	P h a s e	PLANNING	Planning		CONSTRUCTION				January 2023 Comments
							Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
02	Butterfield Trails		NL	TM 5551	71	G	Alidade Engineering - Larry Dutton	09/02/14		\$2,457,000				No VCMWD Activity in January.
05	Belmont Estates		NL	TM5110-1	4	G	ACAL Engineering	08/04/14	02/04/16	\$166,655				No response to letter requesting status update sent February 2018. No VCMWD Activity in January.
06	Lake Wohlford Resort Annexation		WG			F	Dexter Wilson Engineering							Owner's consultants continued working on an amendment to the SWRCB Grant to fund additional Annexation and Planning costs of the private water facilities needed to serve the resort and add service to the San Pasqual Band of Mission Indians at Duro Road. District activities on hold pending approval of the Grant amendment and funding of VCMWD project expenses and the SDCWA and MWD annexation processing fees. No activity in January other than attending the monthly project status phone meeting.
07	Viking Grove Development		NL	20689 & 20690	9	B	ACAL Engineering	05/16/16	11/09/22	\$318,507	TAD Construction	5%		Staff completed review of County Road Widening portion of project. Plans were submitted for a the contractor highline plan and materials. Highline connection expected to take place in February.
09	Duffywood LLC Waterline Extension	P	NL	TM 5478	7	B	Florentina/ Civil Land Works	01/03/22	11/24/20	\$360,000	TAD Construction	95%		County road improvements are still pending within Fruitvale Road. Tad Construction is working to complete remaining punchlist items.
17	Bear Peak (Shady Oak)		NL		47	B	Rick Engineering Company	03/18/19	07/08/19	\$600,000	GPS Plumbing and H7 Contrating & Engineering	99%		Minor punch list items still remaining. Waiting on developer to schedule final CCTV inspection.
19	The Oaks (Washington Meadows Dev., Inc.)		NL	TM 5174.1	11	D	Spears and Assoc.	10/19/15	09/08/22	\$186,710		0%		No VCMWD Activity in January.
22	El Cidro		NL		10	G	BWE, Inc. (formerly Burkett & Wong Engineering)	04/15/13	11/30/15	\$410,250				Joint Agreement to Improve Subdivision, Joint Lien Agreement & Lien Hold Agreement approved by the County and the Final Map was recorded in July 2016. With project under a Lien Hold Agreement, construction will be delayed indefinitely. No VCMWD Activity in January.
	Park Circle Touchstone Communities (Backbone Facilities) (neighborhoods A & C)		NL	TM 5603 Units 2 & 3		B		04/15/19	07/23/19	\$3,100,000	Basile	98%		Staff is continuing to work with Developer and their contractors on completing the remaining punch list items. Punch list items are being completed slowly.

**ENGINEERING DEPARTMENT
TABLE II - DEVELOPER FUNDED PROJECTS SUMMARY**

Job # 01-00-00- 180xx	PROJECT NAME	Proj. Mgr.	Map No.	Lots/ Units	Phase	PLANNING	Planning		CONSTRUCTION				January 2023 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
23	Park Circle Touchstone Communities (Neighborhood E)	NL	TM 5603 Unit 1	101	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	10/19/20		Cass/Arrieta	90%		Developer continues to construct homes. VCMWD staff working with developer to complete punch list items.
	Park Circle Touchstone Communities (Neighborhood B)	NL	TM 5603 Unit 4 & Portion Unit 5	143	B		04/15/19	11/18/19		Cass/Arrieta	90%		Backbone loop for Unit 4 was conditionally accepted on December 13, 2022. Developer was issued a punch list for the backbone in the month of December. See Shea Homes and Beazer Homes project updates for Unit 4 and Unit 5; Job No. Items 55 and 64.
25	Orchard Run Subdivision - Unit 1 (Backbone Facilities funded by Touchstone)	NL	TM 5087 Unit 1 - 58 Lots Unit 2 - 70 Lots Unit 3 - 120 Lots Affordable Homes - 52 lots	20	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	07/23/19	\$1,855,600	Cass/Arrieta	95%		Staff is continuing to work with Developer and their contractors on completing the remaining punch list items. Punch list items are being completed slowly.
	Orchard Run Subdivision - Unit 2 (Backbone Facilities funded by Touchstone)			3	B		04/15/19	07/23/19	\$1,877,000	Cass/Arrieta H7	95%		Remaining Unit 2 work is under KB Homes Job No. Item 56.
	Orchard Run Subdivision - Unit 3 (Backbone Facilities funded by Touchstone)			120	B		04/15/19	07/23/19	\$1,717,785	Cass/Arrieta	90%		Cass Construction is working to complete above ground items such as concrete pads and enclosure installation. 15 sets of 3/4" Domestic Meters and 1" Fire Meters were installed for Meritage.
27	Free-Thomas Line Extension	NL	20450	4	G	Penny Engineering	12/24/14	12/24/14	\$69,837				No activity since letter informing Owner that plan approval expired; requested project update. Owner continuing to process plans through County which is delaying water design. No VCMWD Activity in January.
30	Deer Springs Towne Center	NL		2	F	BWE, Inc. (formerly Burkett & Wong Engineering)							Staff previously met with County planner in charge of other adjacent development to explore options for wastewater service that can be applicable here as well. There may be opportunity for joint effort with other developers for a communal system, to be further explored with individual developers. No VCMWD Activity in January.
32	Keys Creek Water Line Replacement (Keys Creek Investments, Inc.)	NL	PM 1698	3	D	Engineering Design Group - Ranka Vukmanic	08/03/15	N/A	\$7,492	Draves Pipeline	0%		Project has evolved from a Line Replacement/Relocation to only a Fire Hydrant installation. Staff currently waiting on dates for Fire Hydrant installation. No VCMWD Activity in January.
35	Welk Garden Villas	NL		148	B	Hale	06/19/06	07/26/10	\$458,800	Ratzlaff	90%		In October 2022, Staff met with representative from Marriot, the new Owner of Welk Resort. They indicated a contractor is in process of being selected to perform the remaining punch list items. No VCMWD Activity in January.

**ENGINEERING DEPARTMENT
TABLE II - DEVELOPER FUNDED PROJECTS SUMMARY**

Job # 01-00-00- 180xx	PROJECT NAME		Proj. Mgr.	Map No.	Lots/ Units	P h a s e	PLANNING	Planning		CONSTRUCTION				January 2023 Comments
							Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
39	Rimrock Phase III - Unit 1		NL	TM 4744	9	D	Piro Engineering	06/07/93						District was previously requested to re-sign the joint County bonds as part of the ownership transfer process. District met with the new owner in October of 2022 representatives shortly after to review the project. The new owner is planning to resume development of the remaining lots in the near future. No VCMWD Activity in January.
	Rimrock Phase III - Unit 2				32	D	Piro Engineering	06/07/93						
	Rimrock Phase III - Unit 3				29	D	CTE, Inc.	06/07/93						
40	Circle P		NL	TM 5468	11	G	CTE, Inc.	08/07/17						No activity since Board issued Concept Approval for the project in August 2017. Staff prepared and submitted District Facility Agreement (DFA) to Developer for signature. Plan review pending receipt of plans and signed DFA. No VCMWD Activity in January.
44	Sea Bright Line Ext.		NL	TM 5814	9	G	Sea Bright	01/22/13	06/02/17	\$639,000				No activity since Board issued Concept Approval for the project in August 2017. Staff prepared and submitted District Facility Agreement (DFA) to Developer for signature. Plan review pending receipt of plans and signed DFA. No VCMWD Activity in January.
46	Beck Subdivision		NL	TM 5060	16	G	Sea Bright	06/01/09	10/10/18	\$237,215				No activity since plan approval extension was approved October 10, 2018.
47	Orchard Run Interim Lift Station		FC			B	Dexter Wilson Engineering		02/26/20	\$350,000	Basile	100%		Facility to remain in Operation until the Orchard Run Permanent Lift station is complete and operational.
51	Eagles Noel (Baldwin) Water Line Extension		NL	PM 17548	3	B	Wynn Engineering	04/05/21	06/02/21	\$185,000	JPI Development	50%		Construction halted in late 2022 due to encounter of hard rock. A plan revision was signed by the District, December 23, 2022, realigning the waterline to mitigated the rock. Continuing to wait for contractor to mobilize and re-start construction.
52	Weston Towne Center (previously called Village Square)		WG		85	F	TSAC Engineering Steve McPartland							The project was acquired by Indian Creek Associates, LLC. The new owner has established a new project account, see Job No. Item 73. Owner of the commercial property (Bob's LLC) has not yet made contact with the District. This account will remain open to report on the status of the commercial property.
54	Mathew Rd. Line Ext.		NL		3	A	Wunderlin Engineering Inc.	12/21/20	09/28/21	\$58,100	Westcoast Underground	100%	06/02/22	Project in 1 year warranty period through July 2023
55	Park Circle Shea Homes (Neighborhood A)		NL	Portion TM 5603 Unit 5	88	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	11/18/19		Cass/Arrieta	95%		Shea Homes is still working to complete remaining punch list items. Developer completed paint application of district facilities. Additional punch list items remain to process final acceptance.
56	Orchard Run KB Home Coastal (Units 1 & 2)		NL		105	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/17/19	07/23/19	\$1,717,785	H7 Contracting and Engineering	80%		Developers contractor is working to complete punch list items.

**ENGINEERING DEPARTMENT
TABLE II - DEVELOPER FUNDED PROJECTS SUMMARY**

Job # 01-00-00- 180xx	PROJECT NAME	Proj. Mgr.	Map No.	Lots/ Units	P h a s e	PLANNING	Planning		CONSTRUCTION				January 2023 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
57	Orchard Run Unit 3 Affordable Home Unit	NL	TM 5087-3	52	B	Touchstone	04/17/19	07/23/19	Incl in OR Unit 3	Cass/Arieta	50%		Developer has been slow to move forward with activating meter services, due to negotiations with County on affordable pricing terms. Movement is expected in February. No VCMWD Activity in January.
58	Mountain Meadow Village Center	NL		1	F	PLSA							In October 2022, Developer requested additional Project Facility Availability forms to be signed as part of their ongoing permitting process with the County. No VCMWD Activity in January.
59	Pauma Vista Winery Water Line Extension	NL		1	C	Rancho Coastal Surveying Engineering Inc.	01/07/22	11/16/22	\$255,000	Pending			Project plans were signed on November 16th 2022. Developer is currently obtaining quotes from contractors to perform the proposed improvements. No VCMWD Activity in January.
60	Liberty Bell Plaza	NL		5	F	Alidade Engineering - Larry Dutton							Alidade Engineering requested a quitclaim be processed of an District easement located over one of the parcels (1-31-2023). District is responding to the request. Meanwhile Developer is awaiting County approval to begin overall development activities.
63	Polito Subdivision	NL	TM 5001	14	G	Piro Engineering	06/07/99	08/28/15	\$150,000				District staff returned quitclaim documents to Gary Wynn for his action on January 10th.
64	Park Circle Beazer Homes (Unit 4)	NL	TM 5603-2	79	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	09/27/21		H7 Engineering and Contracting	60%		Conditional acceptance for Alley G-7 was processed on January 10, 2023. Alleys G-2 and G-3 are still in construction and have yet to be conditionally accepted.
65	Rincon Tribe Emergency Water Service	WG			G	JR Filanc							Staff is providing assistance and coordination to Rincon Band of Luiseno Indians regarding their evaluation of obtaining a connection location for an emergency source of water supply. Study is being conducted by JR Filanc utilizing San Diego State Engineering Department. No Activity since initial discussion with SDSU Students in October 2021.
66	Village Station	NL		200	F	Wynn Engineering	Pending						Previously requested updated preliminary design report (PDR) for all of VCVF North Village property. Owner contracted with Dexter Wilson Engineering to prepare the report. Staff provided DWE with additional information. No further activity anticipated until receipt of the PDR.
67	Ivy Dell RV Park Water Line Extension	NL		1	D	Excell Engineering Robert Dentino	Pending		Pending	Pending			VCMWD reviewed plans and returned to developer on 1-26-23 for revision.
69	Manzanita Crest Waterline Extension	NL	PM 19064		F	SMS Consulting	Pending						Developer's engineer submitted plans for review. Staff processed and returned first plan check comments in June. No VCMWD Activity in January.

**ENGINEERING DEPARTMENT
TABLE II - DEVELOPER FUNDED PROJECTS SUMMARY**

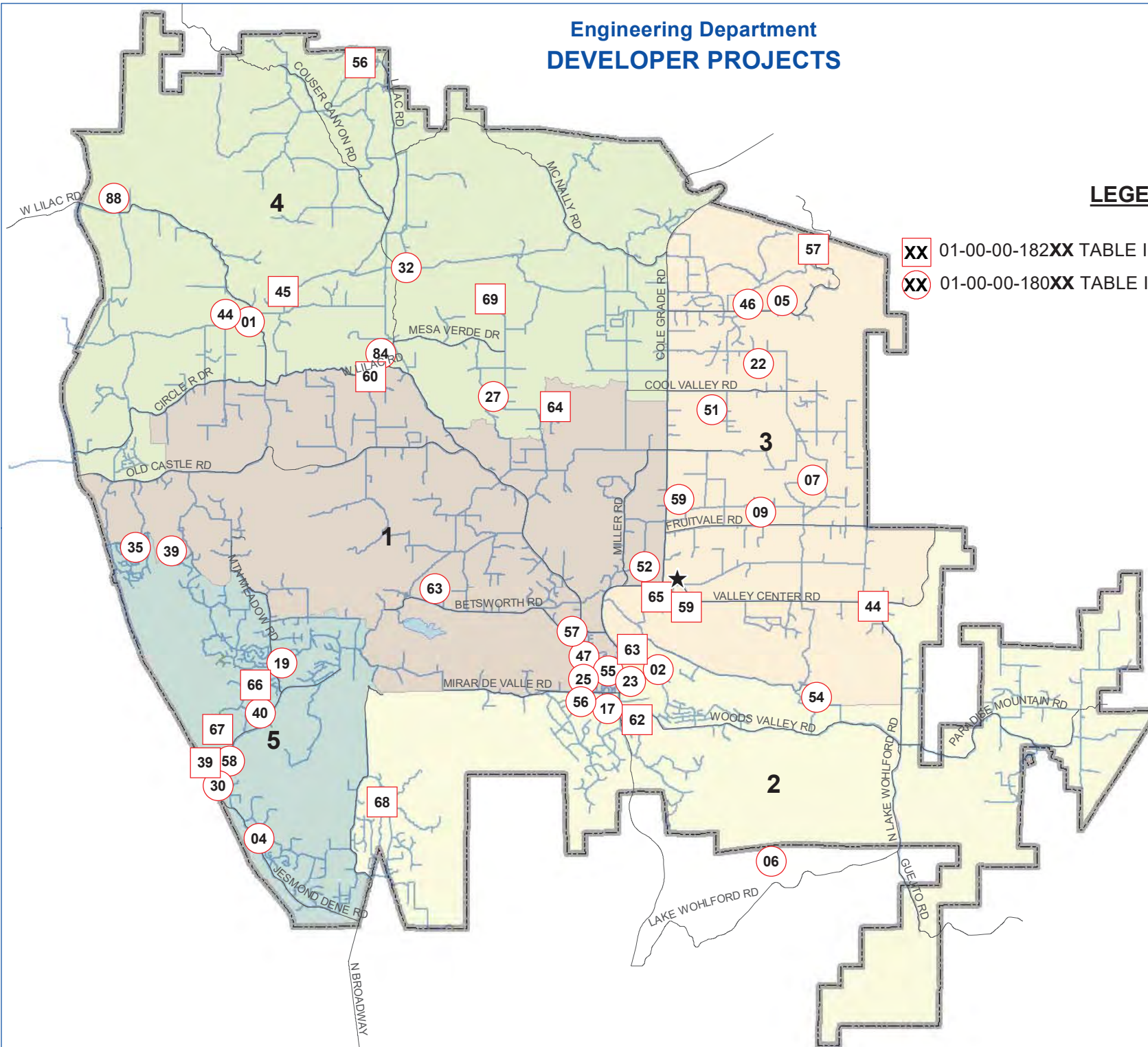
Job # 01-00-00- 180xx	PROJECT NAME	Proj. Mgr.	Map No.	Lots/ Units	P h a s e	PLANNING	Planning		CONSTRUCTION				January 2023 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
72	SDGE Strategic Undergrounding Project (SUP)	NL			B	NV5							Staff is supporting the project as necessary in response to SDG&E activity surrounding District facilities. No VCMWD Activity in January.
73	North Ranch Estates (Weston Residential Property)	NL		515	F	Dexter Wilson Engineering.							Developer is working closely with the other major developers in the North Village Area to prepare a Phase Expansion plan for additional wastewater capacity. Dexter Wilson Engineering will be updating their prior repots and requesting an update to the prior concept approval. No submittals received from the Developer in January.
74	City of Escondido Flume Underground Project	NL			B	Michael Baker International				Sukut			Project is to account for spent inspecting construction of the City of Escondido's Flume underground project occurring in the vicinity of District Facilities. No VCMWD Activity in January.
75	Hideaway Lake Road Waterline Extension	NL		1	E	ARC Engineering	Pending						Waiting on response from developer to move forward with concept approval.
84	Anderson Line Extension (Munster Platz)	NL	TPM 20460	5	G	Wynn Engineering	05/16/16						Developer's Engineer contacted District late May 2021 indicating that the Developer was wanting to move forward with the water line improvements in 2021. Staff responded with need to renew the Concept Approval and review the plans for compliance with latest standards. No VCMWD Activity in January.
88	Marquart Ranch Line Ext.	NL	TM 5410	9	G	MLB Engineering (Michael Benesh)	05/04/09	09/19/17	\$293,751				No activity since plans approved September 7, 2017.
	PROJECT SUMMARY			# of Projects	Lots or Units	Total Cost							
A	Warranty Period			1	3	\$58,100	(DFA) = District Facilities Agreement						
B	Under Construction			18	925	\$12,540,477	(P) = District Participation in Project						
C	Pending Construction			1	1	\$255,000	(R) = Reimbursement Agreement						
D	Design Phase			6	85	\$194,202	(1) Red Text indicates that Concept or Plan Approval has expired.						
E	Concept Approval (Pending Design)			1	1	\$0							
	Total in Process			27	1,015	\$13,047,779							
F	In Planning - Active			8	808	\$0							
G	In Planning - Inactive			11	153	\$4,423,708							
	Total Planning			19	961	\$4,423,708							
	Total Projects			46	1,976	\$17,471,487							

Engineering Department DEVELOPER PROJECTS



LEGEND

- XX** 01-00-00-182**XX** TABLE I - SPECIAL PROJECTS
- XX** 01-00-00-180**XX** TABLE II - DEVELOPER PROJECTS



D. CAPITAL IMPROVEMENT PROJECTS:

See Table III and Location Map for general status of all capital improvement projects.

E. MAPPING:

General Activity: In the month of January staff received 28 mapping update requests for a total of 128, 28 were completed. In addition, staff assisted with the Gordon Hill Road Pipeline Replacement / Oat Hill Discharge Pipeline Replacement / Lilac Road Pipeline Upsize Capital Improvement drawings and Park Circle-Orchard Run Developer exhibits.

MAPS AND RECORDS UPDATE STATUS TABLE					
January	Capital Improvement Projects ⁽¹⁾	Developer Projects ⁽²⁾	Encroachment Permits ⁽³⁾	Special Projects ⁽⁴⁾	Facility Mapping ⁽⁵⁾
Beginning Log	4	0	0	0	100
Plus New	3	1	0		28
Less Completed	(3)	1	0	0	(28)
Ending Log	4	2	0	0	100

Maps and Records Updates: Maps and records consist of preparing record drawings (as-builts) and valve detail drawings and updating the District base map, GIS facility map, and database. Maps and records are continually being updated to accurately reflect completed projects, non-District improvements (encroachments), and current field conditions. The following table summarizes the status of the record map updates.

Maps and Records Update Status Table Footnotes:

- 1) Capital Improvement Projects – This column represents AutoCAD record drawing status of recently constructed Capital Improvement Projects. Each project may generate or affect one or more record drawings. Each project is counted as one regardless of the number of improvement sheets.
- 2) Developer Projects – This column represents AutoCAD record drawing status of recently constructed Developer Improvement Projects. Each project may generate or affect one or more record drawings. Each project is counted as one regardless of the number of improvement sheets.
- 3) Encroachment Permits – This column represents changes made to our existing AutoCAD record drawings to reflect an encroachment that has been generated through the permit process.
- 4) Special Projects – This column represents AutoCAD record drawing status of recently constructed Special Projects such as the installation of new fire hydrants or service laterals.
- 5) Facility Mapping – This column represents individual minor mapping update requests from field or office staff.

**ENGINEERING DEPARTMENT
TABLE III - CAPITAL FUNDED PROJECTS SUMMARY**

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Dec	Jan	Project Manager	January 2023 Comments
Pipelines & PRV Projects							
51020	Upsizing / Unspecified Pipeline Replacement	22-23	\$165,000	0%	0%	Wally Grabbe	New Authorization for FY 2022-23 - \$200,000 - Transferred \$35,000 in October to establish CIP Account to acquire property adjacent to Circle R Reservoir - \$165,000 Available.
51500	Pipeline Condition Assessment	22-23	\$150,000	0%	0%	Michael Powers	Project Established with FY 2022-23 Annual Budget. No Activity in January.
51150	North Broadway Pipeline Relocation (Design/Bid Phase)	21-22	\$100,000	65%	70%	Michael Powers	Staff has continued communications and coordination with EUSD and other property owners regarding acquisition of necessary easements.
18080	NC ESP Alternative Delivery Project Planning, Design and Funding Agreement (Design/Bid Phase)	17-18	\$1,020,000	99%	100%	Nick Lyuber	Public bid opening was held on 1/26/23. District received four competitive bids, with Orion Construction as the apparent low bidder at \$8,796,000. Staff will be reviewing documents to confirm conformance.
51200	NC ESP 14-inch Pipeline Relocation (Design/Bid Phase)	21-22	\$725,000	99%	100%	Nick Lyuber	Included with the NCESP project bid opening.
51513	Water System Upgrade Projects - Keys Creek Crossing Replacement (planning and design)	14-15	\$170,000	20%	20%	Fernando Carrillo	Staff is preparing a recommendation for replacement and confirming the size requirement, a pipe bridge replacement above the 100-year floodplain elevation appears the least expensive option. No Activity in January.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget			Project Manager	January 2023 Comments
				Dec	Jan		
51690	Cole Grade Road Pipeline Replacement Design Phase	16-17	\$610,000	95%	95%	Michael Powers	Awaiting action from the County. Construction expected to begin in Spring of 2024. No activity in January.
51412	Gordon Hill Pipeline Replacement (Design/Bid/Award Phase - 100% Complete) (Construction Ongoing)	18-19	\$3,380,000	50%	60%	Nick Lyuber	Construction is ongoing, approximately 70% of the watermain has been installed. Half of new pipeline has been energized and put into service. Appurtenances still need to be installed.
51415	Oat Hill Discharge & Alps Way Pipeline Replacement (Design/Bid/Award Phase - 100% Complete) (Construction Ongoing)	18-19	\$1,225,000	80%	80%	Nick Lyuber	Contractor began final testing of the Oat Hill Discharge section. Above ground appurtenances are being installed per standard specifications.
51417	Lilac Road Pipeline Upsizing (Construction Phase)	18-19	\$3,700,000	5%	15%	Fernando Carrillo	Cass moved on site and set up lay down yard. They stated to bolt up valve packages and installed 150 LF of 8-inch pipe in Lilac Road from Hideaway Lakes moving south.
51420	Old Castle Road Pipeline Replacement - Phase 2 Design Only	21-22	\$100,000	80%	80%	Michael Powers	This project is planned to be included in the "2021 Facility Replacement Project" SRF application. Staff is working on design plans to be included with the application.
51460	Duffwood Project	21-22	\$190,000	95%	95%	Nick Lyuber	County road improvements are still pending within Fruitvale Road. Tad Construction is working to complete remaining punchlist items.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget			Project Manager	January 2023 Comments
				Dec	Jan		
51120	2020 DWSRF Loan Application (Reimbursement Phase)	18-19	\$150,000	100%	5%	Nick Lyuber	Staff continues to work with State representatives to provide information requested as part of the Final Budget Amendment review. Once approved, District will be able to submit Construction costs for reimbursement. Approval is anticipated in March
51121	2021 DWSRF Loan Application	20-21	\$75,000	25%	25%	Nick Lyuber	No Activity in January.
51910	Gordon Hill Upper Pipeline Relocation Project (Design, Bid Phase)	21-22	\$30,000	90%	90%	Michael Powers	Staff has submitted encroachment permit applications with SDG&E and is awaiting further direction.

ENGINEERING DEPARTMENT
TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Dec	Jan	Project Manager	January 2023 Comments
Reservoir Projects							
51230	Kornblum Reservoir Mixing System (Construction Phase)	22-23	\$300,000	100%	10%	Nick Lyuber	It was determined that District staff will install and implement the selected system themselves. Materials and equipment are in process of being procured.
51303	Ridge Ranch Interim Reservoir (Design Phase)	19-20	\$90,000	5%	10%	Michael Powers	This project is planned to be included in the 2021 SRF Loan Application Package. Staff is evaluating the feasibility of replacing the existing reservoir with a hydropneumatic tank to eliminate low pressure conditions.
51307	Weaver Reservoir - Paint & Recoat	21-22	\$1,800,000	100%	100%	Nick Lyuber	Project complete and in the 1-year Warranty Period.
51401	Burnt Mountain & Reidy Canyon No. 2 Reservoir - Paint & Recoat	21-22	\$1,150,000	100%	100%	Nick Lyuber	Project is complete and in the warranty period.
51403	San Gabriel No. 1 Reservoir - Paint & Recoat	22-23	\$2,040,000	5%	10%	Michael Powers	The structural analysis prompted minor changes to the design and Contractor resumed work. Contractor is preparing change order request based on conclusions from the structural analysis.
51404	Mountain Meadow No. 1 & Reid Hill Reservoirs - Paint & Recoat	22-23	\$2,315,000	20%	35%	Michael Powers	Contractor completed structural repairs and began surface preparation for coating of the interior of the Meadows No. 1 Reservoir. Staff reviewed a change order request for additional structural repairs.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Dec	Jan	Project Manager	January 2023 Comments
Data Management Systems							
51730	SCADA/HMI Migration - Water system - Initial Equipment Purchase FY 17/18 Migration FY 21/22	21-22	\$310,000	10%	10%	Fernando Carrillo	Staff is re-evaluating project and moving in a different direction. Staff to upgrade PLC and solicit proposal from System Integrator to perform integration work.
51770	Document Management System	22-23	\$65,000	0%	0%	Wally Grabbe	Recommendation for software vender delayed pending further evaluation of construction management software and other department document requirements. Recommendation scheduled for March timeframe.
51780	GIS Easement Integration	22-23	\$75,000	60%	60%	Nick Lyuber	No activity in January.
Facilities Projects							
51670	Turner Dam EAP	18-19	\$9,500	95%	95%	Wally Grabbe Gaby Olson	DSOD (Division of Safety of Dams) approved the new inundation map on January 16, 2020. Staff completed and submitted the EAP (Emergency Action Plan) and received review comments from Cal OES (California Office of Emergency Services). Staff contracted with a consultant in April to address the State's comments and complete the EAP. Staff worked with the consultant to complete the EAP and resubmitted the EAP to the State for review and approval.
51590	Water Age Analysis	22-23	\$100,000	5%	5%	Wally Grabbe	Collecting and organizing water meter usage data for use in the evaluation.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Dec	Jan	Project Manager	January 2023 Comments
Lower Moosa Canyon Water Reclamation Facility Projects							
53030	Moosa Wastewater O&M Manual Development	17-18	\$60,000	60%	60%	Fernando Carrillo	Engineering staff producing drawings and attachments for O&M Manual.
53040	Moosa Main Motor Control Center (MCC) Replacement - Bid/Construction Phase	17-18	\$650,000	100%	100%	Fernando Carrillo	Project was completed September '22 and is in the warranty period through September '23. Staff to present project closeout report in March.
53130	Moosa Aeration Air Piping Upgrade	22-23	\$150,000	0%	0%	Fernando Carrillo	Staff took measurements of the air piping and selected suppliers for the pipe materials needed for the project. Staff is producing a set of plans for Construction Maintenance to use for installation.
53290	Meadows Lift Station Motor Control Upgrade	21-22	\$455,000	5%	5%	Fernando Carrillo	Staff is in the design phase for the MCC replacement.
53320	Moosa Clarifier Upgrades	21-22	\$250,000	35%	35%	Fernando Carrillo	Clarifier equipment is scheduled to arrive in late February. District Staff to issue bid request for installation in February. No Activity in January.
53450	Moosa Headworks Improvements	21-22	\$140,000	5%	5%	Fernando Carrillo	Staff has put the design on hold pending completion of the Moosa Master Plan, which may effect the Headworks improvements proposed with this project.
53540	Moosa Master Plan	04-05	\$95,000	95%	95%	Wally Grabbe	Presented Preliminary Findings to the Board in January on Priority Projects, Projected Costs and Funding Sources. Staff completing report for adoption in February.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Dec	Jan	Project Manager	January 2023 Comments
Woods Valley Ranch Water Reclamation Facility Expansion Projects							
56120	Woods Valley Ranch Wastewater Expansion Project Property Acquisitions	98-99	\$250,000	80%	80%	Wally Grabbe	North Village Lift Station site acquisition pending resolution of Indian Creek Road ROW and County approval of VCVF Village Station site plan. VCVF site plan approval by County is still in process. There has been no further discussions with the new owner of the Weston residential parcels. County VMT regulations have slowed down the owner's planning processes. No Activity in January.
56170	Woods Valley Golf Course Seasonal Storage	16-17	\$450,000	0%	0%	Fernando Carrillo	Staff continuing to work with San Pasqual Economic Development Corporation to develop additional seasonal storage facilities on the golf course. No Activity in January.
56260	Grinder Pump Flow Meter Installation	21-22	\$72,000	0%	0%	Fernando Carrillo	Staff is developing an RFQ for installation of the flow meters at various commercial properties that are connected to the South Village Low Pressure sewer collection system. No Activity in January.
56320	North Village Lift Station Design	16-17	\$290,000	10%	10%	Fernando Carrillo	Preliminary design complete. Lift Station site requirements identified. Site acquisition pending county approval of Village Station (VCVP) development plans. No Activity in January.
55330	Series 1 Bond Issuance Costs CFD 2020-1	21-22	\$350,000	90%	90%	Wally Grabbe	The finance team had previously determined that an amendment to the SRF Loan Agreements (ISAs) acknowledging the pledge of the CFD Special Taxes was needed for the bond sale. Two options were determined and evaluated; payoff the CFD portion of the CWSRF Debt or Amend the ISAs to acknowledge the CFD security pledge. After several months of discussions with SWRCB staff, Touchstone and Finance Team, staff contacted SWRCB to proceed with ISA amendments to payoff the CFD portion of the CWSRF debt.
55340	Orchard Run Lift Station Construction	21-22	\$3,850,000	80%	80%	Fernando Carrillo	Contractor install electrical for the wet well. Fencing sub contractor install the wrought iron fence and gate on the west end of the site SDGE set transformer pad and set meter. Lift Station site has full power.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

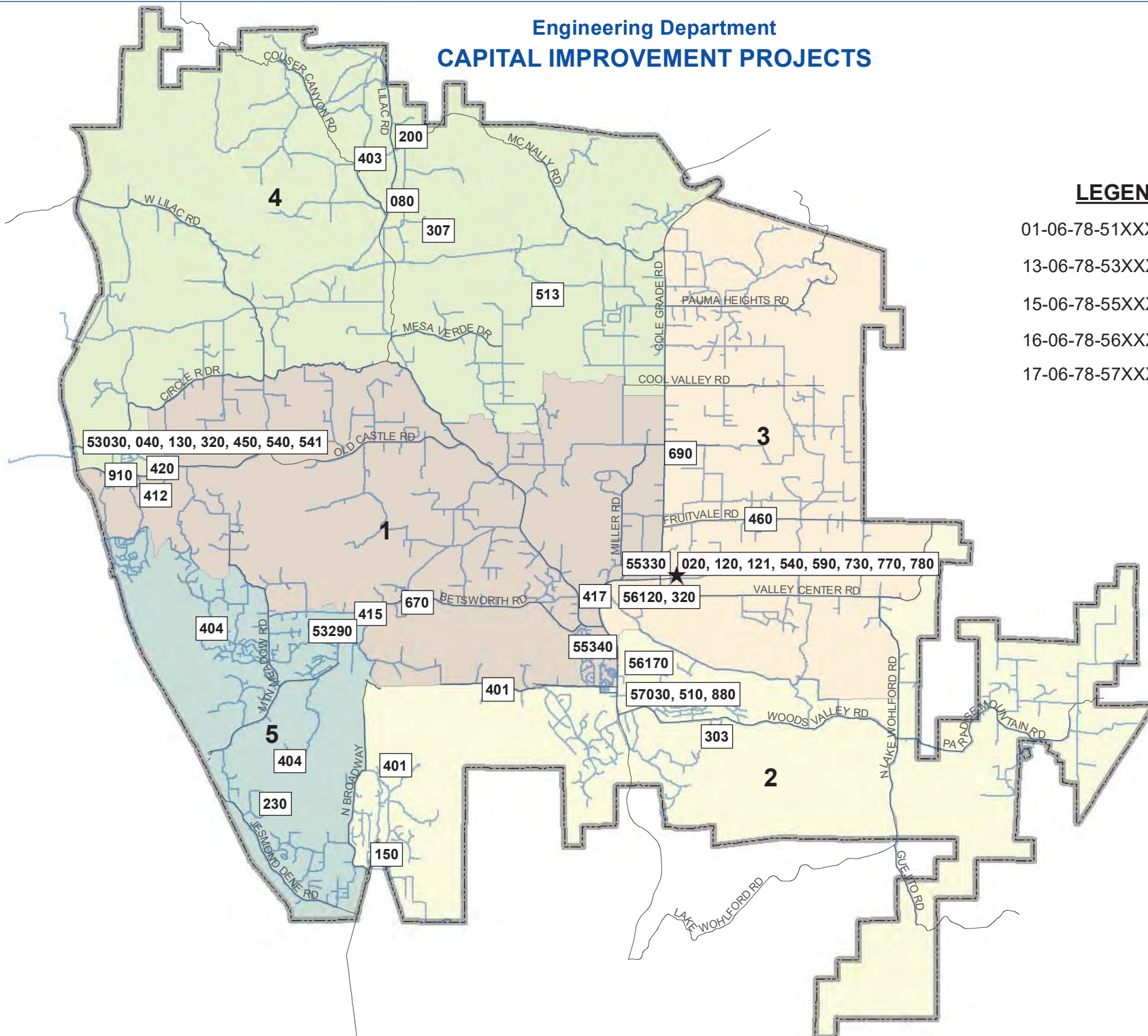
Acct. No.	Project Name	F.Y. Authorized	Total Budget	Dec	Jan	Project Manager	January 2023 Comments
Woods Valley Ranch Water Reclamation Facility Projects							
57030	WVR Wastewater O&M Manual Development	17-18	\$90,000	6%	6%	Fernando Carrillo	Engineering staff and Wastewater staff have started reviewing existing O&M and are developing a new format. No Activity in January.
57510	WVR WRF HMI Upgrade	21-22	\$25,000	5%	5%	Fernando Carrillo	WVR WRF HMI Upgrade is scheduled to start after the Water SCADA HMI Conversion Project is completed. No Activity in January.
57880	Woods Valley Ranch WRF Waste Discharge Permit Requirements Salt Nutrient Management Plan (SNMP)	15-16	\$90,000	5%	5%	Wally Grabbe	Scheduled start in April '23. No Activity in January.

Engineering Department CAPITAL IMPROVEMENT PROJECTS



LEGEND

- 01-06-78-51XXX (XXX)
- 13-06-78-53XXX (53XXX)
- 15-06-78-55XXX (55XXX)
- 16-06-78-56XXX (56XXX)
- 17-06-78-57XXX (57XXX)



F. FUNDING REQUESTS:

Drinking Water State Revolving Fund Loan Application. Final approval of the Installment Sales Agreement by the SWRCB for the 2020 Pipeline Projects was received and the Board of Directors authorized the General Manager to execute the Agreement in March '22. The first disbursement request for planning and design expenses was submitted in April and the first disbursement was received in October '22. The last of the three projects included in the application, Lilac Road Pipeline Replacement Project, was Awarded in October '22, contracts received the following month and Final Budget Approval documents submitted in November '22. Upon receipt of Final Budget Approval from the SWRCB staff can prepare disbursements requests for reimbursement of construction expenses. Final Budget Approval is expected by March '23, six months from submittal.

G. SEMINARS/MEETINGS:

- 1/18/23 – W. Grabbe, M. Powers and M. Wick attended the SDCWA Regional Water Loss Group meeting.

IV. FINANCE DEPARTMENT:

A. COMPARISON OF STATISTICS:

	<u>JAN 2023</u>	<u>Fiscal YTD 2022-23</u>	<u>Fiscal YTD 2021-22</u>
Bills Mailed:	10,377	72,323	65,147
Actions for Non-Payment:			
Notices Mailed	1,254	9,161	8,267
48 Hr. Phone Calls	524	3,569	2,878
Meters Flow Restricted	1	12	10
Accounts Liened	3	26	30
Lien Notices Mailed	16	101	112
Accounts Transferred	41	432	455
	<u>JAN 2023</u>	<u>JAN 2022</u>	<u>JAN 2021</u>
Customer Counts:			
Active Water Accounts:			
Certified Ag - PSAWR	646	649	1,035
M & I	9,022	8,638	8,050
Fire Meters	<u>1,864</u>	<u>1,484</u>	<u>1,303</u>
Total Active Accounts	11,532	10,771	10,388
Inactive Water Accounts:			
PSAWR	43	39	92
M & I	714	710	688
Fire Meters	<u>135</u>	<u>139</u>	<u>142</u>
Total Inactive Accounts	892	888	923
Total Water Accounts	<u>12,424</u>	<u>11,659</u>	<u>11,311</u>
Active Wastewater Accounts			
Moosa	2,494	2,492	2,489
Woods Valley	<u>865</u>	<u>517</u>	<u>364</u>
Total Wastewater Accounts	<u>3,359</u>	<u>3,009</u>	<u>2,853</u>
		<u>Acre-Feet</u>	<u>Value</u>
Interim MWD Agricultural Program:			
July 1994 through DEC 2012		<u>513,882.8</u>	\$63,681,802
MWD RTS Estimated Savings:			
JAN 2003 through DEC 2012			17,884,325
SDCWA PSAWR:			
July 1998 through JAN 2022		<u>484,933.4</u>	32,604,769
SDCWA Emergency Storage Est. Savings:			
JAN 2003 through JAN 2022			34,550,484
SDCWA Supply Reliability Est. Savings:			
JAN 2016 through JAN 2022			<u>4,467,699</u>
TOTAL MWD & SDCWA DISCOUNTS		<u>\$153,189,079</u>	

B. MEETINGS:

- 01/10/2023
Jim Pugh attended the JPIA New Laws for 2023 Webinar.
- 01/11/2023
Jim Pugh attended the Risk Assessment Visit.
- 01/12/2023 8:30 am – 10:30 am
J. Pugh & V. Velasquez attended virtual SDCWA MAM/MAFO Rate workgroup meeting #12.
- 01/19/2023 11:00 am – 11:30 am
J. Pugh & V. Velasquez attended the virtual WaterSmart Webinar regarding the WaterSmart Drought Restrictions Module.
- 01/25/2023
Jim Pugh attended the ACWA JPIA Cyber Liability Webinar Session 1.
- 01/31/2023
J. Pugh & V. Velasquez attended the 2023/24 Budget Kick-Off Meeting.

V. INFORMATION TECHNOLOGY DEPARTMENT:

A. CAPITAL IMPROVEMENT PROJECTS –

SCADA HMI Improvements – Wonderware HMI system replacement at Moosa with Ignition HMI software has been completed. Replacement of the HMI system for the water system is currently in planning stages.

Asset Management System – Phase 2 of Cityworks development and deployment is in progress, which includes backflow, fleet maintenance, storeroom modules and integration with GIS and ERP systems.

Boardroom Technology Upgrade – The existing technology in the board room is being replaced with a new high definition media system. In-room video presentation system and video system wiring upgrades are in progress. Some components are backordered due to supply chain delays.

Server Visualization and Storage – The project will upgrade the data center virtual computing environment to Windows 2022 server-based system. This includes redundant server cluster with automatic failover, software licenses, and core network switch upgrade in the data center. The existing server will be relocated to a remote site and used for data replication, back, and disaster recovery. Server hardware has been set up. Cluster system and storage arrays have been configured. Backup systems have been integrated, and the system is currently being tested.

B. GENERAL ACTIVITY –

SCADA Upgrades – Continuous rolling upgrades are being done to replace older devices such as radios, cameras, network switches, and Uninterruptible Power Supply (UPS) units with newer models, which are faster and more reliable. Video cameras are being replaced with event-driven models that are capable of detecting humans and vehicles.

Geographic Information Systems (GIS) Upgrades – GIS staff has deployed web maps and user portals within the software, and GIS databases and maps have been integrated with the Cityworks Asset Management System. The system is being continuously enhanced and actively used by District personnel.

Backflow Application – Work is continuing to integrate the District's Backflow application with Cityworks and GIS. Data replication components have been developed to allow backflow data to populate Cityworks inspections where it will be available for remote data entry by the tester. The integration is currently being tested.

C. SYSTEM STATUS –

Data center experienced a switch failure on January 19th during a maintenance window after-hours. The switch was replaced, and there was no impact for business operations.

D. MEETINGS –

No meetings were attended in January 2023.

**INFORMATION TECHNOLOGY DEPARTMENT
CAPITAL FUNDED PROJECTS SUMMARY**

Project No.	Name	F.Y. Auth- orized	Total Budget	Contracts			Comments	Project Manager/ Coordinator
				Contractor / Consultant	%			
					Dec	Jan		
51040	Boardroom Technology Upgrade	16-17	\$ 32,135	In-house	98%	98%	Project will upgrade the Audio/Video presentation technology in the Boardroom. New sound system was installed in January 2018. Video live streaming system was installed with upgraded cameras. New monitors were installed on the dais. Video presentation system upgrade is in progress.	Ando Pilve
51480	Asset Management System	18-19	\$ 88,704	In-house, external consultant	98%	98%	Cityworks Asset Management System's implementation is in progress. Deployment is completed with DigAlert, work order modules, and GraniteNet sewer inspection system. Backflow, fleet, and storeroom modules are in development.	Ando Pilve
51240	Server Virtualization & Storage	22-23	\$ 97,423	In-house	50%	60%	Project will upgrade the data center virtual computing environment to Windows 2022 server based system. This includes redundant server cluster with automatic failover, software licenses, and core network switch upgrade in the data center. Server hardware has been set up, system and storage arrays have been configured. Currently testing the system before full deployment.	Ando Pilve

VI. GENERAL ADMINISTRATION PROJECTS AND PROGRAMS:

A. GENERAL MANAGER'S MEETINGS AND ACTIVITIES FOR JANUARY 2023 –

- 01/03/23 – VCMWD Regular Board Meeting (GA & GO);
- 01/04/23 – Agenda Meeting (GA & GO);
Lake Wolhford Resort Annexation Status Meeting (GA);
ACWA Energy Committee CEC Call (GA);
- 01/06/23 – Cityworks Consultant meeting – Fleet (GO);
- 01/09/23 – ACWA Infrastructure Task Force Meeting (GA);
- 01/11/23 – ACWA/JPIA Routine Risk Control Visit (GO);
- 01/12/23 – SDCWA Rate Structure Meeting (GA);
SDCWA Board Leadership Training (GA);
- 01/17/23 – SDCWA Member Agency Managers Meeting (GA);
VCMWD Regular Board Meeting (GA);
- 01/18/23 – Agenda Meeting (GA);
SDCWA A&F Committee Orientation (GA);
- 01/19/23 – CSDA Representative Chris Palmer Meeting (GA);
WaterSmart Drought Software Review Meeting (GA & GO);
Cityworks Consultant meeting – Fleet (GO);
- 01/20/23 – North County General Managers (GA);
VCMWD Engineering Staff Water Loss Meeting (GO);
- 01/23/23 – SDCWA Officers and Chairs Meeting (GA);
SDCWA Water Master Plan Update, Technical Committee (GA);
- 01/24/23 – SDCWA A&F Committee Pre-Board Meeting (GA);
Solve the Water Crisis Board Meeting (GA);
SDCWA Water Use Efficiency Tool Meeting (GO)
- 01/25/23 – SDCWA North County Caucus (GA);
- 01/26/23 – SDCWA Regular Board Meeting (GA);
- 01/27/23 – Chris Mika, Congressman Issa's Legislative Staff (GA);
Consultant Meeting Lake Turner EAP (GO);
- 01/30/23 – "A" Group In-Person Staff Meeting (GA);
- 01/30/23 – "B" Group In-Person Staff Meeting (GA); and
VCMWD FY 23-24 Budget Kickoff Meeting (GA & GO).

**Key: GA – Gary Arant; GO Gaby Olson*

B. Water Conservation and Public Outreach –

Staff received 2023 Calendars and entry forms, and began preparing to distribute to the local 4th grade elementary schools for this year's contest.

C. Personnel –

1) Regular Full-Time Employees, as of January 31, 2023:

<u>Funds</u>	<u>Budgeted</u>	<u>Employed</u>
Water	66	63
Wastewater	<u>6</u>	<u>6</u>
Total	72	69

2) Pending Retirements –

a) John Martinueau, *Sr. C&M Technician* – December 2023

Compiled By:



Kirsten N. Peraino, Board Secretary

Submitted By:



Gary T. Arant, General Manager