

VALLEY CENTER MUNICIPAL WATER DISTRICT
AGENDA

Regular Meeting of the Board of Directors
Monday, March 17, 2025 — 2:00 P.M.

The VCMWD Board of Directors welcomes the public to attend its meetings both in-person at its Board Room and virtually via livestream. *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 can address the Board of Directors during “Public Comments” 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 In-Person Attendance: 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 must 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 they will be read aloud during the public comment period; *or*
- Written Comments: Written comments can be also be physically dropped off or mailed in advance of the meeting at the District’s Administrative located at 29300 Valley Center Rd., Valley Center, CA 92082, for receipt no later than 1:00 pm on meeting day.

These public comment procedures supersede any District 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 boardsecretary@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 (Government Code Section 54954.2).

PUBLIC COMMENTS

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 Section 54954.3).

Valley Center Municipal Water District
Board of Directors' Meeting Agenda

CONSENT CALENDAR ITEMS

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 Tuesday, February 18, 2025;**
2. **Audit Demands and Wire Disbursements;**
3. **Treasurer's Report for Month Ending January 31, 2025;**
4. **Resolution No. 2025-06 to Affirm the District's Authorized Debt Limit per Ordinance No. 171, Effective January 1, 2025;**
5. **Resolution No. 2025-07 to Set Public Hearing Date for Water Availability Charges; and**
6. **Resolution No. 2025-08 Concurring in the Nomination of Melody McDonald, San Bernardino Valley Water Conservation District, for Re-Election to the ACWA-JPIA Executive Committee.**

ACTION ITEM(S)

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

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 Resolution No. 2025-09

8. **Concept Approval for the Rimrock Unit 3 Development Project:**

Concept Approval for the Rimrock Unit 3 Development Project will be requested.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny the concept approval

INFORMATION ITEM(S)

9. **Closeout Report for the McNally/Mizpah Reservoir Paint and Recoat Project:**

A closeout report on the McNally/Mizpah Reservoir Paint and Recoat Project will be provided.

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

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

10. San Diego County Water Authority (SDCWA) Board Meeting Summary:

A report on the SDCWA's Board of Directors' Meeting of February 27, 2025 will be provided.

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

11. General Information:

General Information 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 REPORT

BOARD OF DIRECTORS' ITEMS

BOARD OF DIRECTORS' AB1234 REPORTING*

** Directors must provide brief reports on meetings/events attended in the performance of their official duties for which compensation or reimbursement is provided. Authority: Government Code Section 53232.3.*

CLOSED SESSION ITEM(S)

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 (per Government Code § 54956.9).

12. A CLOSED SESSION will be held pursuant to the following two (2) items:

- **Government Code §54957 – Public Employee Performance Evaluation:**
Unrepresented Employee: General Manager
- **Government Code §54957.6 – Conference with Labor Negotiators:**
Agency Designated Representatives: Board of Directors
Unrepresented Employee: General Manager

Valley Center Municipal Water District
Board of Directors' Meeting Agenda

ACTION ITEM(S) *Continued...*

13. Consider Approval of General Manager's Amended Employment Agreement, and Consider Adoption of Ordinance No. 2025-01 to Amend Administrative Code Section 8.9 to Reflect Adjustment to the General Manager's Compensation:

Approval of the General Manager's Amended Employment Agreement and adoption of Ordinance No. 2025-01, will be considered.

- a. Report by District General Counsel
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny Ordinance No. 2025-01

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
MINUTES**

Regular Meeting of the Board of Directors
TUESDAY, February 18, 2025 — 2:00 P.M.

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Ferro at 2:00 PM. In the Board Room at 29300 Valley Center Rd.; Valley Center, CA 92082, and livestreamed on the District's website at www.vcmwd.org.

ROLL CALL

Board Members Present: *Directors Ferro, Holtz, Smith, Ness, and Stehly.*

Board Members Absent: *None.*

Staff Members Present: *General Manager Arant, District Engineer Grabbe, Director of IT Pilve, Director of Finance & Administration Pugh, Environmental & Regulatory Compliance Manager /Deputy Director of Operations and Facilities Rutherford, Manager of Accounting/Deputy Director of Finance & Administration Velasquez; Special Projects & Regulatory Compliance Manager Nichols Executive Assistant/Board Secretary Peraino, and General Counsel de Sousa present in-person.*

PUBLIC COMMENT(S)

President Ferro 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.

CONSENT CALENDAR ITEMS

Consent calendar items are 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, January 6, 2025;**
2. **Audit Demands for Check Nos. 170719–171039 from December 27, 2024 – February 6, 2025 and Wire Disbursements for Month December 2024 and January 2025;**
3. **Treasurer's Report for Month Ending November 30, 2024;**
4. **Treasurer's Report for Month Ending December 31, 2024 and the Financial Statements for the Quarter Ended December 31, 2024;**
5. **Board of Director's Request for Per Diem Compensation and Board of Director's Report of Expense Reimbursements per Government Code Section 53065.5; and**
6. **Quarterly Expense Reimbursement Disclosures (Oct. 1 – Dec. 31, 2024) per Government Code Section 53065.5.**

Action: Upon motion by Smith, seconded by Ness; and unanimously carried, the previously listed consent calendar items were approved.

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Board of Directors' Meeting Minutes

ACTION ITEM(S)

7. Mutual Services Agreement Between Fallbrook Public Utility District (FPUD), Rainbow Municipal Water District (RMWD), Yuima Municipal Water District (YMWD), and Valley Center Municipal Water District (VCMWD):

A brief history of the informal discussions between the four Districts that led to the development of the proposed Mutual Services Agreement ("Agreement") was presented by Special Projects & Regulatory Compliance Manager Alisa Nichols. Over the past 15 years, VCMWD, FPUD, RMWD, and YMWD have discussed ways to reduce operational costs through collaboration. Ms. Nichols noted that these agencies face similar regulatory, financial, and operational challenges. The proposed Agreement aims to create a formal framework to explore opportunities to realize cost savings through joint programs, projects, and cooperative efforts between agencies. A few examples of potential coordinated efforts include:

- Mutual aid (staff, equipment) during emergencies;
- Joint use and/or ownership of large equipment;
- Coordinated procurement for consulting/regulatory compliance support;
- Joint Federal and State lobbying contracts; and
- Coordination of staffing resources for pipeline repairs, and/or interagency cross-training.

Some highlighted benefits include managing operational costs through enhanced economies of scale (i.e.: equipment, supplies, and consulting services), pooling resources to boost efficiency (for example *emergency response, training, and regulatory compliance*), and establishing emergency interconnections to ensure operational resilience and redundancy. The proposed Agreement provides the advantages of both shared resources and retained local decision-making. If the Board approves the concept, the following steps are expected to implement the formal framework to establish the Mutual Services Agreement:

1. General Counsel review and approval;
2. LAFCO review and approval;
3. Agreement signed by participating agencies;
4. Staff returns to VCMWD Board for final approval; and
5. Separate specific agreements regarding joint efforts will be brought to the Board for approval.

Staff recommended the Board authorize the General Manager to execute the "Mutual Services Agreement" on behalf of the Valley Center Municipal Water District, subject to review by District General Counsel, and provide input and direction for staff concerning future activities and actions relating to the Agreement.

Action: Upon motion by Holtz, seconded by Stehly; and unanimously carried, motion to provide authorization for the General Manager to execute the Mutual Services Agreement was approved.

8. Adoption of Resolution No. 2025-01, Approving Change Order No. 4 to the Construction Contract with Orion Construction Corporation for the North County Emergency Storage Project – Valley Center Improvements and 14-inch Replacement & Relocation:

District Engineer Grabbe provided background information on the North County Emergency Storage Project (NCESP) – Valley Center Improvements & 14-inch Replacement and Relocation scope. Mr. Grabbe reminded the Board that the construction contract consists of two bid schedules (for billing purposes): Schedule A: NCESP Improvements funded by the SDCWA, and Schedule B: 14-inch Replacement and Relocation funded through the District's Capital Improvement budget. A summary of the construction contract with Orion Construction

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Corporation ("Orion") was given, stating that Orion was awarded the contract on April 3, 2023, for their low bid amount of \$8,796,000. The Notice to Proceed for the 560-calendar day contract was issued on June 15, 2023.

Three (3) change orders have been processed so far, for a cumulative amount of \$490,390 and an additional 35 calendar days. Change Order No. 4 is for the addition of various scope of work items, consisting of seven parts, for an increase of \$196,486 and an additional 224 calendar days. The revised total contract amount is \$9,482,876 and 819 calendar days, with the Project expected to be complete by September 12, 2025.

The Project's funding comes from two sources: the SDCWA and the District. The SDCWA funds items related to the NCESP's scope of work (Schedule A), while the district funds items associated with the 14-inch Replacement and Relocation (Schedule B) portion's scope of work. The proposed Change Order No. 4 affects both schedules, with the respective allotted project contingencies being sufficient to fund the change order. The total amount of the Project budget remains unchanged.

Staff recommended the Board adopt Resolution No. 2025-01, approving Change Order No. 4 to the construction contract for the North County Emergency Storage Project – Valley Center Improvements & 14-inch Replacement and Relocation with Orion Construction Corporation in the amount of \$196,486 and an additional 224 calendar days.

Action: Upon motion by Ness, seconded by Smith; and unanimously carried, motion to adopt the following resolution was approved:

RESOLUTION NO. 2025-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT APPROVING CHANGE ORDER NO. 4 TO THE
CONSTRUCTION CONTRACT WITH ORION CONSTRUCTION CORPORATION, INC.
FOR THE NORTH COUNTY EMERGENCY STORAGE PROJECT – VALLEY CENTER
IMPROVEMENTS AND 14-INCH REPLACEMENT AND RELOCATION
[ACCOUNT NOS. 01-00-00-18045 & 01-06-78-51200]**

Was adopted by the following vote, to wit:

AYES: *Directors Ferro, Holtz, Smith, Ness, and Stehly.*

NOES: *None*

ABSENT: *None*

9. Adoption of Resolution No. 2025-02, Authorizing the General Manager to Enter into a Reimbursement Agreement with the County of San Diego for the Construction of the Cole Grade Road Phase 1 Improvements:

District Engineer Grabbe provided an update on the Cole Grade Road Pipeline Replacement Project ("Project"). The existing pipeline - 18,750 LF of ductile iron pipe - was installed in the 1950s and nearing the end of its lifecycle. 11,750 LF was replaced in the 1990s and 2000s. The remaining 6,750 LF is to be installed with the County's Road Widening Improvement Project.

The Project was divided into two phases – Phase 1: Cool Valley Road to Pauma Heights Road, and Phase 2: Fruitvale Road to Cool Valley Road. Phase 1 includes the relocation of 250 LF waterline into the new bridge; adds multiple offsets to resolve conflicts with storm drain crossings, and relocation of appurtenances. Phase 2 includes the replacement of 6,750 LF of waterline and appurtenances.

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For Phase 1 the District construction plans are 100% complete and pending final review. Construction is anticipated to begin in January 2026, after SDG&E and AT&T relocations are completed for an expected duration of 15 months. For Phase 2 the County of San Diego's plans are 70% complete (scheduled to be 100% by Summer 2025). While staff will continue to coordinate with the County during the final stages of their design, the design of the Phase 2 Water Facilities will not begin until after the County has completed its Phase 2 road improvement design. Construction is scheduled to start in July 2027 for the second phase, for an estimated duration of 18 to 24 months.

A total District project budget of \$1,076,000 has been incrementally established since its initial authorization in FY 2016-17 for the design of the water facilities for both Phase 1 and Phase 2 of the Cole Grade Road Pipeline Replacement Project and the construction of Phase 1. Based on the current estimated cost for the completion of the design and Phase 1 construction, an additional \$564,000 will be needed for FY 2025-26. Based on the current design level, additional funding in the amount of \$6.36 million is estimated to be required for the Phase 2 construction. This includes costs for the construction contract, County administration, staff expenses for inspection and project management, as well as contingencies. Since the construction of the Phase 2 portion is not scheduled to begin until July 2027, the estimated future Phase 2 costs would not need to be funded until the District's FY 2027-28 Annual Budget.

County staff prepared the proposed Reimbursement Agreement between the County of San Diego and Valley Center Municipal Water District ("Reimbursement Agreement"), which has been reviewed and commented on by District staff. The Reimbursement Agreement addresses key issues related to consolidating the construction of the water infrastructure improvements with the County road improvement project. These concerns include resolving unbalanced bids prior to the County's project award, the timing of payments for the cost of construction and County administration, approval of change orders, and mutual indemnification.

Anticipating that the County may have comments regarding the final wording of the agreement, District staff, and legal counsel will work with the County's legal counsel to resolve any issues. Staff requests the Board of Directors authorize the General Manager to execute the Reimbursement Agreement once final negotiations are completed subject to the final version being in substantive conformance with the attached proposed draft agreement and District General Counsel review.

Action: Upon motion by Smith, seconded by Stehly; and unanimously carried, motion to adopt the following resolution was approved:

RESOLUTION NO. 2025-02

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A REIMBURSEMENT AGREEMENT WITH THE COUNTY OF SAN DIEGO FOR THE CONSTRUCTION OF THE COLE GRADE ROAD PHASE 1 IMPROVEMENT PROJECT [Project No. 01-06-78-51690]

Was adopted by the following vote, to wit:

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

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Board of Directors' Meeting Minutes**

10. Project Update and Adoption of Resolution Nos. 2025-03, 2025-04, and 2025-05, Approving Various Items Related to the N. Broadway Pipeline Relocation Project:

District Engineer Grabbe provided an overview of the N. Broadway Pipeline Relocation Project ("Project"), which consisted of the abandonment of approximately 1,100 linear feet ("LF") of existing 10-inch waterline, followed by the installation of 3,240 LF of new 12-inch PVC waterline and associated appurtenances.

Funding for the project is set to be reimbursed from the proceeds of a new Drinking Water State Revolving Fund ("SRF") loan. Initially, it was one of three projects included in the original 2023 Water Facility Replacement Project SRF application; which was authorized by Resolution No. 2023-38 for the submission of the financial assistance application. However, due to concerns regarding adequate cash reserves to fund all three projects with a single loan, the original application was replaced with individual applications for each project. The N. Broadway Project is the second of the three original projects.

The application was submitted to the SWRCB in early January to be in line to be included in the SWRCB's fiscal year ("FY") 2025-26 Intended Use Plan ("IUP"). Projects need to be included in the IUP to receive SRF Loan approval for funding in the intended fiscal year. To secure SRF loan approval, the environmental review and approval phase of the project needed to be completed. An additional \$380K funding is required to complete the design and environmental review. The requested funds for the design phase and the projected future costs for construction cost are estimated at \$4.2M. The mid-year budget amendment of \$380K is proposed from two sources: the balance of the project funds from a recently completed reservoir coating project (\$105K) and the Water Capacity Charge Reserve (\$275K).

Mr. Grabbe reviewed the Professional Service Agreements ("PSA") required for this project. In accordance with Administrative Code provisions, any PSA exceeding \$50,000 requires Board approval. One such agreement, for engineering design drafting services with Ardurra, will exceed the threshold requiring Board consent. In January 2024, the Board of Directors authorized staff to enter an As-Needed PSA with Ardurra to provide hybrid engineering support services, drafting, design, inspection, and other related tasks. For the N. Broadway project, staff requested a proposal from Ardurra that includes not only engineering design and drafting services but also structural design for the proposed elevated creek crossing and traffic control plan preparation. Ardurra's proposal totals \$142,693 which is deemed a fair and reasonable cost for the scope of work outlined.

Although proposals of this magnitude typically require comparison with other proposals, staff recommended waiving the requirement for multiple proposals, as the work aligns with the hourly rates set forth in the As-Needed PSA and the proposed time presented for completion is reasonable. Additional consulting agreements necessary for the project include Birdseye Planning Group LLC (environmental services), TSAC Engineering (surveying services), NOVA Services, Inc. (geotechnical services), and Monument ROW (ROW services).

Staff recommended the Board adopt the following:

- 1) Resolution No. 2025-03: Amending the FY 2024-25 Annual Budget and approving consultant agreement for the North Broadway Pipeline Relocation Project.
- 2) Resolution No. 2025-04: Authorizing and Directing the General Manager or his Designee to Submit a DWSRF Financial Assistance Application for Funding the North Broadway Pipeline Relocation Project.
- 3) Resolution No. 2025-05: Declaring Intent to be Reimbursed Expenditures for the North Broadway Pipeline Relocation Project from the Proceeds of the State Water Resources Control Board Debt Obligation.

**Valley Center Municipal Water District
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Action: Upon motion by Smith, seconded by Stehly; and unanimously carried, motion to adopt the following resolution was approved:

RESOLUTION NO. 2025-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT AMENDING THE FY 2024-25 ANNUAL BUDGET
FOR THE NORTH BROADWAY PIPELINE RELOCATION PROJECT AND AWARDED
CONSULTING AGREEMENTS FOR ENGINEERING AND ENVIRONMENTAL SERVICES
[PROJECT NO. 01-06-78-51150]**

Was adopted by the following vote, to wit:

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

◀ and ▶

Action: Upon motion by Holtz, seconded by Smith; and unanimously carried, motion to adopt the following resolution was approved:

RESOLUTION NO. 2025-04

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT AUTHORIZING SUBMITTAL OF A
DRINKING WATER STATE REVOLVING FUND FINANCIAL ASSISTANCE
APPLICATION FOR THE N. BROADWAY PIPELINE RELOCATION PROJECT**

Was adopted by the following vote, to wit:

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

◀ and ▶

Action: Upon motion by Ness, seconded by Stehly; and unanimously carried, motion to adopt the following resolution was approved:

RESOLUTION NO. 2025-05

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT DECLARING INTENT TO BE REIMBURSED
EXPENDITURES FOR THE N. BROADWAY PIPELINE RELOCATION
PROJECT FROM PROCEEDS OF THE SWRCB DEBT OBLIGATIONS**

Was adopted by the following vote, to wit:

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

INFORMATIONAL ITEM(S)

11. San Diego County Water Authority (SDCWA) Board Meeting Summary:

A report on the SDCWA's Board of Directors' Meeting of January 23, 2025 was provided.

Action: Informational item only, no action required.

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

12. General Information:

General Manager Arant provided highlights of the District's November Status Report and Special Projects & Regulatory Compliance Manager Nichols provided a legislative update.

Action: Informational item only, no action required.

DISTRICT GENERAL COUNSEL'S ITEM(S)

None.

BOARD OF DIRECTORS' AB1234 REPORTS ON MEETINGS ATTENDED

None.

CLOSED SESSION ITEM(S)

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 (per Government Code § 54956.9).

A Closed Session was called by President Ferro at 3:51 PM pursuant to the following:

13. Government Code §54957 – Public Employee Performance Evaluation:

Unrepresented Employee: General Manager

14. Government Code §54957.6 – Conference with Labor Negotiators:

Agency Designated Representatives: Board of Directors

Unrepresented Employee: General Manager

RECONVENE: The Board came out of closed session at 4:43 PM with no reportable action.

ADJOURNMENT

Action: Upon motion by Smith, seconded by Ness; motion passed with four (4) affirmative votes (*noting Director Stehly left the meeting at 4:38 PM*), the regular meeting of the Board of Directors was adjourned at 4:43 PM.

ATTEST:

ATTEST:

Kirsten N. Peraino, Secretary

Enrico P. Ferro, President

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 07, 2025 THROUGH FEBRUARY 13, 2025

FEBRUARY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171040	Aaron Mehandroo LLC	Vehicle Maintenance	696.28
171041	Paul Adrian	Safety Boot Reimbursement	280.14
171042	Alpha Analytical Laboratories, Inc.	Testing	1,295.00
171043	Ardurra Group, Inc.	TO#2 Old Castle Waterline Replacement Phase 2	36,542.50
171044	AT&T	Services	1,427.10
171045	Babcock Laboratories, Inc	Testing	160.00
171046	BluePath Finance Solar III LLC	Lower Moosa Canyon Solar - January 2025	4,178.02
171047	BluePath Finance Solar V LLC	VCMWD Corporate Center - January 2025	1,706.74
171048	CalMat Co	Materials - Field	657.39
171049	Complete Office of California, Inc	Office Supplies	30.16
171050	Corodata Media Storage, Inc.	Record Storage - January 2025	254.19
171051	Corodata Records Management	Record Storage - January 2025	122.76
171052	County Recorder of San Diego	Release Lien - LVN Group	40.00
171053	Diamond Environmental Services, LP	Services	2,410.47
171054	Emission Compliant Controls Corporati	Services	1,075.00
171055	Ferguson Waterworks #1083	Materials - Field	4,975.06
171056	Grainger, Inc	Materials - Field	2,498.48
171057	HD Supply Facilities Maintenance Ltd.	Materials - Field. Customer# 19969	5,839.47
171058	HealthEquity Inc.	Employee Contributions 01/24/25-02/07/25	277.00
171059	HealthEquity Inc.	Monthly Fees - February 2025	17.70
171060	iDrains LLC	Services	2,810.00
171061	Infosend	A/R Processing, Mail & Postage	12,032.70
171062	International City Mgmt Association Re	MissionSquare Remittance 01/24/25-02/07/25	6,788.77
171063	Interstate Battery of San Diego, Inc.	Batteries	2,428.48
171064	Jennette Company, Inc	Moosa Clarifier No. 2 Upgrade and Moosa Minor U	195,818.18
171065	Keystone Automotive Industries	Materials - Field	97.18
171066	Koppel & Gruber Public Finance	Annual Debt Transparency Report AD 2012-1 2018	2,280.24
171067	Liquid Environmental Solutions of Calif	Services	9,021.00
171068	Michels Pacific Energy	Refund Check 020252-000, 03073294 FH@VC Rc	2,057.39
171069	Motion Industries	Materials - Field	1,132.22
171070	Nakamichi Consulting Services, Inc.	Services	5,850.00
171071	Napa Auto Parts	Vehicle Maintenance	832.23
171072	National Safety Compliance, Inc	Annual Administration Fee	150.00
171073	Nestle Waters North America	Deliveries - January 2025	158.67
171074	Pacific Pipeline Supply	Materials - Field	1,891.67
171075	Palomar Broadband Inc.	Services	69.95
171076	Partners In Control Inc.	SCADA/HMI Services	10,470.00
171077	Petty Cash	Petty Cash	248.15
171078	Powerland Equipment Inc.	Materials - Field	1,258.81
171079	Prudential Overall Supply	Uniform Rentals - January 2025	5,156.22
171080	Quality Chevrolet	Vehicle Maintenance	506.61
171081	Rockwell Construction Services, LLC	North County Emergency Storage Project	11,112.50
171082	San Diego Gas & Electric	Electric Services - #0007242272582	70,868.95
171083	San Diego Gas & Electric	Electric Services - #0010212819358	31,104.51

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 07, 2025 THROUGH FEBRUARY 13, 2025

FEBRUARY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171084	Linda and Charlie Sharp	Refund Check 015035-002, 22081905 FH@ 1562!	1,097.25
171085	Sierra Analytical Labs, Inc	Testing	300.00
171086	SolarWinds	Annual Maintenance Renewal For Kiwi Syslog 03/2	151.00
171087	Stehly Brothers Drilling Inc	Materials - Field	389.57
171088	Stericycle, Inc.	Record Destruction	80.30
171089	Technology Unlimited	Maintenance Renewal - Currency Counter	325.00
171090	Underground Service Alert/SC	Services - January 2025	473.06
171091	United Way of San Diego County	Employee Contributions 01/24/25-02/07/25	20.00
171092	VCMWD Employees Assoc.	Employee Contributions 01/24/25-02/07/25	912.00
171093	John and Angela Vreeken	Refund Check 020578-000, 01057214 FH@Circle	2,182.04
171094	Walter's Wholesale Electric Co	Materials - Field	517.91
171095	Westair Gases & Equipment Inc.	Materials - Field	134.31
171096	Westflex, Inc.	Materials - Field	257.37
171097	ZAGAMI INC	Equipment Rental	1,065.29
TOTAL			<u>446,532.99</u>

Approved By: _____

General Manager

J. V. Page
Director of Finance & Administration

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 14, 2025 THROUGH FEBRUARY 20, 2025

FEBRUARY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171098	A-1 Irrigation, Inc	Materials - Field	3,276.10
171099	Aaron Mehandroo LLC	Vehicle Maintenance	857.84
171100	ACWA/JPIA	Blue Cross Medical Premiums - March 2025	82,035.88
171101	Alpha Analytical Laboratories, Inc.	Testing	1,235.00
171102	Ardurra Group, Inc.	Services - Apls Way Pipeline Replacement Project	2,047.50
171103	Babcock Laboratories, Inc	Testing	123.37
171104	Best Best & Krieger LLP	Legal Services - January 2025	9,214.04
171105	Bidell Gas Compression Inc.	Materials - Field	560.83
171106	Birdseye Planning Group	Services - Old Castle	7,220.00
171107	Boncor Water Systems, LLC	Services	220.00
171108	DIRECTV	Moosa Dish Service 02/11/25-03/10/25	53.49
171109	Emission Compliant Controls Corporation	Services-Emission Testing	1,075.00
171110	GovConnection, Inc.	Cisco Router Annual Maintenance 3/20/25-3/19/26	135.43
171111	Grainger, Inc	Materials - Field	680.73
171112	GSE Construction Company Inc.	Orchard Run Lift Station Project	101,922.43
171113	Kaiser Foundation Health Plan Inc	Medical Premiums/Purchaser ID 104350 - March 2025	71,599.70
171114	Mark Thomas and Associates, Inc.	Services	3,400.00
171115	Miguel Martinez	Hideaway Lake Road Waterline Refund	3,059.79
171116	Matheson Tri-Gas Inc	Materials - Field	60.06
171117	RIKKI K. MAZZETTI	Services - Towing	250.00
171118	Monument Row	Services-Gordon Hill Upper Water Line	1,785.00
171119	Thao Nguyen	Refund Check 014442-000, 26704 Saint Andrews	1,077.55
171120	Occupational Health Centers of California	Medical Services	118.00
171121	O'Reilly Automotive, Inc.	Vehicle Maintenance	1,092.50
171122	Orion Construction Corporation	Project No. 01-00-00-18045	361,093.74
171123	Palomar Termite & Pest Control	Pest Control - February 2025	75.00
171124	Paymentus Corporation	Transaction Fess - January 2025	13,062.55
171125	Rancho California Water District	CropSwap Cost Share	5,638.86
171126	Scelzi Equipment, Inc	Vehicle Maintenance	91.50
171127	Self Insured Services Company	Medical & Dental Insurance Premiums - March 2025	691.60
171128	Sierra Analytical Labs, Inc	Testing	200.00
171129	Supreme Oil Company	Gasoline and Oil	9,730.39
171130	SWRCB	Application for D2 Exam - Fernando Leon	65.00
171131	Waxie Sanitary Supply	Janitorial Supplies	1,104.89
TOTAL			<u>684,853.77</u>

Approved By: _____

General Manager

J.V. Payne
Director of Finance & Administration

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 21, 2025 THROUGH FEBRUARY 27, 2025

FEBRUARY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171132	Void Check	Void Check	0.00
171133	ACC CA Inc.	Asphalt Disposal	954.01
171134	Alpha Analytical Laboratories, Inc.	Testing	870.00
171135	AT&T	Services	740.52
171136	AT&T	Services	31.57
171137	AT&T Mobility	Services - Account No. 287290784385	4,489.01
171138	Babcock Laboratories, Inc	Testing	160.00
171139	Bavco	Materials - Field	2,111.27
171140	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	754.94
171141	Fernando Carrillo	Generator Startup and Testing NC Esp Project 02/(58.95
171142	CDW Government	CISCO ASA Firepower 01/02/25-02/06/26	1,939.63
171143	City of Escondido	Escondido Woods Sewer Charges - February 2025	1,776.43
171144	Complete Office of California, Inc	Office Supplies	69.94
171145	Core & Main LP	Materials - Field	2,282.79
171146	Mario Cortes	Safety Boot Reimbursement	198.78
171147	County of San Diego	Permits	3,632.00
171148	Diamond Environmental Services, LP	Services	3,365.47
171149	Lorena Espinoza	Janitorial Service - February 2025	1,875.00
171150	Ferguson Waterworks #1083	Materials - Field	1,453.28
171151	Grainger, Inc	Materials - Field	3,586.39
171152	Hasa, Inc.	Chemicals	1,665.79
171153	Hawthorne Machinery Co	Materials - Field	845.75
171154	HD Supply Facilities Maintenance Ltd.	Materials - Field. Customer# 19969	615.84
171155	HealthEquity Inc.	Employee Contributions 02/07/25-02/21/25	277.00
171156	International City Mgmt Association Re	MissionSquare Remittance 02/07/25-02/21/25	6,837.52
171157	Interstate Battery of San Diego, Inc.	Batteries	1,607.88
171158	Jankovich Company	Materials - Field	3,595.17
171159	Konica Minolta Premier Finance	Copier Rental 02/15/25-03/14/25	2,435.39
171160	Martin Marietta Materials, Inc	Materials - Field	513.37
171161	Sharon Martineau	Medicare Part B Reimbursement - 4th Qtr 2024	1,677.00
171162	McCrometer, Inc.	Moosa Effluent Meter Calibration	313.20
171163	Motion Industries	Materials - Field	14.99
171164	Jeson Nikrasch	Safety Boot Reimbursement	193.93
171165	Occupational Health Centers of Californi	Medical Services	325.00
171166	Pacific Pipeline Supply	Materials - Field	685.29
171167	Parkhouse Tire, Inc.	Vehicle Maintenance	2,471.23
171168	Kirsten Peraino	Staff Meeting Donuts 01/28/25 and 02/25/25	337.65
171169	Pinpoint Pest Control Co Inc	Bee/Wasp Control	195.00
171170	Powerwerx, Inc.	Vehicle Maintenance	196.14
171171	S & R Towing, Inc.	Services	490.00
171172	San Diego Gas & Electric	Gas Services - February 2025	27,896.28
171173	SHAPE Incorporated	Materials - Field	3,445.25
171174	Signa Mechanical	Materials - Field	3,244.80
171175	Southwest Answering Service, Inc	Answering Service 01/23/25-02/19/25	629.75

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 21, 2025 THROUGH FEBRUARY 27, 2025

FEBRUARY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171176	Southwest Valve & Equipment, Inc.	Materials - Field	1,832.15
171177	The Truck Shop	Vehicle Maintenance	5,964.08
171178	United Way of San Diego County	Employee Contributions 02/07/25-02/21/25	20.00
171179	VCMWD Employees Assoc.	Employee Contributions 02/07/25-02/21/25	912.00
171180	VelocityEHS Inc.	Service Period 02/23/25-02/22/26	3,099.00
TOTAL			<u>102,686.43</u>

Approved By: _____

General Manager

J. V. P.
Director of Finance & Administration

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 28, 2025 THROUGH MARCH 06, 2025

MARCH

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171181	Alpha Analytical Laboratories, Inc.	Testing	675.00
171182	Babcock Laboratories, Inc	Testing	615.17
171183	Bay City Equipment Industries, Inc.	Materials - Field	249.37
171184	Pat Bosworth	Refund Check 010078-000, 26860 N Broadway	20.41
171185	Busy Bees Locks & Keys, Inc.	Services	654.91
171186	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	2,392.01
171187	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	1,144.48
171188	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	1,423.00
171189	CDW Government	Standard Pedestal Mount Package For Ford F350	391.22
171190	Computer & Peripherals Group, Inc.	Materials - Engineering	181.54
171191	Core & Main LP	Materials - Field	9,315.00
171192	County of San Diego	Repeater Site Rent Acct# 7019 - Palomar Mounta	920.00
171193	County Recorder of San Diego	Release Lien For The Following Account:Melvin a	20.00
171194	Decisive Testing Inc	Materials - Field and Testing	1,524.00
171195	Diamond Environmental Services, LP	Services	50.47
171196	DIRECTV	Dish Service 02/24/25-03/23/25	84.74
171197	Dow Jones & Company, Inc.	Wholesale Rack Report 03/01/25-05/31/25	588.00
171198	EDCO Waste & Recycling Service	Trash Services - February 2025	935.59
171199	Escondido Metal Supply	Materials - Field	1,271.45
171200	Farmer Brothers Co.	Breakroom Supplies	564.70
171201	FedEx	Shipping Services	48.80
171202	Ferguson Waterworks #1083	Materials - Field	12,682.95
171203	Fidelity Security Life Insurance Compæ	Vision Plan Premium - March 2025. Group ID: 10	951.55
171204	Fidelity Security Life Insurance Compæ	Vision Plan Premium - March 2025. Group ID: 10	206.55
171205	FRS Environmental	Services	396.00
171206	Grainger, Inc	Materials - Field	3,815.61
171207	HD Supply Facilities Maintenance Ltd.	Materials - Field. Customer# 19969	894.11
171208	Hi-Way Safety	Traffic Control	352.34
171209	Home Depot Credit Services	Materials - Field	860.92
171210	Fernando Leon Martinez	Educational Reimbursement - AWC Distribution S	464.98
171211	Low Voltage Fire, Inc.	Services	1,140.00
171212	Michael Baker International, Inc.	North County ESP Const. Sup.	2,240.00
171213	Motion and Flow Control Products, Inc	Materials - Field	104.96
171214	Mutual of Omaha	Life Insurance - March 2025	2,764.77
171215	Nakamichi Consulting Services, Inc.	Services	7,085.00
171216	National Safety Compliance, Inc	DQF Online Monthly Fee - February 2025	58.40
171217	Northern Tool & Equipment	Materials - Field	573.21
171218	OneSource Distributors, LLC	Materials - Field	3,620.40
171219	Pacific Pipeline Supply	Materials - Field	7,606.14
171220	Petty Cash	Petty Cash	523.39
171221	Rancho California Water District	CropSwap Cost Share	3,015.00
171222	Reliance Standard Life Insurance	Life Insurance Premiums - March 2025	9,082.94
171223	Payton Rutherford	Educational Reimbursement - Palomar College Fæ	658.00
171224	San Diego Friction Products, Inc.	Vehicle Maintenance	228.73

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD FEBRUARY 28, 2025 THROUGH MARCH 06, 2025

MARCH

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171225	SBRK Finance Holdings, Inc.	Subscription Renewal 05/01/25 - 04/30/26	76,299.78
171226	Service Lighting & Electrical Supplies	Materials - Field	2,676.03
171227	Sierra Analytical Labs, Inc	Testing	555.00
171228	Super Bright LEDs, Inc.	Materials - Field	101.67
171229	Supreme Oil Company	Gasoline and Oil	13,166.74
171230	Underground Service Alert/SC	Services - February 2025	334.31
171231	Walter's Wholesale Electric Co	Materials - Field	122.49
171232	Waukesha-Pearce Industries, Inc.	Materials - Field	182.34
171233	Western Pump, Inc	Materials - Field	3,437.51
171234	Westflex, Inc.	Materials - Field	166.24
TOTAL			<u>179,437.92</u>

Approved By: _____

General Manager

J.V. Payne
Director of Finance & Administration

VALLEY CENTER MUNICIPAL WATER DISTRICT
ELECTRONIC DISBURSEMENTS
FOR PERIOD FEBRUARY 1, 2025 THROUGH FEBRUARY 28, 2025

SEQ. #	DATE	PAYEE	DESCRIPTION	AMOUNT
BANK TRANSFERS:				
ACH:				
588	02/07/25	Self Insured Services Company/Zelis	Reimbursement Request For Dental Funding Dated 01/31/25	3,896.55
	02/07/25	Microsoft Corporation	Invoice E0500UTWF2 Dated 01/02/25	1,440.00
	02/07/25	Zions Bancorporation	Transfer From Special Funds to Special Tax Fund-1st Interest Paymen	48,539.38
	02/07/25	Zions Bancorporation	Prorated Net Special Tax Revenues Received Through Tax Appt# 6	114,526.69
	02/13/25	Direct Deposit	DIRECT DEP PAYROLL 01/24/25-02/07/25	209,328.68
	02/14/25	IRS	P/R TAX 01/24/25-02/07/25	43,549.69
	02/14/25	EDD	P/R TAX 01/24/25-02/07/25	13,568.27
	02/14/25	PEBSCO/NATIONWIDE	DEFERRED COMPENSATION 01/24/25-02/07/25	12,824.61
	02/14/25	CALPERS	CALPERS CONTRIBUTIONS 01/24/25-02/07/25	63,518.12
	02/14/25	EXPERTPAY	GARNISHMENT 01/24/25-02/07/25	780.00
	02/14/25	CALPERS	ANNUAL UNFUNDED ACCRUED LIABILITY - FEBRUARY	217,659.17
	02/14/25	IntelePeer Holdings	Services	784.19
	02/14/25	Self Insured Services Company/Zelis	Reimbursement Request For Dental Funding Dated 02/07/25	38.00
	02/14/25	United Parcel Service	Shipping	80.52
	02/21/25	Self Insured Services Company/Zelis	Reimbursement Request For Dental Funding Dated 02/14/25	542.16
	02/27/25	Direct Deposit	DIRECT DEP PAYROLL 02/07/25-02/21/25	213,491.26
	02/28/25	IRS	P/R TAX 02/07/25-02/21/25	45,107.75
	02/28/25	EDD	P/R TAX 02/07/25-02/21/25	14,170.88
589	02/28/25	PEBSCO/NATIONWIDE	DEFERRED COMPENSATION 02/07/25-02/21/25	13,176.70
	02/28/25	CALPERS	CALPERS CONTRIBUTIONS 02/07/25-02/21/25	63,526.44
	02/28/25	EXPERTPAY	GARNISHMENT 02/07/25-02/21/25	780.00
	02/28/25	Self Insured Services Company/Zelis	Reimbursement Request For Dental Funding Dated 02/21/25	374.40
	02/28/25	United Parcel Service	Shipping	57.20

ONE TIME WIRES:

RECURRING WIRES:

631	02/11/25	SDCWA	WATER DELIVERY - DECEMBER 2024	2,162,731.30
632	02/28/25	CAMP	TEMPORARY INVESTMENT	1,400,000.00
			TOTAL	<u>4,644,491.96</u>

APPROVED BY:


 GENERAL MANAGER

 DIRECTOR OF FINANCE

**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - SUMMARY
January 31, 2025**

ACTIVE DEPOSITS

Checking Accounts
Deposits with Fiscal Agents

Cost Basis

\$234,193.19

TOTAL ACTIVE DEPOSITS

\$234,193.19

INVESTMENTS

	<u>Market Value</u>	<u>Average Yield</u>	<u>Percent</u>	
Money Market Funds	\$22,120,317.49	4.38%	54.494%	\$22,118,941.38
CAMP Term	\$5,140,663.02	5.16%	12.318%	\$5,000,000.00
U.S. Treasury Notes	199,932.81	4.29%	0.488%	198,161.95
Federal Agencies Securities	10,755,487.67	3.93%	26.615%	10,802,822.47
Certificates of Deposit, insured	<u>2,489,520.09</u>	<u>4.20%</u>	<u>6.084%</u>	<u>2,469,456.28</u>
TOTAL INVESTMENTS	<u>\$40,705,921.08</u>	<u>4.35%</u>	<u>100.000%</u>	<u>\$40,589,382.08</u>

TOTAL ALL FUNDS

\$40,823,575.27

TOTAL ALL FUNDS (PRIOR MONTH - DECEMBER 2024)

\$40,639,772.40

Maturity Analysis of Investments

	<u>Percent</u>	<u>Cost Basis</u>
Money Market Funds	54.494%	\$22,118,941.38
Maturity within one year	19.509%	7,918,755.22
Maturity later than one year	<u>25.997%</u>	<u>10,551,685.48</u>
Total Investments	<u>100.000%</u>	<u>\$40,589,382.08</u>

Weighted Average Days to Maturity

326

Maximum permitted single investment maturity is 5 years.


Yield Comparatives

<u>Security</u>	<u>Term</u>	<u>Yield</u>	<u>Security</u>	<u>Term</u>	<u>Yield</u>
LAIF	1 day	4.366%	12 mo. rolling T Bond	1 year	4.642%
T Bills	3 months	4.340%	T Bonds	1 year	4.180%
T Bills	6 months	4.260%	T Bonds	2 years	4.270%

Sufficient funds are available to meet the next six month's expenditure requirements. All investments are in compliance with the District's adopted statement of investment policy. Market values for the Governmental / Federal Securities and Certificates of Deposit were provided by Zions Capital Advisors.


Reviewed by James V. Pugh, Treasurer

03/06/25


Received by Gary T. Arant, General Manager

03/06/25

Date

VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - DETAIL
January 31, 2025

ACTIVE DEPOSITS

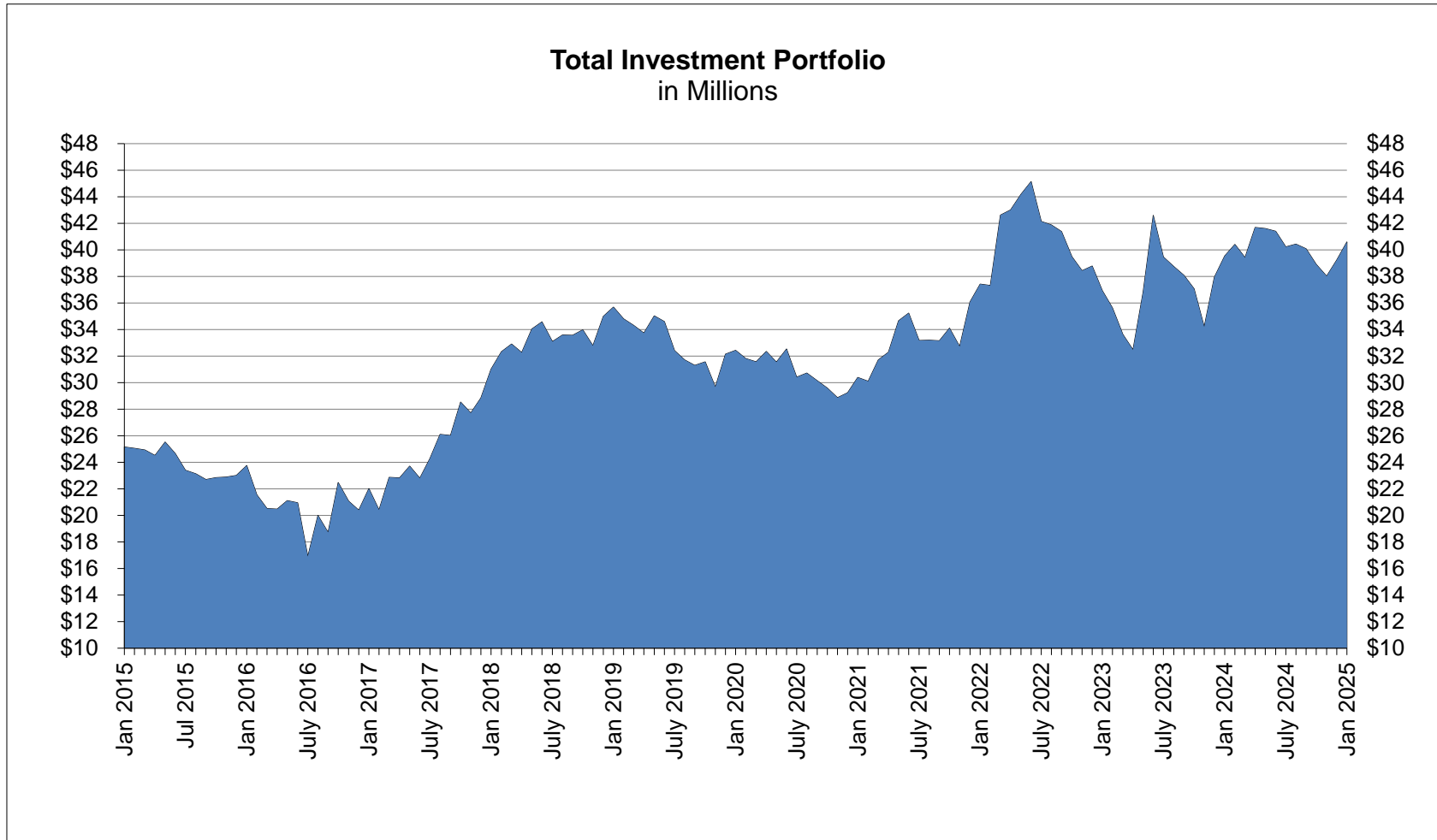
Checking Accounts:

California Bank & Trust	\$203,574.29
California Bank & Trust	\$3,500.00
California Bank & Trust	\$25,718.90
Petty Cash	\$1,400.00
Zions	\$0.00
	<u>\$234,193.19</u>

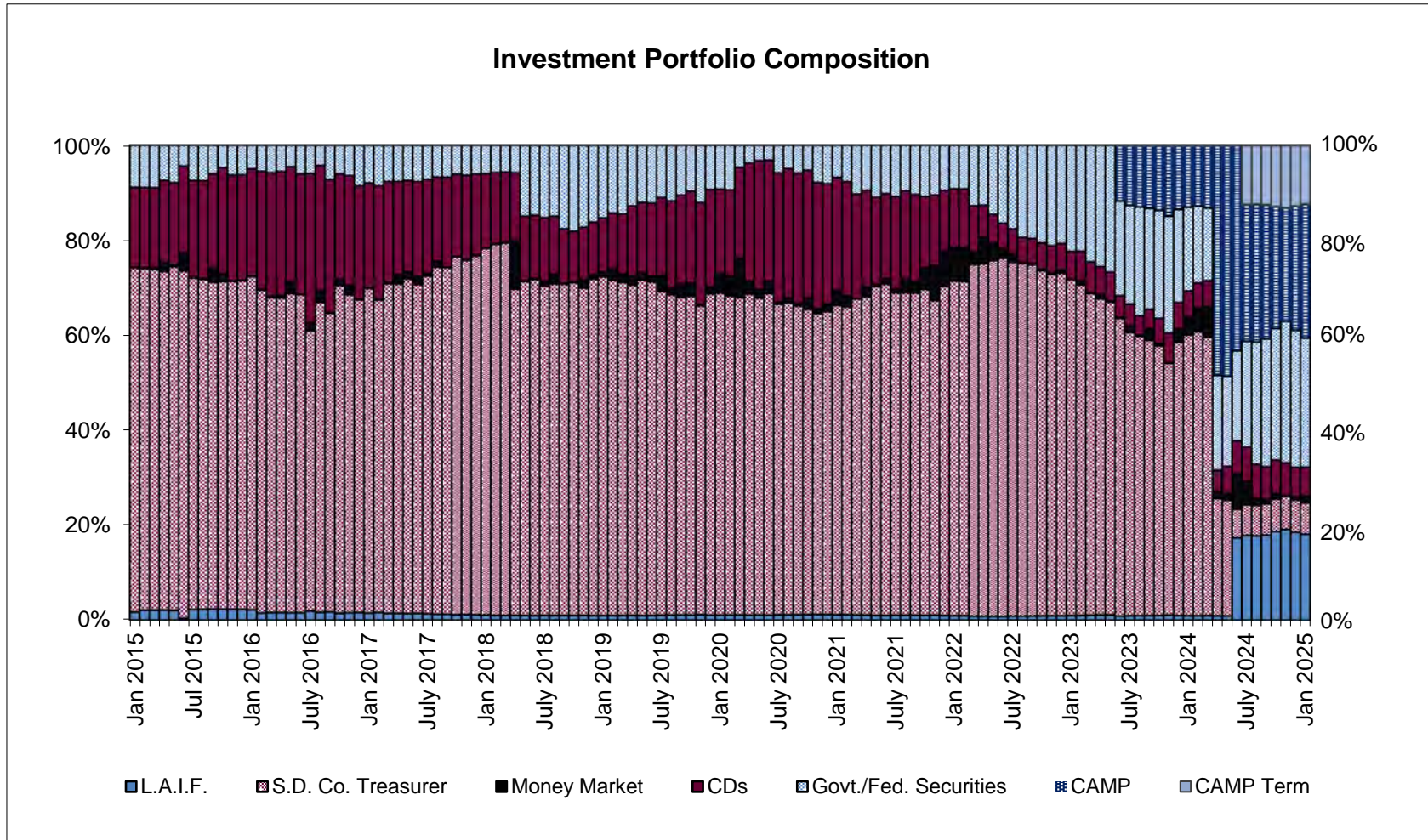
INVESTMENTS

	<u>Face Value or Rating</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Current Yield</u>	<u>Cost Basis</u>
Money Market Funds:						
Local Agency Investment Fund				\$7,356,831.21	4.37%	\$7,356,831.21
County of San Diego Investment Fund				\$2,645,646.10	3.73%	2,678,179.72
Zions Institutional Liquidity Management				\$599,816.93	4.31%	599,816.93
CAMP				\$11,518,023.25	4.55%	11,484,113.52
				<u>\$22,120,317.49</u>	<u>4.38%</u>	<u>\$22,118,941.38</u>
CAMP Term:						
CAMP Term 5.16%	5,000,000	07/17/24	04/11/25	5,140,663.02	5.16%	5,000,000.00
				<u>\$5,140,663.02</u>	<u>5.16%</u>	<u>\$5,000,000.00</u>
U.S. Treasury Notes:						
U S Treasury Notes 4.250%	200,000	10/19/23	10/15/25	199,932.81	4.29%	198,161.95
				<u>\$199,932.81</u>	<u>4.29%</u>	<u>\$198,161.95</u>
Federal Agencies Securities - CB&T, a subsidiary of Zion Bank						
Federal Home Loan Banks 0.625%	250,000	05/27/21	02/27/25	249,374.07	0.63%	\$250,000.00
Federal Home Loan Banks 0.80%	250,000	07/21/21	07/21/25	245,994.92	0.80%	250,000.00
Federal Home Ln Bnk 5.250%	1,000,000	04/12/24	04/10/29	1,001,645.66	5.25%	1,000,000.00
Federal Home Loan Banks 0.40%	250,000	02/18/21	02/18/25	249,582.31	0.40%	250,000.00
Federal Home Loan Banks 0.625%	250,000	05/27/21	02/27/25	249,369.97	0.63%	250,000.00
Federal Home Loan Banks 2.15%	500,000	03/14/22	03/14/25	498,754.98	2.15%	500,000.00
Federal Home Loan Banks 0.80%	350,000	03/16/21	03/16/26	336,886.01	0.80%	350,000.00
Federal Home Ln Bks 4.570%	500,000	09/27/24	03/20/26	499,523.38	4.57%	500,000.00
Federal Home Loan Banks 1.00%	125,000	06/30/21	06/30/26	119,405.04	4.75%	125,000.00
Federal Home Loan Banks 4.40%	200,000	01/14/25	07/14/26	199,987.64	1.00%	200,000.00
Federal Farm Credit Bks 4.480%	600,000	08/26/24	08/26/26	599,978.45	4.54%	600,000.00
Federal Home Loan Banks 5.207%	350,000	08/30/24	08/26/26	349,996.38	5.21%	350,000.00
Federal Farm Credit Bks Bds 4.500%	400,000	09/03/24	09/03/26	400,054.24	4.64%	400,000.00
Federal Home Loan Banks 1.05%	250,000	10/15/21	10/15/26	236,777.89	1.05%	250,000.00
Federal Home Ln Bk Bds 4.500%	300,000	11/13/24	11/13/26	300,149.02	4.50%	300,000.00
Federal Home Loan Banks 2.500%	250,000	04/04/24	02/25/27	244,279.04	2.61%	239,572.47
Federal Farm Cr Bks 4.620%	500,000	09/24/24	03/17/27	498,783.31	4.62%	500,000.00
Federal Hom Ln Mtg Corp 5.000%	500,000	11/12/24	11/12/27	500,026.73	5.00%	500,000.00
Federal Home Loan Banks 4.620%	500,000	12/26/24	12/26/28	499,237.47	4.62%	500,000.00
Federal Farm Credit Bank 4.970%	500,000	04/12/24	03/27/29	499,000.59	4.99%	498,250.00
Federal Home Loan Banks 5.00%	1,000,000	07/09/24	07/09/29	995,373.34	5.00%	1,000,000.00
Federal Home Loan Banks 4.700%	1,000,000	07/30/24	07/30/29	999,961.35	4.70%	1,000,000.00
Federal Home Ln Mtg Corp 4.125%	1,000,000	08/13/24	08/13/29	981,345.88	4.17%	990,000.00
				<u>\$10,755,487.67</u>	<u>3.93%</u>	<u>\$10,802,822.47</u>
Certificates of Deposit - CB&T, a subsidiary of Zion Bank						
Morgan Stanley 1.50%	230,000	07/27/20	04/16/25	228,640.74	1.49%	230,971.17
HSBC Bank 1.30%	245,000	05/08/20	05/07/25	243,041.70	1.30%	244,939.57
USAA Federal Savings Bank 5.300%	250,000	10/06/23	09/26/25	252,117.51	5.30%	249,873.58
Citibank NA 5.300%	250,000	09/29/23	09/29/25	251,640.97	5.30%	249,871.81
Eastern Svgs Bk Fsb Hunt Vy 5.250%	245,000	10/18/23	10/20/25	246,896.35	5.25%	244,937.14
Federal Svgs Bk Chicago II 4.700%	250,000	06/26/24	06/26/28	253,650.27	4.70%	250,000.00
First Fndtn Bk Irvine Ca 4.600%	250,000	05/10/24	05/10/29	253,340.88	4.60%	250,000.00
Toyota Finl Svgs Bk Hend Nv 4.600%	250,000	05/14/24	05/14/29	253,349.08	4.60%	250,000.00
Customers Bk Phoenixville Pa 4.700%	250,000	06/11/24	06/11/29	254,360.74	4.71%	249,431.16
Sallie Mae Bk Murray Utah 4.500%	250,000	07/17/24	07/17/29	252,481.85	4.51%	249,431.85
				<u>\$2,489,520.09</u>	<u>4.20%</u>	<u>\$2,469,456.28</u>
TOTAL INVESTMENTS				<u>\$40,705,921.08</u>	<u>Average 4.346%</u>	<u>\$40,589,382.08</u>
TOTAL ALL FUNDS						<u>\$40,823,575.27</u>

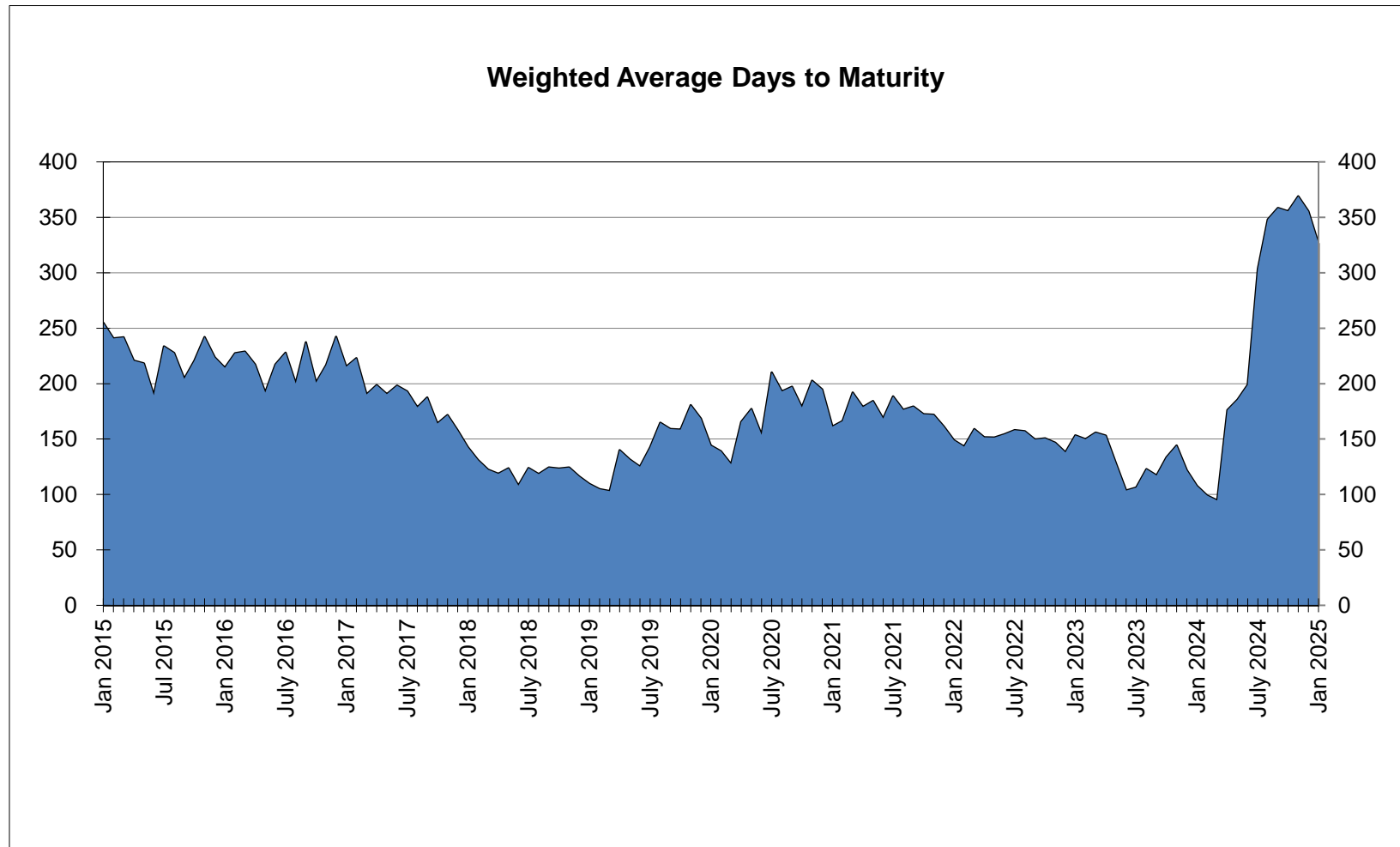
**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
January 31, 2025**



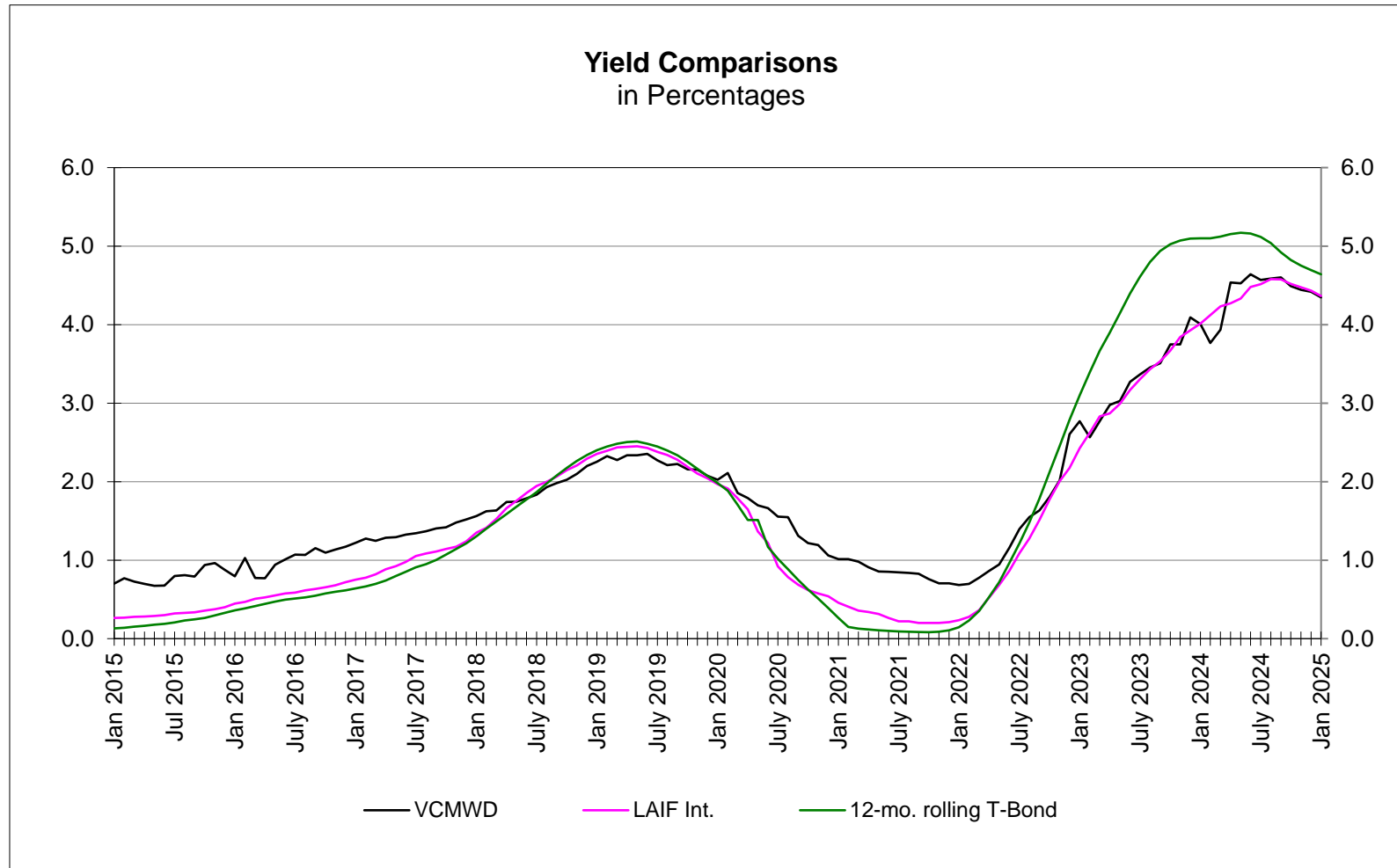
**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
January 31, 2025**



**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
January 31, 2025**



VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
January 31, 2025



**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - TRANSACTIONS
JULY 1, 2024 THROUGH JUNE 30, 2025**

INVESTMENTS PURCHASED

<u>Purchase Date</u>	<u>Security</u>	<u>Maturity Date</u>	<u>Cost</u>	<u>Face Value</u>	<u>Expected Yield</u>
<u>CAMP, CB&T, a subsidiary of Zion Bank</u>					
07/09/24	Federal home Loan Banks 5.00%	07/09/29	1,000,000.00	1,000,000.00	5.000%
07/17/24	Sallie Mae Bk Murray Utah 4.50%	07/17/29	249,375.00	250,000.00	4.500%
07/30/24	Federal Home Loan Banks 4.70%	07/30/29	1,000,000.00	1,000,000.00	4.700%
07/17/24	CAMP Term 5.16%	04/11/25	5,000,000.00	5,000,000.00	5.160%
08/26/24	Federal Farm Credit Bks 5.460%	08/26/26	600,000.00	600,000.00	5.460%
08/30/24	Federal Home Loan Banks 5.520%	08/26/26	350,000.00	350,000.00	5.520%
08/13/24	Federal Home Ln Mtg Corp 4.125%	08/13/29	1,000,000.00	990,000.00	4.125%
08/16/24	Federal Home Loan Banks 0.00%	08/21/24	500,000.00	499,636.11	0.000%
09/03/24	Federal Farm Credit Bks Bds 5.500%	09/03/26	400,000.00	400,000.00	5.500%
09/24/24	Federal Farm Cr Bks 4.620%	03/17/27	500,000.00	500,000.00	4.620%
09/27/24	Federal Home Ln Bks 4.570%	03/20/26	500,000.00	500,000.00	4.570%
10/30/24	Federal Home Loan Banks 4.750%	04/28/26	500,000.00	500,000.00	4.750%
11/12/24	Federal Home Ln Mtg Corp 5.000%	11/12/27	500,000.00	500,000.00	5.000%
11/13/24	Federal Home Ln Bk Bds 4.500%	11/13/26	300,000.00	300,000.00	4.500%
12/26/24	Federal Home Loan Banks 4.620%	12/26/28	500,000.00	500,000.00	4.620%
01/14/25	Federal Home Loan Banks 4.400%	07/14/26	200,000.00	200,000.00	4.400%

INVESTMENTS MATURED

<u>Purchase Date</u>	<u>Security</u>	<u>Maturity Date</u>	<u>Cost</u>	<u>Face Value</u>	<u>Yield to Maturity</u>
<u>CAMP, CB&T, a subsidiary of Zion Bank</u>					
04/17/24	Federal Home Ln Mtg Cp Adj 6.050%	07/17/24	500,000.00	500,000.00	6.050%
10/30/23	Federal Home Loan Bank Cons 5.600%	07/30/24	400,000.00	400,000.00	5.600%
07/29/21	Medallion Bank 0.40%	07/22/24	245,000.00	245,000.00	0.400%
08/16/24	Federal Home Loan Banks 0.00%	08/21/24	500,000.00	499,636.11	0.000%
08/30/21	Federal Home Loan Banks 0.500%	08/28/24	250,000.00	250,000.00	0.500%
08/28/23	Federal Home Loan Banks 5.500%	08/28/24	250,000.00	250,000.00	5.500%
08/22/23	Federal Home Loan Banks 5.450%	09/20/24	500,000.00	500,000.00	5.450%
03/24/21	Federal Home Loan Banks 0.50%	09/24/24	250,000.00	250,000.00	0.500%
09/30/21	Federal Home Loan Banks 0.50%	09/30/24	250,000.00	250,000.00	0.500%
09/03/21	Synchrony Bank 0.55%	09/03/24	125,000.00	125,000.00	0.550%
04/24/23	Federal Home Ln Mtg Corp 5.00%	10/24/24	40,000.00	40,000.00	5.000%
01/27/23	Federal Home Ln Mtg Corp 5.15%	10/28/24	480,000.00	479,850.12	5.150%
11/04/20	Federal Farm Credit Bank 0.44%	11/04/24	250,000.00	250,000.00	0.440%
05/11/22	UBS Bank 3.00%	11/12/24	120,000.00	119,999.87	3.000%
03/10/22	Federal Home Loan Banks 3.500%	12/10/24	500,000.00	499,944.71	3.500%
11/30/23	Cross Riv Bk Teaneck N J 5.500%	12/30/24	164,000.00	163,933.99	5.500%
10/30/24	Federal Home Loan Banks 4.750%	01/28/25	500,000.00	500,000.00	4.750%

March 17, 2025

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, *General Manager*

SUBJECT: AFFIRMATION OF THE LIMITATIONS ESTABLISHED FOR THE EXPENDITURE OF DISTRICT FUNDS PER ORDINANCE NO. 171

PURPOSE:

To set forth the District's authorized debt limits effective as of January 1, 2025, as provided by Ordinance No. 171, which established the limitation on the expenditure of District funds per capital improvement project.

SUMMARY:

The authorized debt limits are the maximum expenditure of District funds for a capital improvement project which can be incurred in connection with any one project without obtaining voter approval, in compliance with Ordinance No. 171. Outlined in the District's Administrative Code, Article 130 – Implementation Guidelines for Ordinance No. 171, “annually, the Board shall fix by resolution each authorized limit as soon as the applicable Consumers Price Index is published, and said limits shall be effective as of January 1 of that year.” Data for the previous calendar year were released by the U.S. Department of Labor and Statistics on February 13, 2025.

Ordinance No. 171 provides for an adjustment of the authorized debt limits per the United States Department of Labor Consumers' Price Index change for the San Diego area during the prior calendar year to be effective January 1st of the current year. The consumer price index for the San Diego area for the year ending December 31, 2024 increased **3.1 percent**. The proposed limits for the current calendar year are **\$3,200,668** per project, and **\$4,801,019** for the acquisition and installation of water tanks and reservoirs to be used solely for water storage purposes.

RECOMMENDATION:

Adopt Resolution No. 2025-06 adjusting the authorized debt limits, effective January 1, 2025, for the expenditure of District funds for major projects per Ordinance No. 171 of **\$3,200,668** per project, and **\$4,801,019** for the acquisition and installation of water tanks and reservoirs.

PREPARED BY:



Kirsten N. Peraino
Executive Assistant/Board Secretary

APPROVED BY:



Gary T. Arant
General Manager

Attachments:

*Resolution No. 2025-06
Authorized Debt Limit Table
Consumer Price Index for all Urban Consumers (CPI-U), San Diego-Carlsbad, CA*

RESOLUTION NO. 2025-06

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE VALLEY CENTER MUNICIPAL WATER DISTRICT
AFFIRMING THE DISTRICT'S "AUTHORIZED DEBT LIMIT"
PER ORDINANCE NO. 171 WHICH ESTABLISHED A
LIMITATION ON THE EXPENDITURE OF DISTRICT FUNDS**

WHEREAS, Ordinance No. 171 established an "Authorized Debt Limit" per project of \$1,000,000 as of the effective date of the ordinance and a limitation of \$1,500,000 per year for the acquisition and installation of water tanks and reservoirs to be used solely for water storage purposes; and

WHEREAS, Ordinance No. 171 provides for the adjustment of such limitations as of January 1, 1989, and on January 1st of every year thereafter based on the percentage increase or decrease in the San Diego Area Consumer Price Index for All Urban Consumers as compiled by the United States Department of Labor, Bureau of Labor Statistics; and

WHEREAS, the "Authorized Debt Limit" was last adjusted effective January 1, 2024 by Resolution No. 2024-06 to \$3,104,431 per project and to \$4,656,662 per year for the acquisition and installation of water tanks and reservoirs to be used solely for water storage purposes; and

WHEREAS, the increase in the San Diego Area Consumer Price Index for All Urban Consumers for the 2024 calendar year as compiled by the United States Department of Labor, Bureau of Labor Statistics, was 3.1 percent.

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

1. That the "Authorized Debt Limit" as defined in Section 1(g) of Ordinance No. 171 of \$3,200,668 is affirmed, effective January 1, 2025.
2. That the limitation established by Section 6(2) of Ordinance No. 171 for the acquisition and installation of water tanks and reservoirs to be used solely for water storage purposes of \$4,801,019 per year is affirmed, effective January 1, 2025.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of **Valley Center Municipal Water District** held on the 17th day of March 2025 by the following vote, to wit:

ATTEST:

Enrico P. Ferro, Board President

Kirsten N. Peraino, Board Secretary

AUTHORIZED DEBT LIMIT

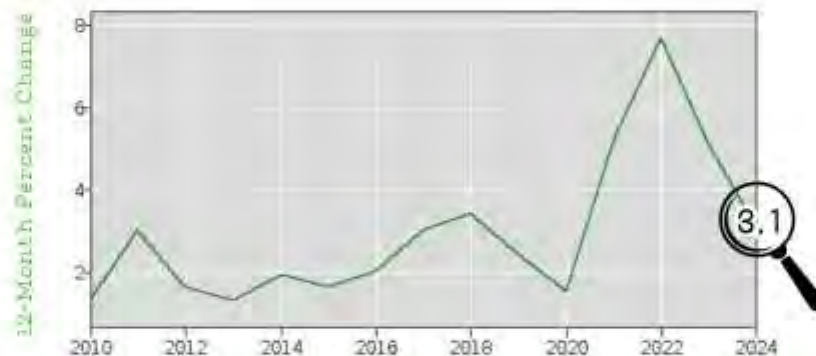
<u>Per Project</u>	<u>Water Reservoirs</u>	<u>Effective Date</u>	<u>Resolution No.</u>	<u>Board Meeting Resolution Adopted</u>
\$1,939,119	\$2,908,687	Jan. 1, 2007	Resolution No. 2007-07	March 5, 2007
\$1,983,719	\$2,975,587	Jan. 1, 2008	Resolution No. 2008-11	March 17, 2008
\$2,061,084	\$3,091,635	Jan. 1, 2009	Resolution No. 2009-11	March 2, 2009
\$2,061,084	\$3,091,635	Jan. 1, 2010	Resolution No. 2010-09	March 1, 2010
\$2,085,817	\$3,128,735	Jan. 1, 2011	Resolution No. 2011-08	March 7, 2011
\$2,148,392	\$3,222,597	Jan. 1, 2012	Resolution No. 2012-02	March 19, 2012
\$2,182,766	\$3,274,159	Jan. 1, 2013	Resolution No. 2013-14	April 1, 2013
\$2,219,873	\$3,329,820	Jan. 1, 2014	Resolution No. 2014-11	April 21, 2014
\$2,244,292	\$3,366,448	Jan. 1, 2015	Resolution No. 2015-12	March 16, 2015
\$2,298,155	\$3,447,243	Jan. 1, 2016	Resolution No. 2016-07	March 21, 2016
\$2,344,118	\$3,516,188	Jan. 1, 2017	Resolution No. 2017-04	February 21, 2017
\$2,409,753	\$3,614,641	Jan. 1, 2018	Resolution No. 2018-06	March 19, 2018
\$2,498,914	\$3,748,383	Jan. 1, 2019	Resolution No. 2019-17	June 3, 2019
\$2,546,393	\$3,819,602	Jan. 1, 2020	Resolution No. 2020-07	March 16, 2020
\$2,589,681	\$3,884,535	Jan. 1, 2021	Resolution No. 2021-11	April 5, 2021
\$2,752,831	\$4,129,261	Jan. 1, 2022	Resolution No. 2022-04	March 21, 2022
\$2,953,788	\$4,430,697	Jan. 1, 2023	Resolution No. 2023-12	April 3, 2023
\$3,104,431	\$4,656,662	Jan. 1, 2024	Resolution No. 2024-06	March 18, 2024
\$3,200,668	\$4,801,019	Jan. 1, 2025	<i>proposed</i> Resolution No. 2025-06	March 17, 2025



(CPI-U)

CONSUMER PRICE INDEX for ALL URBAN CONSUMERS

Item: All Items

[illegible]

March 17, 2025

TO: Honorable President and Board of Directors
FROM: Gary T. Arant, *General Manager*
SUBJECT: SETTING HEARING DATE FOR WATER AVAILABILITY CHARGES

PURPOSE:

To set the date and schedule of assessments for a public hearing to consider continuing the assessment of an annual \$10/acre water availability charge against all property in the District.

SUMMARY:

Since 1995-96, the District has assessed all property in the District an annual water availability charge of \$10/acre with a \$10/parcel minimum. The proceeds from the \$10/acre availability charge are expected to be used as follows:

Ongoing Capital Requirements	<u>\$564,000</u>
Total Availability Charge	\$564,000

The California Water Code requires that the attached resolution be adopted to set the hearing date for these charges.

RECOMMENDATION:


Staff recommends the following: That Resolution No. 2025-07 be adopted to set the public hearing to be scheduled for June 2, 2025, at 2:00 P.M. at the VCMWD Board Room to consider continuing the assessment of the annual \$10/acre water availability charge on all property in the District.

REVIEWED BY:



James V. Pugh
Director of Finance and Administration

SUBMITTED BY:



Gary T. Arant
General Manager

PREPARED BY:



Beatriz Garnica
Accounting Specialist II

Attachments

RESOLUTION NO. 2025-07

RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL WATER DISTRICT SETTING FORTH A SCHEDULE OF WATER AVAILABILITY CHARGES PROPOSED TO BE ESTABLISHED FOR ALL PROPERTY WITHIN THE DISTRICT FOR 2025-2026, FIXING THE TIME AND PLACE OF HEARING, AND GIVING NOTICE OF HEARING.

WHEREAS, VALLEY CENTER MUNICIPAL WATER DISTRICT has heretofore constructed water systems within its boundaries and by reason of the construction, water services are now available to land within the District and said water system is a benefit to all land within the boundaries of the District; and

WHEREAS, Section 71630 of the California Water Code authorizes the Board of Directors to establish water availability charges on property within the District whether the water service is actually used or not; and

WHEREAS, matters relative to the financial requirements, land use, and water availability of said water system has been presented to and considered by the Board of Directors; and

WHEREAS, it is determined to be in the best interests of the inhabitants, landowners, water consumers and taxpayers of the District that water availability charges be fixed for all lands lying within the District.

NOW, THEREFORE, IT IS HEREBY FOUND, RESOLVED, DETERMINED, AND ORDERED, as follows:

1. The recitals set forth herein above are true.
2. The schedule of water availability charges proposed to be established for the 2025-2026 fiscal year for each separately assessed parcel of land within the District shall not exceed ten dollars (\$10.00) per acre per year or ten dollars (\$10.00) for a parcel of land less than one acre.
3. The availability charges shall be fixed in the amounts set forth for parcels of land as shown upon the assessment rolls of the County Assessor of San Diego County and shall be payable by the property owner thereof.

The schedules of water availability charges proposed to be established are as follows:

The schedules of water availability charges mentioned above for each parcel are on file with the Secretary of VALLEY CENTER MUNICIPAL WATER DISTRICT. Said schedules set forth the name of the owner, address, assessor's parcel number, and proposed availability charge for each parcel of real property within the District. Said schedules may be examined at any time during office hours at the office of the District at 29300 Valley Center Road, Valley Center, California. (Such schedules are hereby incorporated herein by reference.)

4. Said charges shall be collected in the same form and manner as County taxes are collected and shall be paid to the District.

5. A hearing before the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT shall be held Monday, June 2, 2025, at 2:00 P.M. at the Valley Center Municipal Water District administrative offices, 29300 Valley Center Rd., Valley Center, California for the purpose of considering the adoption of an ordinance that will fix and establish said availability charges.

6. The Secretary shall, in accordance with Government Code 6066, cause notice of the date, time, and place of said hearing to be published in a newspaper of general circulation, published and circulated within said District, once a week for two successive weeks prior to said hearing.

7. The Secretary shall cause written notice of said hearing to be mailed, prior to said hearing, to the owner of any affected property which has changed ownership since the last availability charge was fixed. The notices provided by this paragraph shall be mailed to said persons at the addresses listed and shown by the last available assessment roll of the County Assessor of San Diego County.

8. Any owner of property within the District, on which the District is proposing to fix a water availability charge, may file with the Secretary of the District, at 29300 Valley Center Road, Valley Center, California, any time prior to the hour set for said hearing, a written protest to the proposed water availability charge.

9. At the time stated in the notice, the Board of Directors shall hear and consider all objections or protests, if any, to this resolution and may continue the hearing from time to time. Upon the conclusion of the hearing, the Board of Directors may adopt, revise, change, reduce, or modify an assessment or charge, or overrule any or all objections.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT held Monday, March 17, 2025, by the following vote.

Enrico P. Ferro, *President*

ATTEST:

Kirsten N. Peraino, *Secretary*

March 17, 2025

TO: Honorable President and Board of Directors

FROM: Gary Arant, *General Manager*

**SUBJECT: ACWA-JPIA EXECUTIVE COMMITTEE ELECTION AND REQUEST FOR
ADOPTION OF CONCURRING NOMINATION FOR MELODY MCDONALD,
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT**

PURPOSE:

To seek Board adoption of Resolution No. 2025-08 concurring in the nomination of Melody McDonald, San Bernardino Valley Water Conservation District for re-election to the ACWA-JPIA Executive Committee.

SUMMARY:

The ACWA-JPIA Executive Committee Election to fill expiring Executive Committee positions, each for a full four-year term will be held during the Spring, 2025 ACWA-JPIA Conference and Board Meeting.

Staff has received a request from the Bernardino Valley Water Conservation District for VCMWD to adopt a resolution concurring in the nomination of Melody McDonald, for reelection to the Executive Committee. A letter stating Ms. McDonald's ACWA-JPIA experience and qualifications is attached for review.

According to ACWA-JPIA By-Laws, Executive Committee candidates must secure at least three concurring nominations from other ACWA-JPIA members to qualify for candidacy. Member agencies can adopt such resolutions for multiple candidates.

RECOMMENDATION:

After review and discussion, consider adoption of Resolution No. 2025-08, concurring in the nomination for Melody McDonald, for re-election to the ACWA-JPIA Executive Committee.

SUBMITTED BY:



Gary Arant
General Manager

Attachments:

Resolution No. 2025-08

Letter Requesting Concurring Nomination for Melody McDonald, ACWA-JPIA Executive Committee

RESOLUTION NO. 2025-08

**RESOLUTION OF THE BOARD OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT
CONCURRING IN NOMINATION TO FOR
RE-ELECTION TO THE EXECUTIVE COMMITTEE
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")**

WHEREAS, Valley Center Municipal Water District ("VCMWD") is a long-standing member district of the ACWA/JPIA; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's **Executive Committee**, a minimum of three member districts must concur with the nominating district, and

WHEREAS, another ACWA/JPIA member district, the San Bernardino Valley Water Conservation District has requested that VCMWD concur in its nomination of its member of its Board of Directors, Melody Mc Donald to the **Executive Committee** of the ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Valley Center Municipal Water District that this district concurs with the nomination of **Melody McDonald** of the San Bernardino Valley Water Conservation District to the **Executive Committee** of the ACWA/JPIA.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, CA 95661-9082, forthwith.

ADOPTED at a regular meeting of the Board of Directors of Valley Center Municipal Water District held on the 17th day of March, 2025 by the following vote:

ATTEST:

Enrico P. Ferro, *Board President*

Kirsten N. Peraino, *Board Secretary*



San Bernardino Valley Water Conservation District

Helping Nature Store Our Water

Valley Center Municipal Water District
Oliver Smith
JPIA Director
29300 Valley Center Rd
Valley Center, CA 92082

February 3, 2025

Dear Oliver Smith,

On behalf of the Board of Directors of the San Bernardino Valley Water Conservation District (SBVWCD), we are honored to nominate our President, Melody McDonald, for re-election to the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA) Executive Committee. Enclosed, please find a certified copy of SBVWCD Resolution No. 626, formally supporting Mrs. McDonald's nomination.

For over three decades, Ms. McDonald has exemplified exceptional leadership, unwavering dedication to the water industry, and a steadfast commitment to risk management and training. Her unparalleled institutional knowledge and contributions to ACWA JPIA have earned her recognition as a cornerstone of its success.

Ms. McDonald's service to her community spans many critical aspects of the water sector:

- President, ACWA JPIA Board of Directors
- Member, ACWA JPIA Executive Committee (since 2001)
- Chair, ACWA JPIA Personnel Committee
- Director, ACWA JPIA (since 1991)
- President, San Bernardino Valley Water Conservation District
- Director, San Bernardino Valley Water Conservation District (since 1991)
- Member, ACWA State Legislative Committee
- Board Member, Association of San Bernardino County Special Districts

In addition to her ongoing roles, Ms. McDonald has previously served as Chair and Vice-Chair of the ACWA JPIA Liability, Property, and Workers Compensation Program committees. Notably, she spent eight years as Chair of the State of California Santa Ana Regional Water Quality Control Board under a gubernatorial appointment from 1993 to 2000.

With over 32 years of experience in the water industry, Ms. McDonald's leadership has guided ACWA JPIA's remarkable growth, now managing assets exceeding \$244 million. In 2024, JPIA conducted 207 training classes and equipped more than 4,400 employees with essential skills to mitigate risks. Her guiding philosophy, "The best

1630 W. Redlands Blvd, Suite A
Redlands, CA 92373
Phone: 909.793.2503
Fax: 909.793.0188
www.sbvwd.org Email: info@sbvwd.org

BOARD OF DIRECTORS

Division 1:
Richard Corneille

Division 2:
Mark E. Falcone

Division 3:
Robert Stewart

Division 4:
John Longville

Division 5:
Melody McDonald

GENERAL MANAGER

Betsy Miller

claim is the one that never happened,” underscores her commitment to proactive risk management and loss prevention—key drivers of ACWA JPIA’s success.

We respectfully request that your organization adopt a concurring resolution of nomination in support of Ms. McDonald. A sample resolution is enclosed for your convenience or can be accessed at ACWA JPIA [Election Page](#). Given the time-sensitive nature of this request, we kindly ask that it be included on your next Board meeting agenda.

Thank you for your consideration and support of Ms. McDonald’s candidacy. Should you have any questions or need additional information, please feel free to contact me at 909-793-2503 or bmiller@sbvwcd.org.

Please send a certified copy of your resolution to:

ACWA/JPIA

Attention: Laura Baryak
ACWA JPIA
P.O. Box 619082
Roseville, CA 95661-9082
lbaryak@acwajpia.com

and

**San Bernardino Valley Water
Conservation District**

Attention: Allison Zecher
1630 W. Redlands Blvd. Suite A
Redlands, CA 92374
azecher@sbvwcd.org

This resolution must be received by ACWA/JPIA no later than 4:30 pm Friday, April 11, 2025.

Sincerely,

Betsy Miller
General Manager

Enclosures:

1. SBVWCD Resolution No. 626
2. Statement of Qualifications
3. Sample Concurring Resolution

RESOLUTION NO. 626

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT
NOMINATING ITS ACWA/JPIA BOARD
MEMBER TO THE EXECUTIVE COMMITTEE
OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY ("ACWA/JPIA")**

WHEREAS, this District is a member district of the ACWA/JPIA that participates in all four of its Programs: Liability, Property, Workers' Compensation, and Employee Benefits; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA's Executive Committee, the member district must place into nomination its member of the ACWA/JPIA Board of Directors for such open position; and

WHEREAS, President McDonald has served District and the ACWA/JPIA Executive Committee for many years and brings leadership experience and perspective.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Bernardino Valley Water Conservation District that its member of the ACWA/JPIA Board of Directors, Melody McDonald, be nominated as a candidate for the Executive Committee for the election to be held at JPIA's Spring 2025 Conference.

BE IT FURTHER RESOLVED that the ACWA/JPIA staff is hereby requested, upon receipt of the formal concurrence of three other member districts to affect such nomination.

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA at P.O. Box 619082, Roseville, California 95661-9082, forthwith.

ADOPTED this 13th day of November 2024.



Vice President, Board of Directors

ATTEST:


Secretary



Melody.sbvwd@gmail.com

**Melody
Henriques-McDonald**

P.O. BOX 830
HIGHLAND, CA 92346

(909) 793-2503 District
(909) 499-5175 cell
(909) 867-9821 fax

Like @ <https://www.facebook.com/Melody4Water>

Candidate for:

**ACWA JPIA
EXECUTIVE COMMITTEE**
(Incumbent, seeking re-election)



Melody & Board receiving, District of Distinction Award, the highest governance and best practices accreditation possible.

Kathleen Tiegs, former Special Districts Board Member & ACWA President presenting. 2017

ASSOCIATIONS

Member, Board of Directors of the San Bernardino Valley Water Conservation District (Elected), Currently President, originally appointed in 1991, and first woman on the board.

Member, Executive Committee ACWA/JPIA since 2001

President, ACWA/JPIA BOD, Chair Executive Committee

Chair, Personnel Committee

Director, ACWA/Joint Powers Insurance Authority since 1991

Member ACWA State Legislative Committee

Board Member, Association of the San Bernardino County Special Districts

Over 32 + Years, Experience in the Water Industry includes:

Past Member, (CWA) California Women for Agriculture

Past Member, ACWA Water Management Committee

Past Member, ACWA Federal Affairs Committee

Past Chair & Vice-Chair, JPIA Liability, Property, & Workers Compensation Programs

Past Member, Board of Directors ACWA, Region 9 Chair

Past Chair, Water Management Certification Subcommittee

**Chair, California Water Quality Control Board, Santa Ana Region 8
Years of service, Gubernatorial Appointment 1993-2000**

CURRENT EMPLOYMENT

**Southwest Lift & Equipment, Inc. (Heavy Duty Vehicle Lifts)
Broker/Associate, Century 21 Lois Lauer Realty**

PROFESSIONAL ASSOCIATIONS & LICENSES

**Redlands Association of Realtors
California Real Estate Broker's License
Arizona Real Estate Broker's License**

ORGANIZATIONS AND SOCIETIES

**Highland Chamber of Commerce
San Bernardino Chamber of Commerce
Immanuel Baptist Church Highland, CA
BSF International**

EDUCATION

**San Geronio High School, 1976
Western Real Estate School, 1989
Graduate, Special Districts Board Management Institute, 1997
Studied at Crafton Hills College**

March 17, 2025

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 near a market rate of return, the "average rate of return on one-year U.S. Treasury Bonds". 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. There are no modifications to the current investment policy recommended at this time.

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 the Board adopts Resolution No. 2025-09 to (1) approve the District's Statement of Investment Policy as currently stated in Administrative Code Section 50.1, and (2) 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. 2025-09

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 17th day of March, 2025, by the following vote:

- (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 *Comprehensive Annual 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 (GC § 53684).
 - I. Deposits with the California Asset Management Program (CAMP) (GC § 53601).
 - J. Deposits with California Cooperative Liquid Assets Securities System (California CLASS) in accordance with (GC § 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. 2024-03 Adopted 3/18/24 [Sec. 50.1(g) J.]

Per Ordinance No. 2023-03 Adopted 3/20/23 [Sec. 50.1(g) I.]

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.

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.

California Cooperative Liquid Assets Securities System (California CLASS): A California Joint Powers Authority (JPA) established in 2022 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."

Per Ordinance No. 2024-03 Adopted 3/18/24 [Sec. 50.1(k)]

Per Ordinance No. 2023-03 Adopted 3/20/23 [Sec. 50.1(k)]

Per Ordinance No. 2022-05 Adopted 3/21/22 [Sec. 50.1(k)]

(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 17, 2025

TO: Honorable President & Board of Directors

FROM: GARY T. ARANT, General Manager

**SUBJECT: REQUEST FOR REISSUANCE OF CONCEPT APPROVAL
RIMROCK PHASE III TRACK NOS. 4744-1, 4605 AND 4652-1
[PROJECT NO. 01-00-00-18039]**

PURPOSE:

Submit for Board of Directors consideration a request for reissuance of concept approval for the Rimrock Phase III Development, consisting of 56 residential lots encompassing 186 acres in the vicinity of Welk Highland Drive and Welk View Drive in Escondido.

SUMMARY:

Rimrock Phase III ("Project") includes the remaining 56 undeveloped lots of San Diego County Track No. 4744-1, 4605 and 4652-1. The Rimrock Phase III development project began in July of 1998 when the Welk Group, Inc. entered into a joint agreement with the County of San Diego and Valley Center Municipal Water District (District) to Improve Major Subdivision.

The Project was first granted Concept Approval by the District on June 3, 1993. Phases of the development have been completed and accepted while sections of TM 4744-1 and select lots of TM 4605 and 4652-1 remain incomplete. Rimrock Heavens LLC ("Developer"), the sixth owner of the project, has assumed obligations to complete the remaining improvements identified in the joint agreement. The Developer is proposing to install water and wastewater improvements that include; potable waterline extensions, pressure reducing station, low pressure sewer (LPS) collection lines, gravity collection system, wastewater lift station, forcemain and other public/private improvements.

The 56 undeveloped lots are in varying stages of site improvements. Of these, 27 lots have water meters installed (currently locked off) and existing sewer services and 6 lots have both water and sewer services but do not have meters. The remaining 23 lots lack both water and sewer services, as well as water meters. Additionally, the Project has 56 EDUs of reserved capacity at the Lower Moosa Canyon Water Reclamation Facility.

Summary and Estimated Value of Proposed Improvements

The water improvements, shown in Exhibit A, would provide individual service to each single-family dwelling. Approximately 3,500 LF of 8-inch waterline extensions including related appurtenances are proposed for Lennon Ln, Crestridge Ct, Welk View Dr, Welk

Highland Dr, and Welk Highland Ct. The proposed waterlines would be served by the Meadows 1760 pressure zone. A pressure reducing station (see exhibit D) and waterline extension are proposed on the west end of Welk View Drive to provide fire protection and water service. The proposed water distribution system improvements would be designed to meet the San Diego County Fire Protection District's fire flow requirements.

The wastewater improvements, shown in Exhibit B, would provide individual service to each single-family dwelling. This includes approximately 2,300 LF of gravity sewer main, 1,100 LF of low-pressure force main and all related appurtenances. The proposed wastewater lift station would replace the need for individual grinder pumps for 19 lots on Crestridge and Lennon Lane.

Wastewater Lift Station – The wastewater lift station is proposed to serve 19 homes and would consist of a manufactured unit similar to an E-One W-Series Quadplex Grinder pump station, complete with a wet well, four grinder pumps and controls. These pumps are the same type of pumps utilized in the private grinder pump installation. The station would meet all of the District's design requirements for a wastewater lift station including, but not limited to, eight hours of emergency storage, provisions for connecting a portable generator provided by the developer, a dedicated site with an enclosure consistent with the architecture of the neighborhood and appropriate SCADA alarms and controls.

Property owners served by the lift station would be subject to a lift station charge equivalent to the grinder pump maintenance charge. While the proposed lift station will eliminate the number of private individual grinder pumps for the 19 homes in the lift station service area, the District will be responsible for the power cost and maintenance of the site and the sewer force main to the tie in point to the LPS collection system.

Estimated Facility Costs - The facilities to be dedicated to the District would be designed and constructed in accordance with the District's standards and requirements.

The Developer's Engineer has estimated the project cost as follows:

Water System:	\$861,800
Sewer Collection System:	\$638,800
ESTIMATED VALUE OF FACILITIES:	\$1,500,600

A more detailed cost estimate showing the cost for the major components to be dedicated to the District is included as Exhibit E.

RECOMMENDATION:

Staff recommends the Board of Directors reissue concept approval for the Rimrock Phase III Development project as described herein and authorize the General Manager to enter into a standard District Facilities Agreement with the new property owner, Rimrock Heavens LLC.

PREPARED BY:



Wally Grabbe, P.E.
District Engineer

SUBMITTED BY:

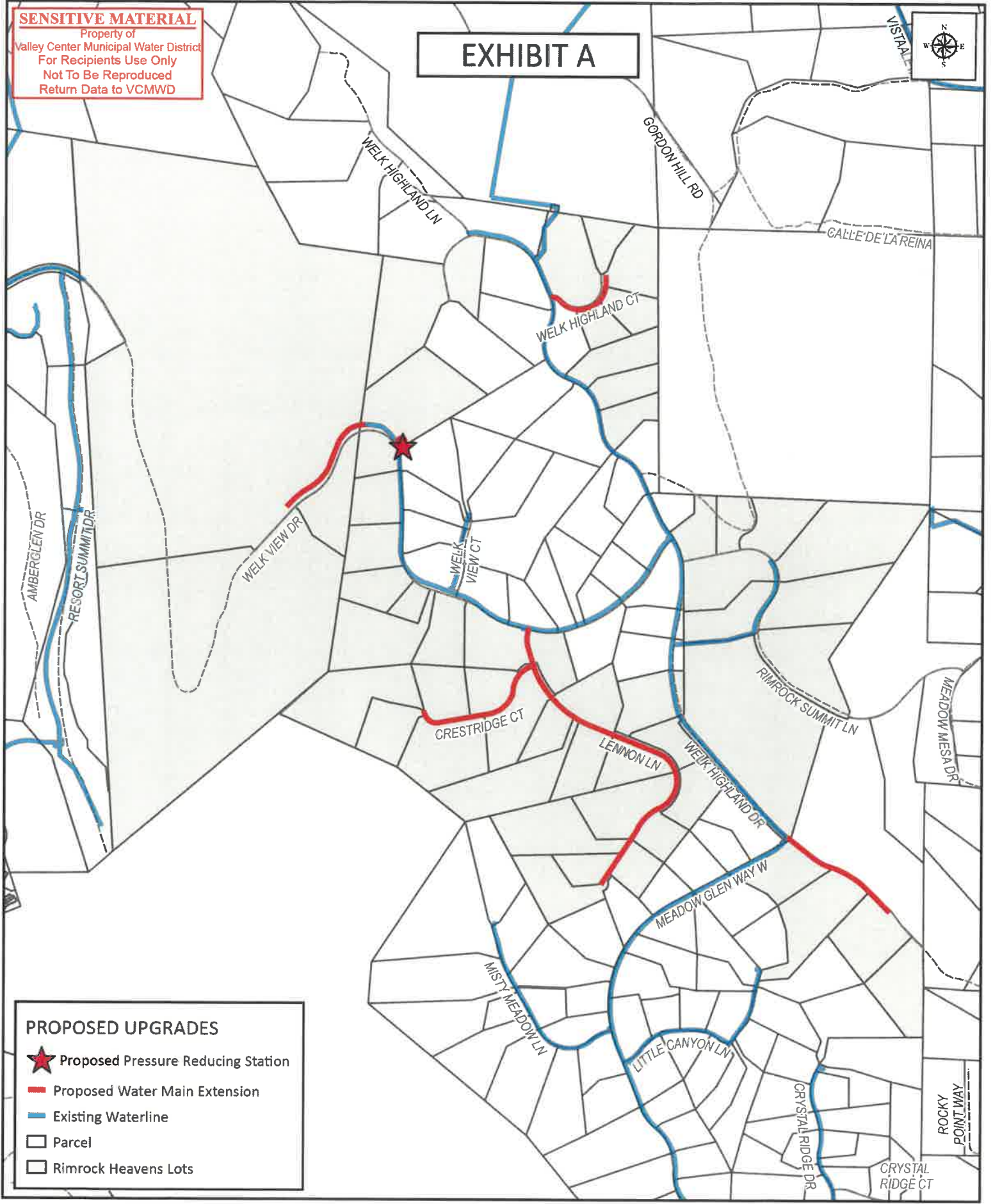


Gary T. Arant
General Manager

Attachments: Exhibit A - Project Map of Water Improvements
Exhibit B - Project Map of Sewer Improvements
Exhibit C - Wastewater Lift Station Site
Exhibit D - Pressure Regulating Site
Exhibit E - Cost Estimate

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

EXHIBIT A



Valley Center
Municipal Water District

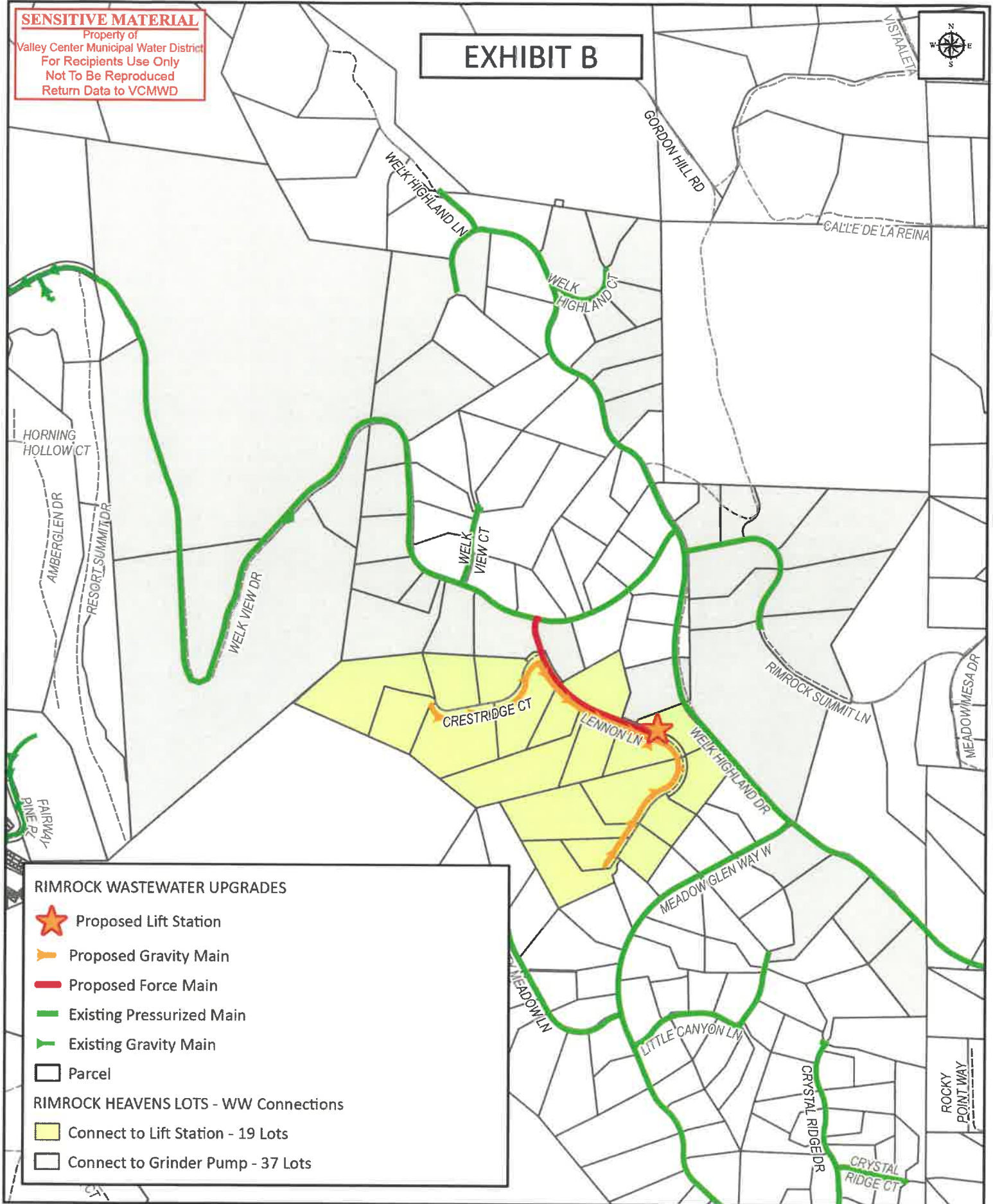
Rimrock Phase III Proposed Water Improvements

PROJECT: RIMROCK PHASE III PROPOSED WATER IMPROVEMENTS
DATE: 10/20/2023
SCALE: 1" = 100'

SENSITIVE MATERIAL

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

EXHIBIT B



Valley Center
Municipal Water District

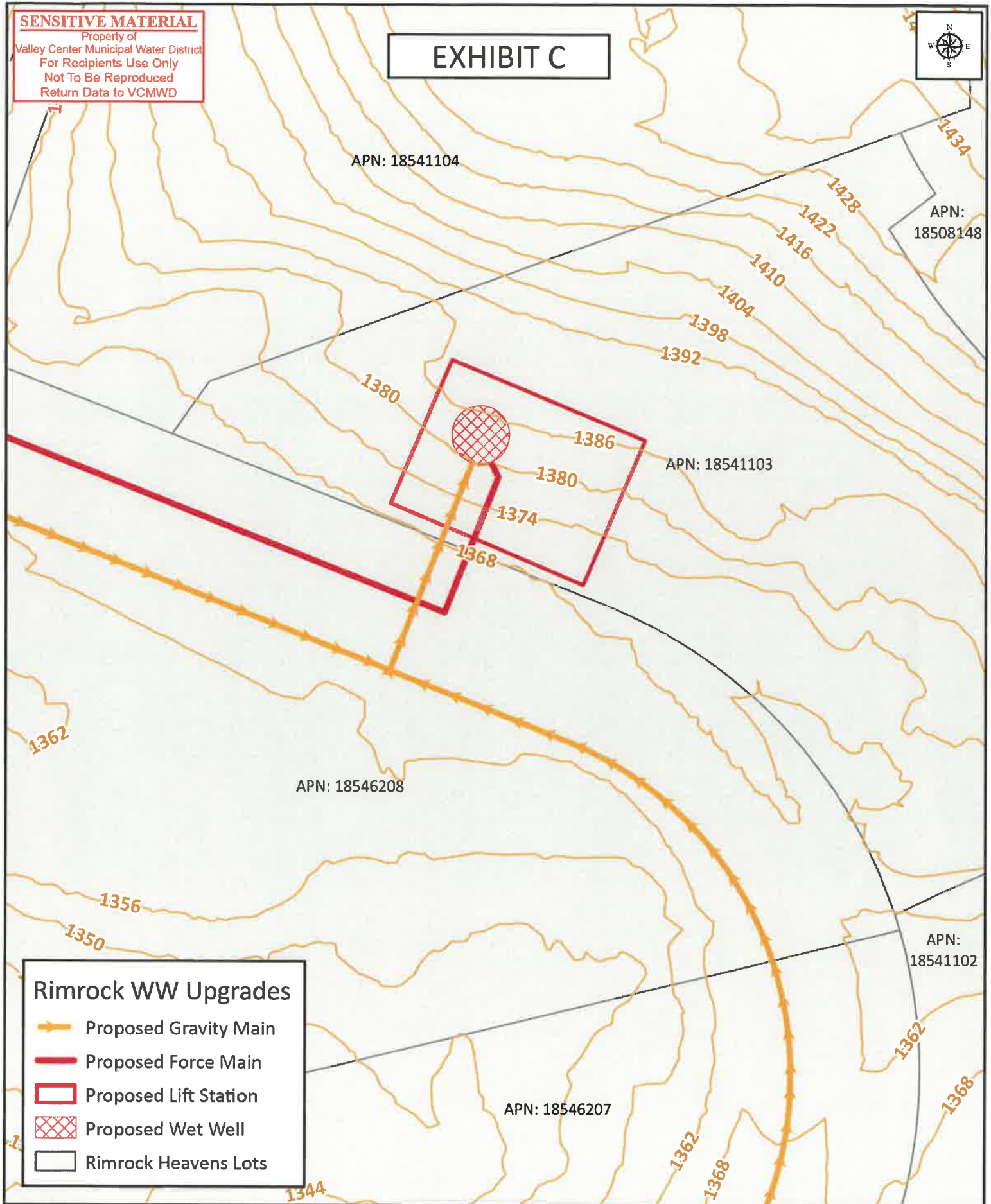
**Rimrock Phase III
Proposed Wastewater Improvements**

PROJECT: RIMROCK PHASE III WASTEWATER IMPROVEMENTS
DATE: 10/15/2019
DRAWN BY: J. BROWN
CHECKED BY: J. BROWN
APPROVED BY: J. BROWN

SENSITIVE MATERIAL

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EXHIBIT C



Rimrock WW Upgrades

- Proposed Gravity Main
- Proposed Force Main
- Proposed Lift Station
- Proposed Wet Well
- Rimrock Heavens Lots



Valley Center
Municipal Water District

**Rimrock Phase III
Proposed Lift Station**

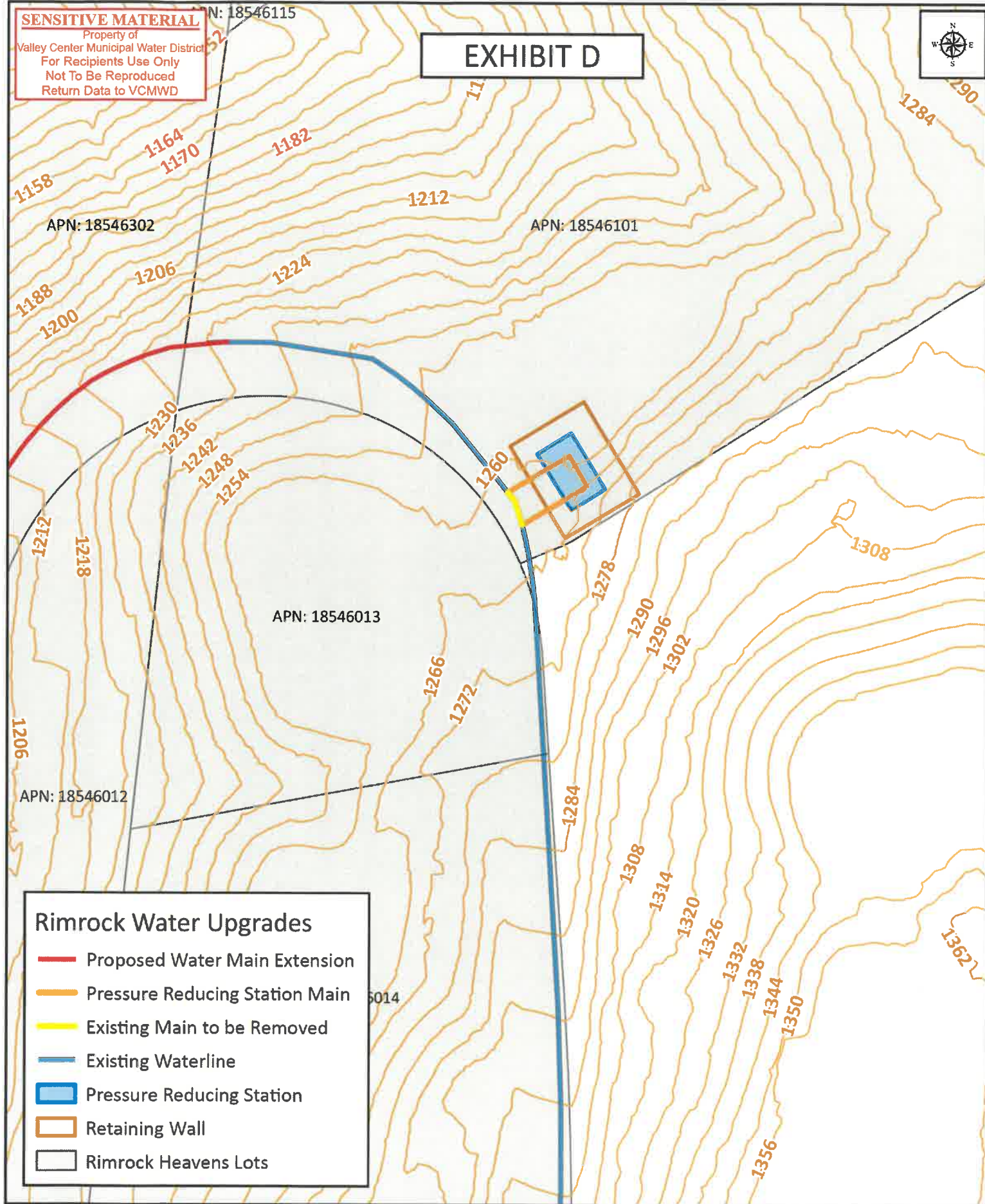
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N: 18546115

EXHIBIT D



Rimrock Water Upgrades

- Proposed Water Main Extension
- Pressure Reducing Station Main
- Existing Main to be Removed
- Existing Waterline
- Pressure Reducing Station
- Retaining Wall
- Rimrock Heavens Lots



Valley Center
Municipal Water District

Rimrock Phase III Proposed Pressure Reducing Station

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This map is for informational purposes only.

EXHIBIT E

IMPROVEMENT SECURITIES BY BOND TM 4744-1

ENGINEER: Dan Math, UES

Sewer and Water Agencies Joint Bonds with the County

Water Agency: Valley Center Municipal Water District

Sewer Agency: Valley Center Municipal Water District

	<u>Description</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT COST</u>	<u>TOTAL</u>
I. SURFACE IMPROVEMENT ITEMS:					
SUBTOTAL IMPROVEMENT ITEMS:					\$967,399.23
PLUS 10% CONTINGENCY:					\$1,064,139.15
II. SEWER ITEMS					
Manhole	SM-02	2	EA	4949.01	\$9,898.02
Sewer Clean-Out		2	EA	\$919.52	\$1,839.04
Pressure Sewer Pipe	4" PVC Pipe	930	LF	\$74.52	\$69,303.60
SEWER LATERAL	4", 30' Long	66	EA	\$1,887.69	\$124,587.54
Sewer Main (all materials)	8"	2472	LF	\$102.08	\$252,341.76
Pump Equipment		1	EA	\$50,000.00	\$50,000.00
Pump Installation		1	EA	\$20,000.00	\$20,000.00
SUBTOTAL SEWER ITEMS:					\$527,969.96
PLUS 10% CONTINGENCY:					\$580,766.96
PLUS 10% ADMIN. & INSPECTION:					\$638,843.65
III. WATER ITEMS					
Blow-off Assembly	2" Type A	2	EA	\$1,345.43	\$2,690.86
Pressure Reducing Valve	6"	1	EA	\$37,500.00	\$37,500.00
Fire Hydrant	New, 2-Way	8	EA	\$5,443.91	\$43,551.28
Water Main (all materials)	3"	2,470	LF	\$56.15	\$138,678.15
	8"	4,055	LF	\$90.23	\$365,882.65
Water Service	1"	32	EA	\$3,378.07	\$108,098.24
AARV & Soilbed		2	EA	\$2,000.00	\$4,000.00
Air Valve	1"	4	EA	\$1,800.00	\$7,200.00
Guy Valve	3"	2	EA	\$350.00	\$700.00
	8"	2	EA	\$1,980.00	\$3,960.00
SUBTOTAL WATER ITEMS:					\$712,261.18
PLUS 10% CONTINGENCY:					\$783,487.30
PLUS 10% ADMIN. & INSPECTION:					\$861,836.03
<hr/>					
B. PERFORMANCE SECURITIES					
1. Street				\$1,064,139.00	say \$1,064,100.00
2. Sewer				\$638,844.00	say \$638,800.00
3. Water				\$861,836.00	say \$861,800.00
SUBTOTAL PERFORMANCE					<u>\$2,564,700.00</u>
C. LABOR AND MATERIALS SECURITIES:					
1. Street				\$532,070.00	say \$532,100.00
2. Sewer				\$319,422.00	say \$319,400.00
3. Water				\$430,918.00	say \$430,900.00
SUBTOTAL LABOR					<u>\$1,282,400.00</u>
TOTAL AMOUNT OF SECURITY					\$3,847,100.00

Estimated Cost shown above are preliminary and were the basis for the bond amounts included in the County Joint Bonding Agreement. The project costs shall be updated by the Developer's Engineer prior to plan approval. The Developer shall provide a separate Performance and Labor & Materials financial securities directly to the District for any increase in the cost of the Water and Sewer facilities.

March 17, 2025

TO: Honorable President & Board of Directors

FROM: Gary T. Arant, General Manager

**SUBJECT: MCNALLY AND MIZPAH RESERVOIRS PAINTING AND RECOATING
PROJECT CLOSEOUT [PROJECT NO. 01-06-78-51405]**

PURPOSE:

Present project closeout report for the McNally and Mizpah Reservoirs Painting and Recoating Project.

SUMMARY:

The McNally and Mizpah Reservoirs Painting and Recoating Project ("Project") was awarded November 06, 2023, with a Notice to Proceed issued on January 08, 2024 and completed 208 calendar days later on October 14, 2024. Three change orders were issued during construction totaling \$25,872 and extending the contract time 145 days from the original contract duration of 160 to 305 calendar days. Funding for the Project, in the amount of \$2,250,000, was originally authorized with the FY 2023-2024 Annual Budget and was later increased to a total of \$2,400,000 at contract award to maintain a minimum 10% contingency in the project budget. The project budget was later decreased to \$2,210,000 in FY 2024-2025 with two mid-year budget amendments; \$85,000 being transferred to the Old Castle Phase 2 Pipeline Replacement Project and \$105,000 being transferred to the North Broadway Pipeline Relocation Project. Actual total project expenditures were \$2,209,287 leaving a balance of \$713 to be recaptured for other capital projects.

PROJECT BACKGROUND:

The McNally Reservoir is a 90-foot diameter by 43-foot tall 2 million-gallon above ground welded steel potable water reservoir, constructed in 1956. Mizpah Reservoir is a 71-foot diameter by 35-foot tall 1 million-gallon above ground welded steel potable water reservoir, constructed in 1967. Both reservoirs were last recoated in 2007.

The project consisted of surface preparation, structural modifications, interior coating, and exterior painting of each reservoir. The structural modifications for the reservoirs included the removal of the interior ladders and the removal and replacement of the existing earthquake rods, roof rafters and fastening hardware. Also included with the structural modifications were the installation of additional auxiliary vents and a second access manway for both reservoirs and an exterior staircase and safety railing for Mizpah Reservoir.

Construction Contract Summary

The Engineer's estimate at the time of bid was \$2,300,000. Capital Industrial Coatings (CIC), LLC, was qualified as the lowest responsive and responsible bidder for the low bid amount of \$2,044,245, the next second lowest bidder came in at \$2,342,227.

District staff issued three (3) change orders, totaling a net **increase** of \$25,872 and 145 additional calendar days for a total of 305 Calendar Days. The final construction cost for the project is \$2,070,177. The following is a summary of the project change orders:

Change Order No. 1 - Poor adhesion identified when testing the proposed prime coating prompted a coating system material change from the original contract specifications. Inspection blasting revealed additional structural items in need of repair that were not included in the original project scope. At McNally Reservoir, the outer rafters were reduced in overall length for installation purposes, requiring jack rafters to be added. Cost increases resulting from these items were partially offset by existing rafter size material credits and rafter bid item quantity decrease at McNally Reservoir. The added structural modifications resulted in an overall net **increase** to the contract in the amount of \$22,932 and 44 additional days to the contract duration.

Change Order No. 2 - During interior surface preparation, heavy corrosion, including holes, were revealed in the overflow piping. Fabrication and installation of a new 90-degree elbow on the exterior overflow pipe at Mizpah Reservoir, not included in the original project scope, was required. A no cost time extension was requested by the contractor due to heat constraints associated with the exterior steel temperatures during the summer months. The elbow and effects of the excessive heat resulted in a net **increase** of \$2,940 and 35 additional days to the contract duration.

Change Order No. 3 - Additional days were requested at Mizpah Reservoir due to excessive heat requiring the contractor to shut down operations early each day after exterior steel temperatures reached the coating manufactures max surface temperature application recommendations. Additionally, the asphalt seal coating required a 30-day cure time of the newly placed asphalt prior to seal coat application, which delayed final completion. The effects of the excessive heat and asphalt cure time resulted in a net **zero** cost increase and 66 additional days to the contract.

CONTRACT SUMMARY		
Description	Amount	Percentage Over/(Under) Engineer's Estimate
Engineers Estimate	\$2,300,000	
Original Contract	\$2,044,245	(11.12%)
Change Orders		
Change Order No. 1 (Material Change & Rafters)	\$22,932	
Change Order No. 2 (Mizpah Overflow Piping)	\$2,940	
Change Order No. 3 (Paving Time Extension)	-	
Subtotal Change Orders (1.3% of Original Contract)	\$25,872	
Total Contract	\$2,070,117	(9.99%)

Overall Project Budget

Funding for the project was originally established with the in FY 2023-2024 Annual Budget in the amount of \$2,250,000. A mid-year adjustment was made increasing the project budget to \$2,400,000 when the project was awarded later in the fiscal year. The project was completed under budget, allowing **\$85,000** to be transferred to the Old Castle Phase 2 Pipeline Replacement Project, **\$105,000** to be transferred to the North Broadway Pipeline Relocation Project, leaving **\$713** to be recaptured for other capital projects. The following table summarizes the project budget:

McNally and Mizpah Reservoirs Budget Summary					
Description	Budget at Award	Post Award Adjustments	Final Budget	Actual Expenses	Remaining
Staff	\$130,000	(\$2,900)	\$127,100	\$127,028	\$72
Construction Contract	\$2,044,245	\$25,872	\$2,070,117	\$2,070,117	\$0
Original Contract	\$2,044,245	\$0	\$2,044,245	\$2,044,245	\$0
Change Order No. 1		\$22,932	\$22,932	\$22,932	\$0
Change Order No. 2		\$2,940	\$2,940	\$2,940	\$0
Change Order No. 3		\$0	\$0	\$0	\$0
Miscellaneous	\$5,000	\$7,141	\$12,141	\$12,141	\$0
Contingency	\$220,755	(\$220,114)	\$641	\$0	\$641
Total Project Budget	\$2,400,000	(\$190,000)	\$2,210,000	\$2,209,287	\$713

Project Timeline

The following table outlines the key project milestone dates and durations in Calendar Days (“CD”):

Project Timeline	
Notice of Award	11/6/2023
Notice to Proceed	1/8/2024
Original Contract Completion (160 CD)	6/16/2024
Final Contract Completion Date (305 CD)	11/8/2024
Notice of Completion (280 CD)	10/14/2024

Total construction duration was 280 Calendar Days.

RECOMMENDATION:

Information item only, no Board action required.

SUBMITTED BY:


Wally Grabbe, P.E.
District Engineer

APPROVED BY:


Gary T. Arant
General Manager



SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING FEBRUARY 27, 2025

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report.
2. Resolution for State & Local Cybersecurity Grant Program for Local and Tribal Governments Application for Cybersecurity Projects.
The Board adopted Resolution 2025-04, a Resolution of the Board of Directors of the San Diego County Water Authority, supporting the Water Authority's grant application, authorizing the General Manager to accept any funds awarded, and committing the Water Authority to the financial and legal obligations associated with the receipt of grant funds.
3. Resolution approving the distribution of tax apportionment funds related to Rainbow Municipal Water District to Eastern Municipal Water District.
The Board adopted Resolution No. 2025-05, a Resolution of the Board of Directors of the San Diego County Water Authority, authorizing the General Manager, or designee, to distribute tax apportionment funds received after October 31, 2024, from the County of San Diego for Rainbow Municipal Water District to the Eastern Municipal Water District.
4. Approval of the Calendar Year 2026 Interim Rate Redesign Recommendation.
The Board approved an increase apportionment to 50 percent (up from 40 percent) of the Transportation's revenue requirement on the annual fixed basis (Transportation Fixed Rate), allocated to member agencies by a seven-year average in water demands and continue progress on the Items for Consideration to implement Phase 2 and 3 by Subgroup (page 73 of the February 27, 2025 board packet). The volumetric-based Transportation Rate will be set to recover the remaining 50 percent of the determined annual revenue requirement. Additionally, direct the General Manager to convene a working group of the Member Agency General Managers, providing the board with the attendee list, and develop a timeline and structure to further consider the above referenced items at the General Manager's discretion as part of a discussion on rate structure and business model policy changes for board consideration.
5. Service contracts with Capstone Fire and Safety Management, National Safety Services Inc., and Pro Safety and Rescue Inc. to provide Confined Space Rescue Services.
The Board authorized the General Manager to execute three individual service contracts with Capstone Fire and Safety Management in the amount of \$550,000, National Safety Services Inc. in the amount of \$325,000, and Pro Safety and Rescue in the amount of \$325,000 to provide confined space rescue services on an as-needed basis for two years, with an option to extend contracts for an additional two years.



6. Adopt positions on various bills.
The Board adopted a position of Support on: HR 831 (Calvert), to establish an interest-bearing account for the non-Federal contributions to the Lower Colorado River Multi-Species Conservation Program, and for other purposes; S.291 (Padilla), a bill to establish an interest-bearing account for the non-Federal contributions to the Lower Colorado River Multi-Species Conservation Program, and for other purposes; AB 259 (Blanca Rubio), Open meetings, local agencies, teleconferences; AB 514 (Petrie-Norris), Water, emergency water supplies; and SB 72 (Caballero), the California Water Plan, long-term water supply targets.
7. The Board approved the minutes of the Formal Board of Directors' meeting of January 23, 2025.
8. The Board adopted Resolution No. 2025-06, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Dan McMillan upon his retirement from the Board of Directors.
9. The Board adopted Resolution No. 2025-07, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Vicki Quiram upon her retirement from the Board of Directors.

March 17, 2025

TO: Honorable President & Board of Directors

FROM: Gary T. Arant, *General Manager*

SUBJECT: DISTRICT STATUS REPORT – DECEMBER 2024

PURPOSE:

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

SUMMARY:

For the month ending December 31, 2024, the following reports are presented by the Operations, Engineering, Finance, I.T., and General Administration Departments:

I. OPERATIONS DEPARTMENT:

A. WATER / WASTEWATER DIVISION:

	<u>DEC</u>	<u>DEC</u>	<u>FY</u>	<u>FY</u>
Water Operations	<u>2024</u>	<u>2023</u>	<u>2024-25</u>	<u>2023-24</u>
			<u>to Date</u>	<u>to Date</u>
Flow (average cfs)	17.60	13.60	25.40	22.12
Total Rainfall (inches)	0.02	0.85	0.38	4.90
Average 24 Hr. Temp. (EF)	56	56	68	67
Average High Temp. (EF)	70	69	82	81

Water Purchases (A.F.)	1,082.51	836.22	7,749.55	8,078.89
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	<u>Budgeted</u>	<u>Projected</u>	<u>Actual</u>
	<u>2024-25</u>	<u>2024-25</u>	<u>2023-24</u>
Water Sales (A.F.)	13,000.0	13,500.0	11,493.3

	<u>NOV</u>	<u>OCT</u>	<u>F.Y.</u>
	<u>2024</u>	<u>2024</u>	<u>2023-24</u>
			<u>to Date</u>
Power Purchases			
Electricity and Natural Gas			
Total kWh Purchased	581,733	610,063	3,413,144
Avg. Cost/kWh	\$0.202204	\$0.250089	\$0.235341
Total Therms Purchased	55,557	51,373	287,671
Avg. Cost/Therm	\$1.09426	\$1.02816	\$1.00285

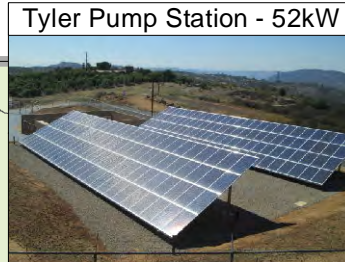
Operations and Facilities Department RENEWABLE ENERGY PROJECTS



Country Club Res - 58kW



Miller Pump Sta. (A) - 70kW



Tyler Pump Station - 52kW



Cool Valley Res - 91kW



Corporate Facility - 152.5kW



Moosa WRF - 278kW



MJM Pump Station - 30kW



Lake Turner - 1.1MW



Cobb Res - 30kW

Solar Sites Online

★ (9) Sites - Total 1.86MW

Proposed Future Solar Sites

- Betsworth PS - Future 868kW
- Miller PS (B) - Future 431kW
- Total: 1.3MW

Terms:

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



RENEWABLE ENERGY PROGRAM

Project	Start Date	kWh Produced NOV 2024	Savings from Solar NOV 2024	CSI Rebate NOV 2024	kWh Produced Fiscal Year (FY)	Savings from Solar FY	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 Pump Station	6/3/2013	6,226	\$1,453		36,309	\$7,872		1,008,388	\$205,451	\$61,739
Circle R Pump Station	11/13/2013	6,594	\$1,539		37,740	\$8,184		1,018,407	\$208,997	\$68,201
Cobb Reservoir	4/1/2015	4,220	\$985		24,450	\$5,301		532,978	\$110,945	\$37,481
MJM Pump Station	6/1/2015	3,120	\$728		19,900	\$4,308		441,072	\$92,433	\$32,525
Cool Valley Pump Station	3/23/2016	11,027	\$2,573		66,332	\$14,373		1,326,084	\$284,390	
Miller Pump Station	7/1/2016	8,115	\$1,894		46,142	\$10,006		939,436	\$200,886	
Lower Moosa Canyon	8/7/2023	31,038	\$94		195,328	\$3,526		721,205	\$24,680	
Corporate Facility	7/12/2024	13,951	\$906		88,104	\$12,196		88,104	\$12,196	
TOTALS		197,043	\$9,264	\$0	1,298,632	\$53,571	\$0	30,195,683	\$1,571,139	\$199,946

Total Program Cost Savings: **\$ 1,771,085**

Total Metric Tons of CO2e Offset by Renewable Energy Production: **9,723**

SDG&E CO2e Factor: **0.322**

Total Renewable Energy Credits ("REC") Sold:	24,379	Value:	\$ 47,187
<i>Credits sold in November 2024:</i>	+ <u>202</u>		+ <u>\$ 2,020</u>
	24,581		\$ 49,207

Wastewater	DEC	DEC	DEC
Daily Flows (Average M.G.D.)	<u>2024</u>	<u>2023</u>	<u>2022</u>
Moosa	.271	.295	.230
Woods Valley	.126	.124	.104
		F.Y.	F.Y.
Recycled Water	<u>2024</u>	<u>2023</u>	<u>2024-25</u>
Woods Valley Ranch WWRF (A.F.)	12.02	11.85	<u>to Date</u>
			<u>2023-24</u>
			<u>to Date</u>
		70.36	67.47

B. CUSTOMER CONTACTS:

	DEC	DEC	F.Y.	F.Y.
Customer Service Requests:	<u>2024</u>	<u>2023</u>	<u>2024-25</u>	<u>2023-24</u>
Backflow Leaking	5	2	39	24
Conservation	0	0	0	0
Facilities Damaged by Others	0	1	1	1
Leaks	30	38	163	179
Miscellaneous	24	19	126	118
No Water	9	4	34	27
Pressure	13	7	55	51
Sewer	0	0	0	1
STEP System	5	4	18	21
Water Quality	0	0	5	10
After-Hour Call-Outs				
SCADA	10	2	22	24
Customer	22	8	145	56

C. SAFETY MEETINGS:

Safety Meetings

12/03/24	-	Pesticide Safety	(Bill Morris)
12/10/24	-	Lock Out/Tag Out	(Bill Morris)
12/16/24	-	Fire Extinguisher/Fire Prevention Plan (All Staff)	(Target Solutions)
12/17/24	-	Hearing Protection	(Bill Morris)

Seminars/Meetings

12/03/24	Hazardous Waste Compliance Training – HazWaste hosted by Kern
12/05/24	Community College attended by Roy Rutherford
12/04/24	CVU-101 hosted by Cla-Val Company attended by Mario DeAlba

D. SECURITY:

	<u>DEC 2024</u>	<u>DEC 2023</u>	<u>F.Y. 2023-24 to Date</u>	<u>F.Y. 2022-23 to Date</u>
Trespassing/Break-ins	0	0	5	1
Vandalism	0	0	0	0
Threats/Suspicious Activity	0	0	0	0
Theft	0	0	0	1

E. METER SERVICES DIVISION:

	<u>DEC 2024</u>	<u>F.Y. 2024-25 to Date</u>	<u>F.Y. 2023-24 to Date</u>
Installation/Maintenance/Repair			
Meters Installed	2	43	107
Meter Service Repairs	4	28	56
Total Meters Exchanged	7	90	155
Meter Flow Test Bench			
Meters Tested	1	68	103
Backflow Program RP & DC Devices	286	2,930	2,844
Repaired	20	161	147
Installed	22	84	207

F. WATER FACILITIES DIVISION:

	<u>DEC 2024</u>	<u>F.Y. 2024-25 to Date</u>	<u>F.Y. 2023-24 to Date</u>
Pump Maintenance			
Pumps Pulled	1	6	3
Electric Motors Repaired	1	6	1
Electric Motors Rewound	0	0	0

G. CONSTRUCTION & MAINTENANCE DIVISION:

	<u>DEC 2024</u>	<u>F.Y. 2024-25 to Date</u>	<u>F.Y. 2023-24 to Date</u>
Pipeline Maintenance/Repair			
Mainline Repairs	4	12	14
Shutdowns	1	4	3
Shutdowns Due to New Construction	0	5	8
Valve Maintenance			
Quad completed: A – K			
50% through Quad L			
Leak Detection Program Status			
100% of facilities detected through Quads: A – K			
50% of facilities detected through Quad L			

	<u>DEC</u>	<u>F.Y.</u>	<u>F.Y.</u>
Landscape (Reservoirs) Maintenance	<u>2024</u>	<u>2024-25</u>	<u>2023-24</u>
Station Maintenance	15	111	120

H. VEHICLE MAINTENANCE:

	<u>DEC</u>	<u>F.Y.</u>	<u>F.Y.</u>
	<u>2024</u>	<u>2024-25</u>	<u>2023-24</u>
Vehicles Serviced	8	32	31
Miles Driven	25,185	169,597	170,455
Gallons of Fuel Consumed - Vehicles	1,819	13,897	14,717
Gallons of Fuel Consumed – Equipment	834	1,838	993
MPG (average)	12.8	12.6	12.2
Pickup Trucks MPG	14.7	14.3	14.4
Service Trucks MPG	7.5	8.1	7.3
Average Vehicle Miles	458	536	509
 Total Mileage on Vehicles		4,295,017	4,667,160
 Total Number of Vehicles in Fleet	56		
Vehicles in Service	50		
Surplus Vehicles Available	6		

**FIELD DEPARTMENT
CAPITAL FUNDED PROJECTS SUMMARY**

Project No.	Name	F.Y. Auth- orized	Budget 2024- 2025	Total Project Budget	Contracts			Comments	Dept.
					Contractor / Consultant	% Complete NOV	DEC		
01-06-78-51050	Natural Gas Engine Controls Upgrade and Automation	16-17		\$190,000		33%	33%	Construction in progress	P&M
01-06-78-51650	Risk and Resilience Assessment and Emergency Response Plan	20-21		\$151,000		95%	95%	Risk and Resiliency Assessment 100% complete. ERP Plan is complete. Training will take place after COVID	SAFETY
01-06-78-51080	Pump Station Power Monitors	22-23		\$56,220		15%	15%	Construction in progress	P&M
01-06-78-51370	Vehicles - Pickup Truck	23-24		\$115,565		50%	50%	On Order	P&M
01-06-78-51371	Vehicles - Service Truck	21-22		\$430,525		90%	100%	Completed	P&M
01-06-78-51373	Vehicles - Hooklift Truck	22-23		\$238,800		30%	30%	Received Truck, Hooklift assembly out to bid	P&M
01-06-78-51374	Vehicles - Service Truck 1.5 Ton	23-24		\$204,750		100%	100%	Completed	P&M
01-06-78-51375	Vehicles - Service Truck 1.0 Ton	23-24		\$136,435		90%	100%	Completed	P&M
01-06-78-51880	Electric Motor Soft Starter Replacements	23-24		\$60,000		20%	20%	Received, Installation in Progress	P&M
01-06-78-51930	Paradise Reservoir Site Chloramine Boosting System	23-24		\$214,500		0%	0%		P&M
13-06-78-53140	Lower Moosa Collection System Vitrified Clay Pipe Lining	18-19		\$119,000		90%	90%	Contractor making repairs	WW
13-06-78-53430	Lower Moosa Canyon WRF Islands Lift Station Generator	20-21		\$55,000		100%	100%	Completed	P&M
13-06-78-53300	Sludge Transfer Pump Upgrade/Replacement	22-23		\$33,000		90%	90%	Installation in process	WW
13-06-78-53372 17-06-78-57372	Vehicles - Service Truck	22-23		\$119,590		100%	100%	Completed	P&M

II. ENGINEERING DEPARTMENT:

A. ENGINEERING SERVICES:

	<u>December 2024</u>	<u>November 2024</u>	<u>F.Y. 2024-25 To Date</u>	<u>F.Y. 2023-24 To Date</u>
Fire Meter Sales	1	14	23	74
Meter Sales	1	9	18	69
Meter Relocation	0	0	1	30
Meter Resize	0	0	2	10
Maps Processed (PF letters)	2	1	8	20
Agency Clearances Signed	7	9	40	97
Fire Hydrants/Special Projects Accepted	0	0	4	5
Underground Service Alerts/Mark-Outs	459	422	2,251	4,678
Potable Construction Meters	2	2	17	43
One Day Permits	0	0	1	1
Wastewater Inspections	0	1	1	4

General Activity:

In addition to the items listed in the above table, Engineering Services staff assists with encroachment permits and violations, provides information for mark outs and helps customers with water conservation questions, and available rebate programs.

B. GEOGRAPHICAL INFORMATION SYSTEM (GIS):

The GIS team continuously adds or updates facility data in the system as changes occur, supporting project managers with maps, exhibits, and data analysis.

The following took place in December:

1. Water and wastewater infrastructure updates included adding or updating 34 backflow devices, 28 valve/appurtenances and 3 meters with corresponding service area adjustments with verification of the wastewater mains, 1 low pressure sewer connection and 124 water meter locations via GPS coordinates. Edits generated from 17 as-built record drawings were completed and 5 map exhibits were produced. Updates were also completed for the North County ESP and North Ave project. SanGIS updates were downloaded for the most recent addresses, parcels, right of way and roads.

2. Continued to assist other departments in leveraging web applications, educating them on available tools and data queries while identifying opportunities to improve job efficiency.
3. Updated the Natural Gas Engine and Generator tables, enabling users to easily identify which units are active and which are inactive within Cityworks.
4. Improved the process of importing relevant customer information into the meters feature with the assistance of a consultant, allowing seamless access to meter data within both Cityworks and the main web application. This enhancement helps users efficiently view and manage meter information to better serve the District.
5. Consolidated wastewater information into a web dashboard, providing an at-a-glance view of the system along with detailed insights.

C. EASEMENT ENCROACHMENTS:

Summary of Activities:

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

	ENCROACHMENTS STATUS TABLE				
	Encroachment Violations			Encroachment Permits	
12/1/2024-12/31/2024	Pending Evaluation	Owner Resolution	District Resolution	Pending Evaluation	Active Permits
Beginning Log	12	23	11	19	12
Plus New	0	0	0	0	0
Less Completed	0	0	0	0	0
Ending Log	12	23	11	19	12

Encroachment VIOLATION Footnotes:

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.

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.

District Resolution – Staff has determined that the encroachment violation is not a result of the current owner's action and has agreed to 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.

Encroachment PERMIT Footnotes:

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 are issued concurrently with the completion of the work. Encroachment permits that will require further follow up inspection are shown in the Active Permits column.

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.

D. 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.	December 2024 Comments
15	Wohlford Estates - RDDMWD & COE Project, Incl. VCMWD Waterline Relocation and Access Easement	Jared Aronowitz (Beazer) <u>Masson & Associates</u>	11/2/2022	N/A	TC Construction	90%		Contractor graded and paved development road. District is working to issue punch list in January.
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)	60%		All proposed water facilities have been installed. Testing cannot commence until sewer improvements are completed. Gratzl Heavy Equipment made minor repairs to the asphalt surface of the new water line trench in July. The project remains dormant since September 2023.
44	San Pasqual Retail Center adjacent to Horizon Fuel Center Ph 1 - Water Service Installation Ph 2 - Road Widening and Appurtenance Relocation Ph 3 - Ziggy's Coffe	<u>San Pasqual Economic Development Corporation</u> Masson and Associates Inc	3/18/2021	\$92,758	TLM Petro Labor force, Inc.	98%		Contractor worked to complete outstanding punch list items.
64	Anthony Rd. Fire Hydrant - Blackrock	<u>David Klose</u>	N/A	\$28,685	Draves Pipeline	100%	1/9/2025	Hydrant installation was completed in December. Staff will issue Final Acceptance 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	5/2/2023	Pending	Zigman Shields	5%		Staff processed and approved Commercial Wastewater Discharge Permit. Developer informed the District that they are waiting on minor storm drain revisions to be approved by the County before starting the work. Developer is working to install on-site storage tanks. No items requiring VCMWD action in the month of December.
67	Hamid Quitclaim	<u>Hamid Liaghat</u>	N/A	\$2,000	Szytel Engineering	90%		Mr. Liaghat is in the process of reverting the Minor subdivision map to acreage. VCMWD requires confirmation the process has been completed by the County prior to finalizing the quitclaims.
83	McNally - JHR Partners Fire Hydrant	JHR Partners Wade Rupe	N/A	Pending	Pending	50%		District Engineer signed improvement plans 11/13/2024. No items requiring VCMWD action in the month if December.

ENGINEERING DEPARTMENT

TABLE I - ENGINEERING SERVICES PROJECTS SUMMARY

Special Projects (01-00-00-182xx), Continued.								
Job # 182xx	PROJECT NAME	<u>Owner</u> Contractor	Plan Approval	Estimated Construction Cost	Contractor	% Complete Construction	Final Accept.	December 2024 Comments
84	Terranova Rd Improvements	Giovannina Martin Family Trust Andrea Terranova Wynn Engineering	N/A	Pending	Pending	0%		Project account was established and initial \$3,000 deposit was collected in June 2023. No activity since the account was established.
85	Gonzalves - Guejito Rd Fire Hydrant	AAAfordable Construction Sam Trafficanda	N/A	\$57,440	Downstream Services	100%	7/2/2024	Final acceptance issued July 2, 2024. In 1-year Warranty Period through June 2025.
86	Price Fire Hydrant	Ayesha Ahmed-Price	NA	\$37,900	Draves Pipeline	100%	7/2/2024	Final acceptance issued July 2, 2024. In 1-year Warranty Period through June 2025.
87	Beija Flor Fire Hydrant	Liang Lu	N/A	\$28,750	Mike Gratzl	100%	7/2/2024	Final acceptance issued July 2, 2024. In 1-year Warranty Period through June 2025.
88	Hernandez / Manzanita Crest Fire Hydrant	Luis Hernandez	N/A	\$31,900	West Coast Underground	100%	9/30/2024	Final acceptance was signed October 1st. The project is now in 1-year warranty until October 2025.
89	Portinos LP Sewer Lateral	June Knab	Pending	Pending	Mike Gratzl	0%		Property owner pumped their on site grease trap for inspection and condition assessment. VCMWD is waiting for inspection report to be sent over for review. Depending on condition of grease trap, it may require a new installation as part of the project. No VCMWD activity in December.
90	Webb LP Sewer Lateral and GP	Dean Webb	7/31/2024	\$67,270	Draves Pipeline	100%	1/9/2025	Signa Mechanical performed E-One start up in December and finance staff has started billing for wastewater service.
91	Feria Fire Hydrant	Elier Feria Palacios	11/7/2024	\$38,021	IAO Builders Inc	0%		Contractor is working on getting the required VCMWD insurance endorsements, and DFA was emailed to property owner for signature 10/2/2024. Staff meet with property owner onsite to determine fire hydrant and water lateral location.
92	Norris Sewer Lateral	Steve and Cydne Norris	1/23/2025	\$21,841	Steve Norris (self)	0%		Staff processed plan check for developer.

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.	December 2024 Comments
417	Papa Bears (Armando & Maria Sanchez)	11/26/18	11/26/18	N/A	Owner Installed	95%		Staff requested project as built as part of project completion. Project is awaiting Commercial Wastewater Discharge Program Application approval.
11698	Good Standing - Hakeem Milbes (Tall Oak Lot 27)	01/23/23	01/25/23	N/A	Pending	0%		Approved Planning Submittal in January '23. No Owner Activity since that time.
11699	Good Standing - Hakeem Milbes (Tall Oak Lot 24)	09/20/22	09/26/22	N/A	Pending	0%		Received and approved Plan Submittal in September '22. No Owner Activity since that time.
11934	Nicanor Perez (10165 Tall Oak Dr)	07/19/24	08/07/24	N/A	Pending	10%		Developer excavated for the Eone Tank and began trenching for onsite piping in November. No VCMWD activity in December.
11760	Mickey Montemuro (10050 Tall Oak)	Pending	Pending	N/A	Pending	0%		Grinder pump information was sent to customer when meter was purchased in 2022. Home construction is now on hold. No contact from customer since August '22.
11935	Carl Bayney (10030 Tall Oak)	10/31/24	Pending	N/A	Pending	0%		Plan submittal pending District comments.
Cell Site Installations (01-03-23-50001 Function 122)								
Site #	SITE	Plan Submittal	Plan Approval	Estimated Construction Cost	Cell Company	% Complete Construction	Final Accept.	December 2024 Comments
NO CELL SITE INSTALLATIONS ARE IN PROCESS AT THIS TIME								

**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				December 2024 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
05	Belmont Estates	JN	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 since February 2018.
06	Lake Wohlford Resort Annexation Office of Water Programs - Sacramento State (OWP) is providing management services for the Facility Grant with the SWRCB	WG			F	Dexter Wilson Engineering (DWE)							OWP obtained approval in February '23 of an amendment to the SWRCB Grant to fund additional Annexation and Planning costs of the private water facilities needed to serve the resort and adding the participation of the San Pasqual Band of Mission Indians for water service at Duro Road. Staff previously provided comments on the draft Preliminary Design Report and annexation application, but not heard back from the project proponents. The June project meeting was cancel by OWP.
07	Viking Grove Development	JN	20689 & 20690	9	B	ACAL Engineering	05/16/16	11/09/22	\$318,507	TAD Construction	100%	12/12/2024	Project Final Acceptance was issued December 12, 2024. Project is in 1 year warranty period until December of 2025.
19	The Oaks (Washington Meadows Dev., Inc.)	JN	TM 5174.1	11	G	Spears and Assoc.	10/19/15	09/08/22	\$186,710				The final map and plans were signed by the District and transmitted to the developer in September 2022. No VCMWD activity since September 2022.
22	El Cidro	JN		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 since July 2016.
23	Park Circle Touchstone Communities (Backbone Facilities) (neighborhoods A & C)	JN	TM 5603 Units 2 & 3		B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	07/23/19	\$3,100,000	Basile	98%		Developer is working to address outstanding punch list items, working towards project final acceptance. Staff is working to issue Final Acceptance.
	Park Circle Touchstone Communities (Neighborhood E)	JN	TM 5603 Unit 1	101	B		04/15/19	10/19/20		Cass/Arrieta	98%		Developer is working to address outstanding punch list items, working towards project final acceptance. Staff is working to issue Final Acceptance.
	Park Circle Touchstone Communities (Neighborhood B)	JN	TM 5603 Unit 4 & Portion Unit 5	143	B		04/15/19	11/18/19		Cass/Arrieta	98%		Developer is working to address outstanding punch list items, working towards project final acceptance. Staff is working to issue Final Acceptance.

**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				December 2024 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
25	Orchard Run Subdivision - Unit 1 (Backbone Facilities funded by Touchstone)	JN	TM 5087 Unit 1 - 58 Lots Unit 2 - 70 Lots Unit 3 - 120 Lots Affordable Homes - 52 lots	20	A	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	07/23/19	\$1,855,600	Cass/Arrieta	100%	06/24/24	Project is currently in its 1 year warranty period until June of 2025.
	Orchard Run Subdivision - Unit 2 (Backbone Facilities funded by Touchstone)			3	A		04/15/19	07/23/19	\$1,877,000	Cass/Arrieta H7	100%	06/25/24	Project is currently in its 1 year warranty period until June of 2025.
	Orchard Run Subdivision - Unit 3 (Backbone Facilities funded by Touchstone)			120	A		04/15/19	07/23/19	\$1,717,785	Cass/Arrieta	100%	06/26/24	Project is currently in its 1 year warranty period until June of 2025.
27	Free-Thomas Line Extension	JN	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 since February 2018.
30	Deer Springs Towne Center (Planning)	WG		2	G	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 since October 2019.
35	Welk Garden Villas	JN		148	G	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 since October '22.
39	Rimrock Phase III	FC	TM 4744	56	D	UES	06/07/93			CRC			District staff is in the process of reviewing plans based off of preliminary discussions with developer.
40	Circle P	JN	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 since August 2017.
44	Sea Bright Line Ext.	WG	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 since August 2017.
46	Beck Subdivision	WG	TM 5060	16	G	Sea Bright	06/01/09	10/10/18	\$237,215				In March, developer reached out to VCMWD to discuss the possibility of quitclaiming VCMWD easements and reverting the subdivision back to acreage. No VCMWD Activity since March 2023.

**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				December 2024 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
51	Eagles Noel (Baldwin) Water Line Extension	JN	PM 17548	3	A	Wynn Engineering	04/05/21	06/02/21	\$185,000	JPI Development	100%	02/14/24	Project in 1-year warranty period through February 2025.
55	Park Circle Shea Homes (Neighborhood A)	JN	Portion TM 5603 Unit 5	88	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	11/18/19		Cass/Arrieta	98%		Developer is working to address outstanding punch list items, working towards project final acceptance. Staff is working to issue Final Acceptance.
56	Orchard Run KB Home Coastal (Units 1 & 2)	JN		105	A	Dexter Wilson Engineering & Touchstone Engineering Staff	04/17/19	07/23/19	\$1,717,785	H7 Contracting and Engineering	100%	06/24/24	Project is currently in its 1-year warranty period, expiring June of 2025.
57	Orchard Run Unit 3 Affordable Home Unit	JN	TM 5087-3	52	B	Touchstone	04/17/19	07/23/19	Included in OR Unit 3	Cass/Arieta	55%		Construction on site has stopped. No VCMWD activity in December.
58	Mountain Meadow Village Center	WG		1	F	PLSA							Developer continues to review District's response to their reimbursement agreement ideas. No VCMWD Activity since April 2024.
59	Pauma Vista Winery Water Line Extension	JN		1	D	Rancho Coastal Surveying Engineering Inc.	01/07/22	11/16/22	\$255,000	Pending			Project remains inactive since plans were signed on November 16, 2022. VCMWD staff to reach out for project status update. No VCMWD Activity since November 2022.
64	Park Circle Beazer Homes (Unit 4)	JN	TM 5603-2	79	B	Dexter Wilson Engineering & Touchstone Engineering Staff	04/15/19	09/27/21		H7 Engineering and Contracting	98%		Developer has completed all outstanding punch list items. VCMWD will start work on processing final acceptance.
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	WG		200	G	Wynn Engineering	Pending						Previously requested updated preliminary design report (PDR) for all of VCVF North Village property. Owner has not made efforts to have the reports completed nor to move forward with project planning. No further staff activity is anticipated until receipt of the PDR.
67	Ivy Dell RV Park Water Line Extension	JN		1	E	Excell Engineering Robert Dentino	Pending						Final mylars have been awaiting County approval since April. Once approved they will be returned to VCMWD for final signature. Once mylars are signed, developer can move forward with scheduling a pre-construction meeting. No Activity since June 2023.

**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				December 2024 Comments
						Engineer	Concept Approval	Plan Approval (1)	Estimated Cost	Contractor	% Complete	Final Acceptance	
69	Manzanita Crest Waterline Extension	JN	PM 19064		F	SMS Consulting	Pending						Developer's engineer submitted plans for review. Staff processed and returned first plan check comments back in June of 2022. No VCMWD Activity since June 2022.
73	North Ranch Estates (Weston Residential Property)	WG		515	F	Dexter Wilson Engineering (Water and Sewer Planning) Rick Engineering (Civil Design)	Pending						Staff previously met with the Project Owner and their engineers to discuss the water and sewer requirements for the project, including funding requirements for the Woods Valley Ranch WRF Phase 3 capacity expansion, seasonal storage facilities and irrigation of the recycled water generated by the development. Dexter Wilson Engineering submitted water planning study and is preparing sewer planning study for submittal.
75	Hideaway Lake Road Waterline Extension	JN		1	G	ARC Engineering	Pending						Staff requested additional information in January 2023 to process Concept Approval. Waiting on response from developer to move forward with concept approval. No activity since January 2023.
78	Native Oaks Plaza (SPEDC)	JN			D	Alidade Engineering - Larry Dutton							Developer completed onsite grading and started working on storm drain work.
84	Anderson Line Extension (Munster Platz)	JN	TPM 20460	5	G	Wynn Engineering	05/16/16						District sent request to new owner for \$5,000 deposit and project account agreement in June. No VCMWD activity since June 2023.
88	Marquart Ranch Line Ext.	JN	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			5	251	\$7,353,170
B	Under Construction			7	472	\$3,418,507
C	Pending Construction			0	0	\$0
D	Design Phase			3	57	\$255,000
E	Concept Approval (Pending Design)			1	1	\$0
	Total in Process			16	781	\$11,026,677
F	In Planning - Active			5	516	\$0
G	In Planning - Inactive			14	430	\$2,462,218
	Total Planning			19	946	\$2,462,218
	Total Projects			35	1,727	\$13,488,895

(DFA) = District Facilities Agreement

(P) = District Participation in Project

(R) = Reimbursement Agreement

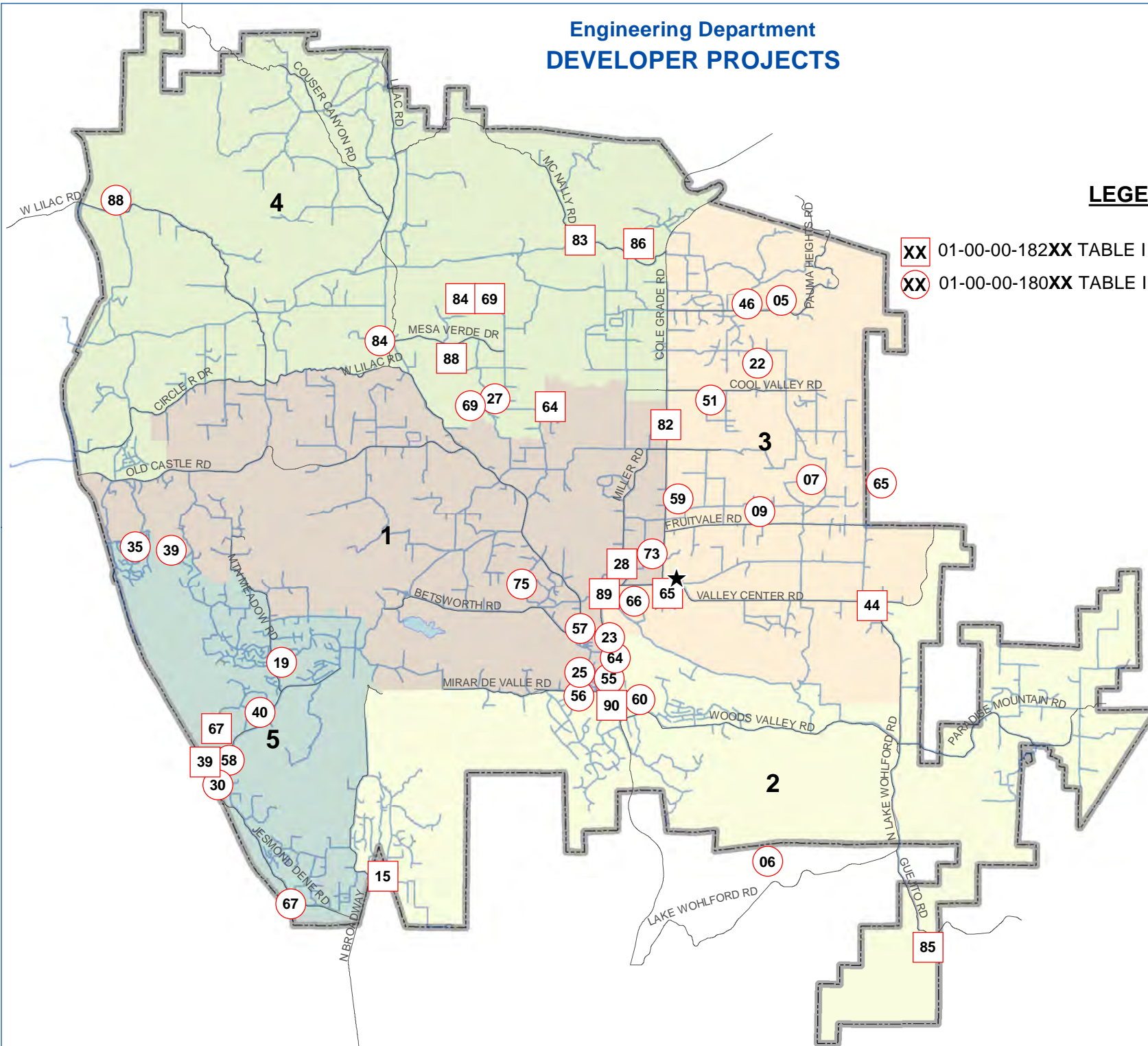
(1) Red Text indicates that Concept or Plan Approval has expired.

Engineering Department DEVELOPER PROJECTS



LEGEND

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



E. CAPITAL IMPROVEMENT PROJECTS:

See **Table III** and **Location Map** for general status of all **Capital Improvement Projects**.

ENGINEERING DEPARTMENT
TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Contractor / Consultant	2024		Project Manager	December 2024 Comments
					Nov	Dec		
Pipelines & PRV Projects								
51020	Upsizing / Unspecified Pipeline Replacement	23-24	\$80,000	N/A	0%	0%	Wally Grabbe	Authorization with FY 2023-24 Annual Budget - \$250,000. Staff previously utilized \$120,000 to fund the Wohlford Estates participation cost and \$50,000 for the Cerro De Pauma Repair, leaving \$80,000 available for other projects.
51500	Pipeline Condition Assessment	22-23	\$150,000	Pending	10%	10%	Nick Lyuber	Staff continued preparation of leak history data for in house condition assessment.
51150	North Broadway Pipeline Relocation (Design/Bid Phase)	21-22	\$100,000	In-House (Design) TSAC - Surveying	75%	75%	Fernando Carrillo	Staff has identified the next phases of work to formalize the agreement with the school district and continue the overall progression. Additional funding is necessary to initiate the environmental work and certain design elements. Staff is evaluating the current financial state and sources for the required funds.
18080	NC ESP Alternative Delivery Project Planning, Design and Funding Agreement (Construction Phase)	17-18	\$11,325,000	Orion Construction	78%	78%	Nick Lyuber	Contractor completed construction of mechanical pump and piping for Lilac Pala Pump Station.
51200	NC ESP 14-inch Pipeline Relocation (Construction Phase)	21-22	\$725,000	Orion Construction	99%	99%	Nick Lyuber	Record drawing was completed for this section. Staff is preparing final close out items.
51690	Cole Grade Road Pipeline Replacement Design Phase	16-17	\$610,000	In-House	95%	95%	Fernando Carrillo	Staff met with County of San Diego design team. The project has been postponed until FY 26-27.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Author-ized	Total Budget	Contractor / Consultant	2024		Project Manager	December 2024 Comments
					Nov	Dec		
Pipelines & PRV Projects, continued								
51417	Lilac Road Pipeline Upsizing (Warranty)	18-19	\$3,700,000	Cass Arrieta	100%	100%	Fernando Carrillo	Project complete. 1-year Warranty Period ends February 2025.
51420	Old Castle Road Pipeline Replacement - Phase 2 Design Only	21-22	\$100,000	In-House	80%	90%	Fernando Carrillo	Staff continues to finalize the design plans, focusing next on traffic control plans and phasing.
51120	2020 DWSRF Loan Application (Reimbursement Phase)	18-19	\$150,000	In-House	99%	99%	Nick Lyuber	Staff is awaiting final disbursement and are expecting to conduct a site visit in January with the State Representative of the project sites, as required by the terms of the loan agreement.
51121	2023 DWSRF Loan Application (Submission)	20-21	\$75,000	Birdseye Planning Group	35%	35%	Nick Lyuber	Staff gained approval from the board to proceed with the modified approach. The approval included allocating additional budget to finish the design and perform minor environmental work. Staff is proceeding with submitting the SRF application per the new approach.
51910	Gordon Hill Upper Pipeline Relocation Project (Design, Bid Phase)	21-22	\$30,000	In-House	95%	95%	Nick Lyuber	Staff is performing additional evaluation of existing operational conditions in the zone to determine the best approach to modify the Pressure reducing stations. Three remote pressure sensing device have been placed throughout the zone, collecting data for analysis.
51840	Rodriguez Road Pipeline Replacement (Planning Phase)	23-24	\$50,000	In-House	20%	20%	Nick Lyuber	Given the current challenges with SDG&E and SDCWA authority right of ways, staff re-prioritized the grant funding assigned to this project to Old Castle. Meanwhile, staff will pursue other means to accomplish the project.
51418	Alps Way Pipeline Replacement (Construction Phase)	23-24	\$420,000	Shaw Equipment Rentals, Inc.	100%	100%	Nick Lyuber	Project is complete. 1-year Warranty Period ends October 16, 2025.

ENGINEERING DEPARTMENT
TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Author-ized	Total Budget	Contractor / Consultant	2024		Project Manager	December 2024 Comments
					Nov	Dec		
Reservoir Projects								
51303	Ridge Ranch Interim Reservoir (Design Phase)	19-20	\$90,000	In-House Design	20%	20%	Wally Grabbe	Preparation of the pre-design report scheduled for February 2025 time frame.
51405	McNally & Mizpah Reservoir - Paint and Recoat (Construction Phase)	23-24	\$2,250,000	Capital Industrial Coatings	99%	99%	Nick Lyuber	Staff prepared Final Acceptance documents. Final Acceptance to be issued in January.
Data Management Systems								
51730	SCADA/HMI Migration - Water System Phase 1 (Implementation Phase)	21-22	\$310,000	In-House	20%	20%	Nick Lyuber	Engineering, Operations, and IT staff continue to work together with consultant in developing SCADA standards and their implementation across the Phase 1 sites. Simultaneous coordination with the NCESP is ongoing, including sharing of standards developed and reviews of submittals.
51770	Document Management System	22-23	\$65,000	Pending	0%	0%	Wally Grabbe	Recommendation for software vender delayed pending further evaluation of construction management software and other department document requirements. Evaluations are on-going, software recommendation delayed.
Facilities Projects								
51590	Water Age Analysis	22-23	\$100,000	Mission Consulting Services (Jen Mael)	10%	10%	Wally Grabbe	Collecting and organizing water meter usage data zone by zone for use in the evaluation. Evaluating and updating the computer model to evaluate reservoir low flow conditions. Purchased and installed new water, sewer and asset modeling software. Started conversion of the water system model to the new software.

ENGINEERING DEPARTMENT

TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Contractor / Consultant	2024		Project Manager	December 2024 Comments
					Nov	Dec		
Lower Moosa Canyon Water Reclamation Facility Projects								
53030	Moosa Wastewater O&M Manual Development	17-18	\$60,000	In-House	60%	60%	Fernando Carrillo	Staff is working with Wastewater Operator with a rough Draft.
53100	2023 CWSRF Application	23-24	\$100,000		10%	10%	Wally Grabbe	Staff reviewed the criteria for rating the CWSRF application and determined that the project did not rate high enough to be considered for inclusion in the FY 25/26 IUP and did not prepare an SRF application for project funding. Bond funds would be considered for project funding.
53290	Meadows Lift Station Motor Control Upgrade	21-22	\$312,500	Richard Brady & Associates (\$148,673)	35%	35%	Fernando Carrillo	Staff is working with Brady to complete 50% design. District has decided not to move forward with seeking an SRF Loan for this project.
53200	Moosa Priority Project - Design	24-25	\$825,000	Richard Brady & Associates (\$600,291)	30%	35%	Fernando Carrillo	Staff is working with Brady to complete 50% design. District has decided not to move forward with seeking an SRF Loan for this project.
53320	Moosa Clarifier No. 1 Upgrades - Construction	21-22	\$250,000	Jennette Company, Inc.	100%	100%	Fernando Carrillo	Project is complete 1-year Warranty Period ends May 2025.
53330	Moosa Clarifier No. 2 Upgrades	23-24	\$600,000	In-House Design Jennette Company, Inc.	20%	25%	Fernando Carrillo	Contractor applied the Protective Coating system on the concrete surface within the Clarifier tank
53550	Moosa Minor Upgrades	23-24	\$150,000		65%	67%	Fernando Carrillo	Contractor installed stop log and relocated existing pumps at the Chlorine Contact Tank
53640	Server Room Relocation	23-24	\$250,000		60%	75%	Fernando Carrillo	District electricians installed all conduits from the server room to the existing office. CM painted the inside of the room and all the newly installed block

ENGINEERING DEPARTMENT
TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

Acct. No.	Project Name	F.Y. Authorized	Total Budget	Contractor / Consultant	2024		Project Manager	December 2024 Comments
					Nov	Dec		
Woods Valley Ranch Water Reclamation Facility Expansion Projects								
56120	Woods Valley Ranch Wastewater Expansion Project Property Acquisitions	98-99	\$250,000	In-House	80%	80%	Wally Grabbe	North Village Lift Station site acquisition is 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 continued discussions with the engineer (Dexter Wilson Engr.) for the new owner of the Weston residential parcels (North Ranch Estates - Indian Creek Associated, LLC) regarding the planning of the lift station site location.
56170	Woods Valley Golf Course Seasonal Storage	16-17	\$450,000	In-House	80%	80%	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 December.
56260	Grinder Pump Flow Meter Installation	21-22	\$72,000	In-House	80%	80%	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 December
56320	North Village Lift Station Design	16-17	\$290,000	Kennedy/Jenks (Preliminary Design)	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 December.
55330	Series 1 Bond Issuance Costs CFD 2020-1	21-22	\$350,000	BBK, Fieldman-Rolapp, Koppel & Gruber	90%	100%	Wally Grabbe	The sale of the CFD Series 2024 Bonds was completed. Bonds in the amount of \$5,355,000 closed on December 17th.
55340	Orchard Run Lift Station Construction	21-22	\$3,850,000	GSE Construction (\$3,531,471)	100%	100%	Fernando Carrillo	Project is complete and operational however, Final Acceptance of the project and Final Payment is pending resolution of generator wet stacking issues.

ENGINEERING DEPARTMENT
TABLE III - CAPITAL FUNDED PROJECTS SUMMARY

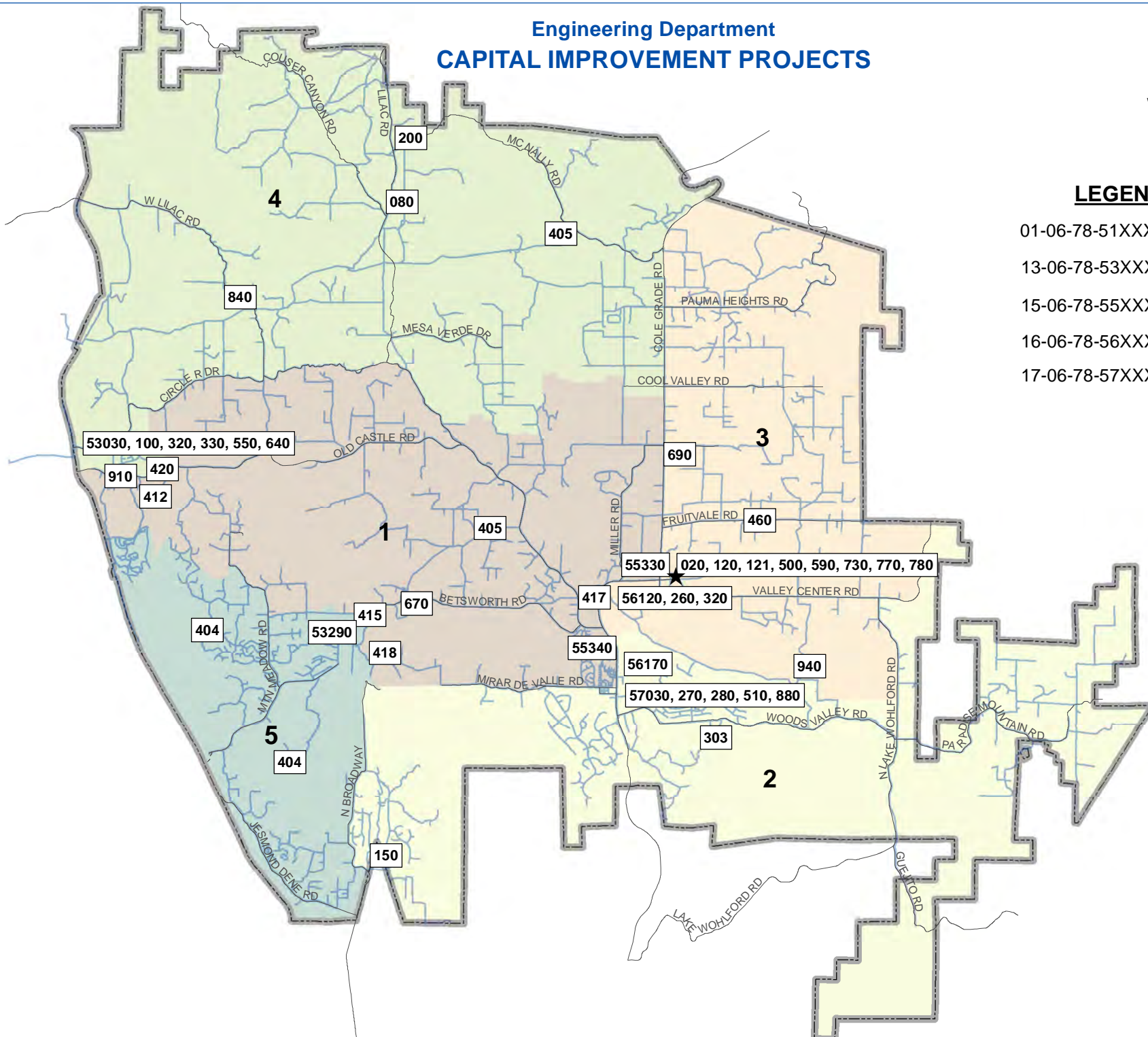
Acct. No.	Project Name	F.Y. Author-ized	Total Budget	Contractor / Consultant	2024		Project Manager	December 2024 Comments
					Nov	Dec		
Woods Valley Ranch Water Reclamation Facility Projects								
57030	WVR Wastewater O&M Manual Development	17-18	\$90,000	In-House	6%	6%	Fernando Carrillo	Engineering staff producing drawings and attachments for O&M Manual. Anticipated completion in March 2025.
57270	Aeration Piping Evaluation	22-233-24	\$25,000		0%	0%	Fernando Carrillo	Scheduling with wastewater operators to take aeration line out of service after dewatering equipment evaluation in February to video the line and determine location of the aeration leaks.
27280	Rapid Thickener	23-24	\$750,000		0%	0%	Fernando Carrillo	Staff previously met with manufacturer of dewatering equipment to have pilot equipment moved on-site in January '25 and test operated for two evaluation period.
57510	WVR WRF HMI Upgrade	21-22	\$25,000	Interface Automation	5%	5%	Fernando Carrillo	WVR WRF HMI Upgrade is scheduled to start after the Water SCADA HMI Conversion Project is completed. No Activity in October.
57880	Woods Valley Ranch WRF Waste Discharge Permit Requirements Salt Nutrient Management Plan (SNMP)	15-16	\$90,000	In-House	5%	5%	Wally Grabbe	Scheduled start delayed to March '25.

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. MAPPING:

General Activity: In the month of December staff received mapping update requests for a total of 53, 23 were completed. In addition, staff digitized 1 VCMWD easement. From a total of 3,013 easements, 1,073 have been added to the District's geodatabase, 1,940 are pending.

MAPS AND RECORDS UPDATE STATUS TABLE					
December	Capital Improvement Projects ⁽¹⁾	Developer Projects ⁽²⁾	Encroachment Permits ⁽³⁾	Special Projects ⁽⁴⁾	Facility Mapping ⁽⁵⁾
Beginning Log	1	0	0	15	23
Plus New	0	0	0	0	30
Less Completed	0	0	0	0	(23)
Ending Log	1	0	0	15	30

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 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.

G. FUNDING REQUESTS:

Drinking Water State Revolving Fund Loan (DWSRF) Application – 2020 Pipeline Replacement Project. This DWSRF Loan provides funding for Four pipeline replacement projects, Gordon Hill, Oat Hill, Lilac Road, and Alps Way. Loan approval in the amount of \$8.5M was received in March '22. Staff has submitted **eight** disbursement requests for

construction funding, the most recent being **Disbursement No. 8 (\$300K)** submitted **November 1, 2024**, for expenses through August 30, 2024. The **eight** funding requests submitted to date total **\$8.399M**. To date, the SWRCB has disbursed **\$7.842M** in loan proceeds, the most recent being received on **November 1, 2024**. On average, it takes **136** days from disbursement submittal to receipt of the SRF loan proceeds.

EPA Community Grant. In April '23, VCMWD was awarded a \$3.06M Community Grant for the Lilac Road Pipeline Replacement Project. Because the Lilac Road project was already under construction, the EPA approved, a "Technical Correction" to shift the grant funding from the Lilac Road Pipeline Replacement Project to the Rodriguez Road Pipeline Replacement Project.

In April '24, VCMWD was awarded a \$715K Community Grant for the Old Castle Road Pipeline Replacement Project. Staff is in process of requesting, a "Technical Correction" to shift the \$3.06M grant funding from the Rodriguez Road Pipeline Replacement Project to the Old Castle Road Pipeline Replacement Project for a combined total of \$3,775M.

Staff is preparing the application for submittal through the EPA's Grants.gov website in conjunction with an SRF application for the balance of the funding.

Drinking Water State Revolving Fund Loan (DWSRF) Application – 2023 Water Facility Replacement Project. Staff prepared and submitted in November '23 a \$9.3M application (\$12.36M total less the \$3.06M in grant funding) to the SWRCB for funding the following three projects: a) Old Castle Road Pipeline Replacement, b) Broadway South Pipeline Replacement and c) Rodriguez Road Pipeline Replacement. Due to cash flow requirements during construction, staff reduced the loan request to a \$5.525M application to include only the Old Castle project in combination with the \$3.775M for total project cost of \$9.3M. The application was completed in December and SWRCB staff is reviewing the submitted documents for issuance of the loan approval.

Clean Water State Revolving Fund Loan (CWSRF) Application – Lower Moosa Canyon Planning and Design Project. - Staff prepared and submitted in December '23 a \$990K CWSRF application to the SWRCB for funding planning and design documents for the replacement and upgrade of the District's Lower Moosa Canyon Water Reclamation Facility critical aging infrastructure. SWRCB staff rated the application 4 out of 16, a rating that is unlikely to be eligible for inclusion in the FY 24-25 Intended Use Plan ("IUP"). Projects have to be included in the IUP to be eligible for funding. After reviewing the anticipated rating for a CWSRF construction funding application, staff determined that there was minimal likelihood that the project would be eligible for the FY 25-25 IUP and focused efforts on the DWSRF application for the North Broadway Pipeline Replacement Project.

Drinking Water State Revolving Fund Loan (DWSRF) Application – North Broadway Pipeline Relocation Project. In December '24 Staff prepared and submitted a \$4.2M application for the North Broadway Pipeline Relocation Project. This was one of the projects eliminated from the 2023 Water Facility Replacement Project for cash flow purposes. The application is currently under SWRCB staff review for inclusion in the FY 2025-26 IUP.

H. SEMINARS/MEETINGS:

12/4/24 – M. Wick attended the ESRI ArcGIS Story Maps webinar.

12/10/24 – M. Wick attended the SDCWA Water Loss Control Group meeting virtually.

12/19/24 – M. Wick attended the Third Thursday, DWR Water Loss & Leak Detection webinar.

IV. FINANCE DEPARTMENT:

A. COMPARISON OF STATISTICS:

	<u>DEC 2024</u>	<u>FY to Date 2024-25</u>	<u>FY to Date 2023-24</u>
<u>BILLS MAILED:</u>	10,518	63,077	62,840
<i>Actions for Non-Payment:</i>			
Notices Mailed	1,430	7,956	7,621
48 Hr. Phone Calls	579	3,211	3,263
Meters Flow Restricted	3	10	31
Accounts Liened	2	18	71
Lien Notices Mailed	6	43	217
Accounts Transferred	48	269	330
<u>CUSTOMER COUNTS:</u>	<u>DEC 2024</u>	<u>DEC 2023</u>	<u>DEC 2022</u>
Active Water Accounts:			
Certified Ag - PSAWR	630	631	646
M & I	9,168	9,145	9,013
Fire Meters	<u>2,030</u>	<u>1,996</u>	<u>1,852</u>
<i>Total Active Accounts</i>	11,828	11,772	11,511
Inactive Water Accounts:			
PSAWR	54	51	43
M & I	734	718	710
Fire Meters	<u>149</u>	<u>142</u>	<u>132</u>
<i>Total Inactive Accounts</i>	937	911	885
Total Water Accounts	<u>12,765</u>	<u>12,683</u>	<u>12,396</u>
Active Wastewater Accounts			
Moosa	2,475	2,496	2,495
Woods Valley	<u>984</u>	<u>965</u>	<u>855</u>
Total Wastewater Accounts	<u>3,459</u>	<u>3,461</u>	<u>3,350</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 DEC 2024	<u>498,054.7</u>	\$36,091,621
SDCWA Emergency Storage Est. Savings:		
JAN 2003 through DEC 2024		\$36,873,948
SDCWA Supply Reliability Est. Savings:		
JAN 2016 through DEC 2024		<u>\$6,060,700</u>
TOTAL MWD & SDCWA DISCOUNTS:		<u>\$160,592,396</u>

B. MEETINGS:

12/2/2024 – 12/5/2024

Jim attended the ACWA/JPIA Fall Conference, Palm Desert, CA.

12/17/2024 8:45 am – 9:00 am

Jim and Vanessa attended Closing Call – CFD No. 2020-1 Series 2024 Special Tax Bonds.

12/11/2024 11:00 am – 12:00 pm

Beatriz attended the 1099 and 1099R processing – Springbrook Webinar

12/11/2024 2:00 pm – 3:00 pm

Stephanie attended a zoom meeting with ACWA JPIA re: 2025 New Employment Laws

12/18/2024 11:00 am – 12:00 pm

Beatriz and Danielle attended the W2 Processing - Springbrook Webinar.

V. INFORMATION TECHNOLOGY DEPARTMENT:

A. CAPITAL IMPROVEMENT PROJECTS –

SCADA HMI Improvements – Wonderware HMI system replacement at wastewater facilities with Ignition HMI software has been completed. Replacement of the HMI system for the water system is currently in planning stages with evaluation of PLCs and other control systems.

Asset Management System – Phase 2 of Cityworks development and deployment is in progress, which includes, fleet maintenance, equipment/tools, storeroom modules, and integration with GIS and ERP systems. Various reports and dashboards for water operations are currently being developed that show the data collected by this system.

Boardroom Technology Upgrade – The existing video 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.

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. This is an ongoing, continuous product lifecycle refresh process.

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.

Video Surveillance System Upgrades – Staff is continuing to enhance the system by upgrading older cameras with new models and performing software upgrades to existing systems.

Secondary Data Center Construction – A secondary data center is being constructed at Moosa Water Reclamation Facility. It will provide the District with environmentally controlled space for additional servers and data storage that can be activated quickly if needed, and it is at sufficient distance away from corporate offices to survive a local disaster. It will have multiple redundant communication paths to corporate office with automatic failover, a dedicated high-bandwidth fiber connection to the Internet, has generator-backed power, and is monitored by multiple security cameras. This facility is scheduled to go live in January 2025.

C. SYSTEM STATUS –

All systems operated normally in the month ending December 31, 2024.

D. MEETINGS –

No meetings attended in the month ending December 31, 2024.

**INFORMATION TECHNOLOGY DEPARTMENT
CAPITAL FUNDED PROJECTS SUMMARY**

Project No.	Name	F.Y. Auth- orized	Total Budget	Contracts			Comments	Project Manager/ Coordinator
				Contractor / Consultant	% Complete			
					Nov	Dec		
51040	Boardroom Technology Upgrade	16-17	\$ 32,135	In-house	98%	99%	Project will upgade the Audio/Video presentation technology in the Boardroom. Video live streaming system was installed with upgraded cameras. New monitors were installed on the dais. Components have been acquired for the video presentation system upgrade, which 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. Fleet and storeroom modules are in development. Backflow module development is deferred depending on future software update.	Ando Pilve

VI. GENERAL ADMINISTRATION PROJECTS AND PROGRAMS:

A. General Administration Meetings and Activities for Month of December 2024 –

12/02/24 – Agenda Meeting (GA & GO);
12/11/24 – Shared Services MOU Concept - RMWD, FPUD, YMWD & VCMWD (GA);
12/16/24 – VCMWD Regular Board Meeting (GA & GO);
12/17/24 – Agenda Meeting (GA & GO) and VCMWD All - Hands Staff Meeting;
12/18/24 – Work Schedule Flexibility Meeting (GA & GO);
SDCWA - MWD Litigation Workgroup (GA);
12/19/24 – SDCWA Regular Board Meeting (GA);
12/20/24 – North County GM's Meeting (GA); and
12/26/24 – WUE Submittal Final Review (GA & GO).

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

B. Water Conservation and Public Outreach –

Staff received 2024 Water Awareness Poster Contest Calendars along with the entry forms for 2025. Staff 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 December 31, 2024:

<u>Funds</u>	<u>Budgeted</u>	<u>Employed</u>
Water	66	64
Wastewater	<u>7</u>	<u>7</u>
Total	73	71

2) Pending Retirements –

a) Wally Grabbe – December 26, 2025

Compiled By:



Kirsten N. Peraino, Board Secretary

Submitted By:



Gary T. Arant, General Manager

March 17, 2025

TO: Honorable President and Board of Directors

FROM: Paula de Sousa, *General Counsel*

SUBJECT: AMENDED EMPLOYMENT AGREEMENT FOR GENERAL MANAGER, EFFECTIVE MARCH 17, 2025 AND ADOPTION OF ORDINANCE NO. 2025-01 TO AMEND THE ADMINISTRATIVE CODE TO REFLECT THE ADJUSTMENT TO THE GENERAL MANAGER'S COMPENSATION

PURPOSE:

Consider approval of the General Manager's Employment Agreement effective March 17, 2025 and adoption of Ordinance No. 2025-01, to amend the District's Administrative Code to reflect the adjustment to the General Manager's compensation.

SUMMARY:

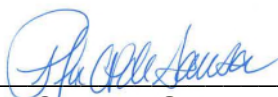
At the regular meetings on January 6, 2025 and February 18, 2025, the Board of Directors met to discuss labor negotiations and conducted its annual performance evaluation and compensation review of the District's General Manager based upon his performance in Fiscal Year 2024. Based upon the discussion, and completion of successful negotiations, an amended Employment Agreement has been drafted reflecting the directed changes and is attached for the Board's review.

The General Manager has generally met or exceeded his Strategic Plan Performance Measurements for Calendar Year 2024. His annual performance evaluation has been completed and pursuant to the provisions of his July 15, 2024 Amended Employment Agreement, a new Amended Employment Agreement is being recommended which raises his salary 4.6% from \$266,190.70 to \$278,435.48, effective retroactively to January 1, 2025, and which gives him a performance bonus of \$17,500 to be awarded effective March 17, 2025.

RECOMMENDATION:

That the Amended Employment Agreement for the District General Manager, Gary T. Arant be approved effective March 17, 2025 and that the Board adopt Ordinance No. 2025-01 to amend the District's Administrative Code to reflect his adjusted compensation in Article 8, "Compensation Policy," Section 8.9, "Classification and Compensation Plan for 2024-2025."

SUBMITTED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Paula C. P. de Sousa
General Counsel

Attachments: Ordinance No. 2025-01
Amended Employment Agreement

ORDINANCE NO. 2025-01

**ORDINANCE OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT
AMENDING THE ADMINISTRATIVE CODE TO PROVIDE
FOR CHANGES IN THE AMENDED AGREEMENT
FOR THE GENERAL MANAGER**

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 be and is amended to provide for changes in the District's Classification and Compensation Plan by modification of Article 8, "Compensation Policy," Section 8.9 (c), "Classification and Compensation Plan for 2024-2025," as set forth in "Exhibit A" attached hereto.

Section 2. That this is an urgency ordinance and shall take effect March 17, 2025 to meet the Amended Employment Agreement for the General Manager.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the VALLEY CENTER MUNICIPAL WATER DISTRICT held on the 21st day of March, 2025, by the following vote, to wit:

Enrico Ferro, ***Board President***

ATTEST:

Kirsten Peraino, ***Board Secretary***

Exhibit A

Article 8 Sec. 8.9(c) Salary Ranges
Updated with 4.75% COLA - Effective 6/28/24, Mid-Shift

RANGE NO.	BIWEEKLY SALARY RANGE		MONTHLY SALARY RANGE		YEARLY SALARY RANGE		HOURLY SALARY RANGE	
	MIN	MAX	MIN	MAX	MIN	MAX	MIN	MAX
Gen Mgr *	\$10,709.06	\$10,709.06	\$23,202.96	\$23,202.96	\$278,435.48	\$278,435.48	\$133.863	\$133.863
37.6	\$6,948.64	\$9,280.48	\$15,055.39	\$20,107.71	\$180,664.64	\$241,292.48	\$86.858	\$116.006
37.5	\$6,856.32	\$9,188.16	\$14,855.36	\$19,907.68	\$178,264.32	\$238,892.16	\$85.704	\$114.852
37.0	\$6,691.12	\$8,966.72	\$14,497.43	\$19,427.89	\$173,969.12	\$233,134.72	\$83.639	\$112.084
36.6	\$6,622.16	\$8,842.96	\$14,348.01	\$19,159.75	\$172,176.16	\$229,916.96	\$82.777	\$110.537
36.5	\$6,529.84	\$8,750.64	\$14,147.99	\$18,959.72	\$169,775.84	\$227,516.64	\$81.623	\$109.383
36.0	\$6,372.48	\$8,539.76	\$13,807.04	\$18,502.81	\$165,684.48	\$222,033.76	\$79.656	\$106.747
35.5	\$6,218.88	\$8,333.92	\$13,474.24	\$18,056.83	\$161,690.88	\$216,681.92	\$77.736	\$104.174
35.0	\$6,069.04	\$8,133.04	\$13,149.59	\$17,621.59	\$157,795.04	\$211,459.04	\$75.863	\$101.663
34.5	\$5,922.80	\$7,937.04	\$12,832.73	\$17,196.92	\$153,992.80	\$206,363.04	\$74.035	\$99.213
34.0	\$5,780.00	\$7,745.76	\$12,523.33	\$16,782.48	\$150,280.00	\$201,389.76	\$72.250	\$96.822
33.5	\$5,640.72	\$7,559.12	\$12,221.56	\$16,378.09	\$146,658.72	\$196,537.12	\$70.509	\$94.489
33.0	\$5,504.80	\$7,376.96	\$11,927.07	\$15,983.41	\$143,124.80	\$191,800.96	\$68.810	\$92.212
32.5	\$5,372.16	\$7,199.20	\$11,639.68	\$15,598.27	\$139,676.16	\$187,179.20	\$67.152	\$89.990
32.0	\$5,242.64	\$7,025.68	\$11,359.05	\$15,222.31	\$136,308.64	\$182,667.68	\$65.533	\$87.821
31.5	\$5,116.32	\$6,856.32	\$11,085.36	\$14,855.36	\$133,024.32	\$178,264.32	\$63.954	\$85.704
31.0	\$4,993.04	\$6,691.12	\$10,818.25	\$14,497.43	\$129,819.04	\$173,969.12	\$62.413	\$83.639
30.5	\$4,872.72	\$6,529.84	\$10,557.56	\$14,147.99	\$126,690.72	\$169,775.84	\$60.909	\$81.623
30.0	\$4,755.28	\$6,372.48	\$10,303.11	\$13,807.04	\$123,637.28	\$165,684.48	\$59.441	\$79.656
29.5	\$4,640.64	\$6,218.88	\$10,054.72	\$13,474.24	\$120,656.64	\$161,690.88	\$58.008	\$77.736
29.0	\$4,528.80	\$6,069.04	\$9,812.40	\$13,149.59	\$117,748.80	\$157,795.04	\$56.610	\$75.863
28.5	\$4,419.68	\$5,922.80	\$9,575.97	\$12,832.73	\$114,911.68	\$153,992.80	\$55.246	\$74.035
28.0	\$4,313.20	\$5,780.00	\$9,345.27	\$12,523.33	\$112,143.20	\$150,280.00	\$53.915	\$72.250
27.5	\$4,209.20	\$5,640.72	\$9,119.93	\$12,221.56	\$109,439.20	\$146,658.72	\$52.615	\$70.509
27.0	\$4,107.76	\$5,504.80	\$8,900.15	\$11,927.07	\$106,801.76	\$143,124.80	\$51.347	\$68.810
26.5	\$4,008.80	\$5,372.16	\$8,685.73	\$11,639.68	\$104,228.80	\$139,676.16	\$50.110	\$67.152
26.0	\$3,912.16	\$5,242.64	\$8,476.35	\$11,359.05	\$101,716.16	\$136,308.64	\$48.902	\$65.533
25.5	\$3,817.92	\$5,116.32	\$8,272.16	\$11,085.36	\$99,265.92	\$133,024.32	\$47.724	\$63.954
25.0	\$3,725.84	\$4,993.04	\$8,072.65	\$10,818.25	\$96,871.84	\$129,819.04	\$46.573	\$62.413
24.5	\$3,636.08	\$4,872.72	\$7,878.17	\$10,557.56	\$94,538.08	\$126,690.72	\$45.451	\$60.909
24.0	\$3,548.48	\$4,755.28	\$7,688.37	\$10,303.11	\$92,260.48	\$123,637.28	\$44.356	\$59.441
23.5	\$3,462.96	\$4,640.64	\$7,503.08	\$10,054.72	\$90,036.96	\$120,656.64	\$43.287	\$58.008
23.0	\$3,379.52	\$4,528.80	\$7,322.29	\$9,812.40	\$87,867.52	\$117,748.80	\$42.244	\$56.610
22.5	\$3,298.08	\$4,419.68	\$7,145.84	\$9,575.97	\$85,750.08	\$114,911.68	\$41.226	\$55.246
22.0	\$3,218.56	\$4,313.20	\$6,973.55	\$9,345.27	\$83,682.56	\$112,143.20	\$40.232	\$53.915
21.5	\$3,140.96	\$4,209.20	\$6,805.41	\$9,119.93	\$81,664.96	\$109,439.20	\$39.262	\$52.615
21.0	\$3,065.28	\$4,107.76	\$6,641.44	\$8,900.15	\$79,697.28	\$106,801.76	\$38.316	\$51.347
20.5	\$2,991.44	\$4,008.80	\$6,481.45	\$8,685.73	\$77,777.44	\$104,228.80	\$37.393	\$50.110
20.0	\$2,919.36	\$3,912.16	\$6,325.28	\$8,476.35	\$75,903.36	\$101,716.16	\$36.492	\$48.902
19.5	\$2,848.96	\$3,817.92	\$6,172.75	\$8,272.16	\$74,072.96	\$99,265.92	\$35.612	\$47.724
19.0	\$2,780.32	\$3,725.84	\$6,024.03	\$8,072.65	\$72,288.32	\$96,871.84	\$34.754	\$46.573
18.5	\$2,713.28	\$3,636.08	\$5,878.77	\$7,878.17	\$70,545.28	\$94,538.08	\$33.916	\$45.451
18.0	\$2,647.92	\$3,548.48	\$5,737.16	\$7,688.37	\$68,845.92	\$92,260.48	\$33.099	\$44.356
17.5	\$2,584.08	\$3,462.96	\$5,598.84	\$7,503.08	\$67,186.08	\$90,036.96	\$32.301	\$43.287
17.0	\$2,521.84	\$3,379.52	\$5,463.99	\$7,322.29	\$65,567.84	\$87,867.52	\$31.523	\$42.244
16.5	\$2,461.04	\$3,298.08	\$5,332.25	\$7,145.84	\$63,987.04	\$85,750.08	\$30.763	\$41.226
16.0	\$2,401.76	\$3,218.56	\$5,203.81	\$6,973.55	\$62,445.76	\$83,682.56	\$30.022	\$40.232
15.5	\$2,343.84	\$3,140.96	\$5,078.32	\$6,805.41	\$60,939.84	\$81,664.96	\$29.298	\$39.262
15.0	\$2,287.36	\$3,065.28	\$4,955.95	\$6,641.44	\$59,471.36	\$79,697.28	\$28.592	\$38.316
14.5	\$2,232.24	\$2,991.44	\$4,836.52	\$6,481.45	\$58,038.24	\$77,777.44	\$27.903	\$37.393
14.0	\$2,178.48	\$2,919.36	\$4,720.04	\$6,325.28	\$56,640.48	\$75,903.36	\$27.231	\$36.492
13.5	\$2,126.00	\$2,848.96	\$4,606.33	\$6,172.75	\$55,276.00	\$74,072.96	\$26.575	\$35.612
13.0	\$2,074.72	\$2,780.32	\$4,495.23	\$6,024.03	\$53,942.72	\$72,288.32	\$25.934	\$34.754
12.5	\$2,024.72	\$2,713.28	\$4,386.89	\$5,878.77	\$52,642.72	\$70,545.28	\$25.309	\$33.916
12.0	\$1,975.92	\$2,647.92	\$4,281.16	\$5,737.16	\$51,373.92	\$68,845.92	\$24.699	\$33.099
11.5	\$1,928.32	\$2,584.08	\$4,178.03	\$5,598.84	\$50,136.32	\$67,186.08	\$24.104	\$32.301
11.0	\$1,881.84	\$2,521.84	\$4,077.32	\$5,463.99	\$48,927.84	\$65,567.84	\$23.523	\$31.523
10.5	\$1,836.48	\$2,461.04	\$3,979.04	\$5,332.25	\$47,748.48	\$63,987.04	\$22.956	\$30.763
10.0	\$1,792.24	\$2,401.76	\$3,883.19	\$5,203.81	\$46,598.24	\$62,445.76	\$22.403	\$30.022

* General Manager salary is effective retroactively to January 1, 2025

**AMENDED EMPLOYMENT AGREEMENT
BETWEEN VALLEY CENTER MUNICIPAL WATER DISTRICT
AND GARY T. ARANT**

MARCH 17, 2025

This Amended Agreement is made and entered into effective March 17, 2025 by and between VALLEY CENTER MUNICIPAL WATER DISTRICT (hereinafter referred to as “District”) and GARY T. ARANT (hereinafter referred to as “Arant”) in view of the following facts:

RECITALS

- A. District is a public agency of the State of California formed pursuant to the Municipal Water District Law of 1911, as amended. Arant has served in a capable and professional manner as the General Manager of the District since March 1, 1989.
- B. The parties desire to provide for the continued employment of Arant by the District on the terms and conditions provided herein.
- C. This Amended Agreement shall replace and supersede all prior agreements between the District and Arant including, but not limited to, the Amended Employment Agreement between Valley Center Municipal Water District and Gary T. Arant dated effective July 15, 2024.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Employment.

District hereby continues to employ Arant, who accepts such employment, to serve as its General Manager.

2. Compensation and Benefits.

2.1 Annual Compensation.

Effective March 17, 2025, Arant shall receive a salary increase, effective retroactively to January 1, 2025 of 4.6 percent and will be paid a salary of \$278,435.48, annually, payable in bi-weekly installments. Such compensation shall not be reduced during the term of this Amended Agreement. In addition, effective March 17, 2025, Arant shall receive a performance bonus payable in a lump sum in the amount of \$17,500.

2.2 Merit Adjustment.

In the month of January of each year thereafter, the Board of Directors of District shall evaluate the performance of Arant and other relevant factors and shall make reasonable adjustments in the annual salary of Arant, as it may deem appropriate, in accordance with such evaluation. The Board of Directors of District shall meet and confer

with Arant in regard to such evaluation and the conclusions to be reached therefrom. Merit adjustment is defined to include both annual compensation and performance bonus.

2.3 Fringe Benefits.

Arant shall receive such fringe benefits, as may be established from time to time by District for other management employees of District. These shall include, but not be limited to, participation in Public Employee Retirement System, post-retirement medical program, health, accident, life, dental, and disability insurance benefits, and vacation, holiday and sick leave time, with the following modifications:

- a. Expenses. Arant shall be reimbursed for all reasonable expenses incurred on behalf of the District.
- b. Outside Compensation. Arant shall be entitled to apply for and retain SDCWA Board Member Per Diem compensation. Prior Board approval is required for Arant to receive any and all payments or other forms of compensation for his services to other public or private agencies, board or commissions.
- c. Excluded Benefits. Arant shall not receive the uniform allowance provided to other employees and shall not participate in the longevity step program available to other employees of the District.
- d. District Vehicle. Arant shall be provided the use of a District vehicle for business-related transport and for personal use incidental to local business-related use. Such use shall be in conformance with all District policies and applicable Federal tax laws for reporting income tax obligation.

3. Duties.

Arant shall perform such duties as may be imposed on him from time to time by the Board of Directors of District. The General Manager is the chief administrative officer of District responsible directly to the Board. He shall have authority for the selection, appointment, and direction of all personnel, except as hereinafter noted, subject to adoption of personnel classifications and pay schedules by the Board.

Arant shall give full time to the duties of his office, except that he may, as approved by the Board of Directors, accept appointments and commissions to other public agencies and boards. He shall have charge of and supervise the administrative and executive activities of District; shall be responsible to the Board for the operation of District's functions and facilities; shall plan and carry out all construction work when authorized by the Board of Directors necessary or proper to carry out the purpose of District; shall make such recommendations to the Board of Directors concerning the affairs of District as may seem to him desirable; shall prepare and submit to the Board of Directors an annual budget estimate and such reports as may be required by that body; and shall maintain and improve District's public relations.

4. Term.

This Amended Agreement shall continue in full force and effect until it is terminated as provided in Section 5 hereof.

5. Termination.

5.1 By Notice by Arant.

Arant may terminate this Amended Agreement upon giving three months' written notice to the Board of Directors of District.

5.2 By Notice of District.

5.2.1. General Rule. The general manager serves at the pleasure of the Board of Directors of District, and his employment may be terminated at any time.

5.2.2. For Cause. If Arant is terminated for cause, this Amended Agreement shall immediately terminate and Arant shall not be entitled to severance pay beyond the effective date of termination. As used herein, "for cause" shall mean (i) failure to perform the position of general manager in a professional and competent manner, (ii) being under the influence of intoxicating beverages while on duty, (iii) use of illegal narcotics or drugs, or (iv) a fraudulent or illegal act.

5.2.3. Without Cause. Arant may not be terminated without cause unless the District's Board of Directors votes by a 4/5's vote to terminate Arant without cause. If Arant is terminated without cause, he shall be given twelve months' written notice of such termination or shall be paid an amount equal to twelve months' salary at the salary then in effect, and the District shall reimburse him for health insurance premiums paid by Arant to continue the District's health insurance coverage for himself and his family during the 12-month period (or until Arant begins other employment). If Arant is given less than twelve months' notice, he shall be paid an amount equal to his salary, and reimbursed for health insurance premiums, for the period between the effective day of termination and 12 months from the date of the written notice of termination, except that reimbursement for health insurance premiums will end when he obtains other employment.

6. Statutory Obligations; Abuse of Office or Position:

Pursuant to Government Code Section 53243, et seq. which became effective on January 1, 2012, if Arant is convicted of a crime involving an abuse of his office or position, all of the following shall apply: (1) if Arant is provided with administrative leave pay pending an investigation, Arant shall be required to fully reimburse such amounts paid; (2) if the District pays for the criminal legal defense of Arant (which would be in its sole discretion, as it is generally not obligated to pay for a criminal defense), Arant shall be required to fully reimburse such amounts paid; and (3) if this Agreement is terminated, any cash settlement related to the termination that Arant may receive from the District shall be fully reimbursed to the District. For this Section, abuse of office or position means either: (1) an abuse of public authority, including waste, fraud,

and violation of the law under color of authority; or (2) a crime against public justice, including a crime described in Title 7 commencing with section 92 of the Penal Code.

7. Miscellaneous.

This Amended Agreement was made and executed in the County of San Diego, State of California, and if any action is brought to enforce or interpret its terms, such action shall be brought in a state or federal court in the County of San Diego. The prevailing party in any such action shall be entitled to recover reasonable attorney's fees as may be fixed by the court.

IN WITNESS WHEREOF, the parties have executed this Amended Employment Agreement effective March 17, 2025.

VALLEY CENTER MUNICIPAL WATER
DISTRICT

Enrico Ferro, President

Gary T. Arant

APPROVED AS TO FORM:

Paula C.P. de Sousa