

VALLEY CENTER MUNICIPAL WATER DISTRICT
AGENDA

Regular Meeting of the Board of Directors
Tuesday, January 20, 2026 — 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, unless otherwise required by law, such as when a Director is attending the meeting virtually pursuant to certain provisions of the Brown Act.*

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 Monday, January 5, 2026;**
2. **Audit Demands and Wire Disbursements;**
3. **Treasurer's Report – November 2025;**
4. **Quarterly Expense Reimbursement Disclosures per GC \$53065.5;**
5. **Concept Approval for the Diaz Waterline Extension;**
6. **Resolution 2026-03 to Approve General Manager's Appointment of Melody Rocco to Serve as District Engineer; and**
7. **Resolution 2026-04 to Approve the Appointment of Coral Hutchins to serve as Board Secretary.**

ACTION ITEM(S)

8. **Approval of Compensation Schedule:**

Amend the Administrative Code to reflect the addition of the District Engineer classification and salary range and Adoption of Ordinance 2026-01.

- a. Report by Director of Finance and Administration
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny Ordinance No. 2026-01

9. **Old Castle Road Pipeline Replacement Budget Amendment:**

Staff requests the Board of Directors adopt Resolution No. 2026-05 approving an amendment to the FY 2025-2026 Annual Budget to provide funding for the construction of the Old Castle Road Phase 2 Pipeline Replacement Project.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny Resolution No. 2026-05

Valley Center Municipal Water District
Board of Directors' Meeting Agenda

INFORMATIONAL ITEM(S)

10. 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' AGENDA AND 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

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).

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 Coral Williams, *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
Monday, January 5, 2026 — 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, Baker, Ness, and Stehly.*

Board Members Absent: *None*

Staff Members Present: *General Manager Leahy, District Engineer Grabbe, Manager of Accounting/Deputy Director of Finance & Administration Velasquez, Director of Operations and Facilities Lovelady, Director of IT Pilve, Administrative Assistant/Assistant Board Secretary Williams, Special Projects and Regulatory Compliance Manager Nichols, and General Counsel de Sousa.*

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.

CLOSED SESSION ITEM

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).

1. A Closed Session was called by President Ferro at 3:07 PM pursuant to the following item:

- **Government Code §54956.9(d)(2) – Conference with Legal Counsel, Anticipated Litigation Significant exposure to litigation:** One potential case (Claim filed by Mike Appelman)

RECONVENE

Action: The Board came out of closed session at 2:13 PM. Upon motion by Stehly seconded by President Ferro, motion passed with 5 affirmative votes to reject the Government Code claim filed by Mike Appelman.

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.

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

2. **Minutes of the Regular Board Meeting Held Monday, December 15, 2025; and**
3. **Audit Demands.**

Action: Upon motion by Holtz, seconded by Ness; and carried with 5 affirmative votes, the previously listed consent calendar items were approved.

ACTION ITEM(S)

4. **Appointment of ACWA-JPIA Board Representative:**

Director of Finance & Administration Pugh presented the staff report and explained the need to appoint a District representative to the ACWA-JPIA Board of Directors due to the vacancy created by Director Smith's resignation.

The Board appointed President Ferro as the ACWA-JPIA Board Representative and directed staff to submit the required appointment form to ACWA-JPIA.

Action: Upon motion by Holtz, seconded by Ness; the Board appointed President Ferro as the District's ACWA-JPIA Board Representative.

5. **Appointment of the Valley Center Municipal Water District Representative on the San Diego County Water Authority Board Of Directors:**

General Manager Leahy presented the staff report regarding the expiration of the District's current SDCWA representative term and the need for Board action effective January 14, 2026.

The Board discussed the appointment and the continuation of District representation at the regional level.

Recommendation

Staff recommended that the Board adopt Resolution No. 2026-01 approving Gary Arant to serve as the representative of the Valley Center Municipal Water District on the Board of Directors of the San Diego County Water Authority.

RESOLUTION NO. 2026-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER MUNICIPAL
WATER DISTRICT CONSENTING TO AND APPROVING THE APPOINTMENT OF
GARY ARANT AS THE REPRESENTATIVE OF VALLEY CENTER MUNICIPAL WATER
DISTRICT ON THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER
AUTHORITY**

Action: Upon motion by Holtz, seconded by Stehly; motion to approve the following Resolution passed with five (5) affirmative votes:

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

Was adopted by the following vote, to wit:

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

INFORMATIONAL ITEM(S)

6. General Information:

General Manager Leahy provided a general informational update to the Board.

Action: Informational item only; no Board action required.

BOARD OF DIRECTORS' AB1234 REPORTS ON MEETINGS ATTENDED

None.

2:30 PM TIME CERTAIN SPECIAL ACTION AND PRESENTATION ITEMS (Items 7 and 8):

7. Adoption and Presentation to Gary T. Arant of Resolution No. 2026-02 Honoring Gary T. Arant for his 36 Years of Service to the Valley Center Municipal Water District:

The Board presented and adopted Resolution No. 2026-02, honoring Gary T. Arant for his 36 years of service to the Valley Center Municipal Water District.

RESOLUTION NO. 2026-02

RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER WATER DISTRICT RECOGNIZING AND COMMENDING GARY T. ARANT FOR THIRTY-SIX (36) YEARS OF SERVICE TO THE VALLEY CENTER WATER DISTRICT, FIFTY-THREE (53) YEARS OF PUBLIC SERVICE TO THE CALIFORNIA WATER INDUSTRY, AND PROCLAIMING DECEMBER 29 AS "WATER TITAN DAY"

Action: Upon motion by Stehly, seconded by Baker; motion to approve the following Resolution passed with five (5) affirmative votes:

Was adopted by the following vote, to wit:

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

Valley Center Municipal Water District
Board of Directors' Meeting Minutes

8. **Presentations by Regional Representatives Honoring Gary T. Arant for his Service in the Water and Wastewater Industry:**

Regional representatives provided remarks recognizing Mr. Arant's service and contributions to the water and wastewater industry.

ADJOURNMENT

Action: Upon motion by Stehly seconded by Ness; motion passed with 5 affirmative votes, the regular meeting of the Board of Directors was adjourned at 2:59 PM.

ATTEST:

ATTEST:

Coral L. Williams, *Acting Board Secretary*

Enrico P. Ferro, *President*

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD DECEMBER 27, 2025 THROUGH JANUARY 02, 2026

DECEMBER

CHECK #	PAYEE	DESCRIPTION	AMOUNT
ACH	Alpha Analytical Laboratories, Inc.	Testing	505.00
ACH	David Bean	Medicare Part B Reimbursement - 4th Qtr 2025	1,110.00
ACH	Velma Blake	Medicare Part B and Medical Reimbursement - 4th	487.89
ACH	Carole Bull	Medicare and Medical Reimbursement - 4th Qtr 2025	1,035.00
ACH	Cristi Bush	Medicare Part B Reimbursement - 4th Qtr 2025	426.00
ACH	Grainger, Inc	Materials - Field	1,436.36
ACH	Hasa, Inc.	Chemicals	1,099.01
ACH	HD Supply Facilities Maintenance Ltd.	Materials - Field. Customer# 19969	726.61
ACH	International City Mgmt Association R	Plan# 801966. MissionSquare Remittance 12/12/25	4,323.10
ACH	Patric Jewell	Medicare Part B and Medical Reimbursements - 4	3,220.20
ACH	Richard Learue	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Judy Pumar	Medicare and Medical Reimbursement - 4th Qtr 2025	1,055.13
ACH	Mike Pumar	Medicare and Medical Reimbursement - 4th Qtr 2025	1,055.13
ACH	Pamela Regan	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Thomas Regan	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Self Insured Services Company LLC	Reimbursement Request For Dental Funding Date	2,100.58
ACH	Francesca Shough	Medicare Part B Reimbursement - 4th Qtr 2025	1,110.00
ACH	South Bay Foundry, Inc.	Materials - Field	1,642.11
ACH	John Stetson	Medicare and Medical Insurance Reimbursement	1,277.13
ACH	Kathleen Stetson	Medicare and Medical Insurance Reimbursement	1,277.13
ACH	Phil Valenzuela	Medical and Medicare Part B Reimbursement - 4th	1,332.90
ACH	Valley Center Municipal Water District	Employee Contributions 12/12/25-12/26/25 - Barg	574.00
ACH	VCMWD Employees Association	Employee Contributions 12/12/25-12/26/25 - Soci	549.00
ACH	Dennis Williams	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
172757	Payroll	Payroll 12/12/25-12/26/25	5,381.12
172758	Payroll	Payroll 12/29/25	434.34
172759	Airwave Mechanical Inc.	HVAC Repair	1,362.52
172760	Babcock Laboratories, Inc	Testing	135.17
172761	Bavco	Materials - Field	5,499.52
172762	Len Brown	Safety Boot Reimbursement	260.95
172763	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	6,743.34
172764	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	300.00
172765	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	1,467.37
172766	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	3,823.21
172767	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	135.00
172768	California Bank & Trust	Credit Cards - Meals, Travel, Meetings	1,861.24
172769	City of Escondido	Escondido Woods Sewer Charges - December 20	1,776.19
172770	Complete Office of California, Inc	Office Supplies	263.42
172771	Diamond Environmental Services, LP	Services	71.34
172772	DIRECTV	Dish Service 12/24/25-01/23/26	84.99
172773	Erickson - Hall Construction Company	Refund Check 020779-000, 26552859 FH@Cole	2,257.55
172774	Lorena Espinoza	Janitorial Service - December 2025	1,875.00
172775	Farmer Brothers Co.	Breakroom Supplies	326.95
172776	Glaser & Bailey Awards, Inc	Engraving Services	316.87

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD DECEMBER 27, 2025 THROUGH JANUARY 02, 2026

DECEMBER

CHECK #	PAYEE	DESCRIPTION	AMOUNT
172777	Grangetto's Farm & Garden Supply Co	Materials - Field. Account# 1969	744.51
172778	Cynthia Jeffrey	Medicare Reimbursement - 4th Qtr 2025	832.50
172779	Christine Johnson	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
172780	Sarah Johnson	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
172781	Yvonne Jones	Medicare Part B Reimbursement - 4th Qtr 2025	1,775.70
172782	Layfield USA Corporation	Materials - Field	150.75
172783	Anthony LoPresti	Medicare Part B Reimbursement - 4th Qtr 2025	370.00
172784	Janine LoPresti	Medicare Part B Reimbursement - 4th Qtr 2025	370.00
172785	Anne Masley	Medicare Part B Reimbursement - 4th Qtr 2025	1,110.00
172786	Esther T. May	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
172787	Mesco Corporation	Materials - Field	893.00
172788	North State Environmetal	Waste Lamps	484.50
172789	Cheryl and Paul Nurse	Refund Check 016913-000, 29610 Platanus Dr	228.10
172790	Occupational Health Centers of Califo	Medical Services	235.00
172791	Polydyne Inc.	Chemicals	1,907.01
172792	San Diego Gas & Electric	Gas Services - December 2025	14,768.28
172793	Daniel Shubin	Safety Boot Reimbursement	185.95
172794	Moses Shubin	Reimbursement For ABPA Cross Connection Con	155.00
172795	Southwest Answering Service, Inc	Answering Service 11/27/25-12/24/25	568.34
172796	Brayden Stansel	Safety Boot Reimbursement	300.00
172797	United Way of San Diego County	Employee Contributions 12/12/25-12/26/25	20.00
172798	Xylem Water Solutions U.S.A. Inc	Materials - Field	3,388.09
172799	Yardley Orgill Co. Inc.	Materials - Field	398.68
TOTAL			<u>93,488.78</u>

Approved By: _____

General Manager

J. V. Papp
Director of Finance & Administration

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD JANUARY 03, 2026 THROUGH JANUARY 09, 2026

JANUARY


CHECK #	PAYEE	DESCRIPTION	AMOUNT
ACH	Alpha Analytical Laboratories, Inc.	Testing	1,825.00
ACH	Amazon Capital Services, Inc.	Materials - Field	1,277.91
ACH	Ardurra Group, Inc.	TO#2 - Old Castle Waterline Replacement Phase	7,860.00
ACH	Barbara Baker	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	BlueTriton Brands Inc	Deliveries - December 2025	87.59
ACH	Daniel Dentino	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Linda Westler Dentino	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Terill Finton	Medicare and Medical Insurance Reimbursement	896.85
ACH	Troy Goswick	Medicare Part B Reimbursement - 4th Qtr 2025	740.00
ACH	Grainger, Inc	Materials - Field	1,467.34
ACH	Hawthorne Machinery Co	Caterpillar Backhoe Loader	188,290.73
ACH	HD Supply Facilities Maintenance Ltd.	Materials - Field. Customer# 19969	624.27
ACH	Thad Klimas	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Dave Mancino	Medicare Part B Reimbursement - 4th Qtr 2025	548.90
ACH	Microsoft Corporation	Online Services 01/01/26-12/31/26	1,440.00
ACH	Paymentus Corporation	Transaction Fees - November 2025	17,292.78
ACH	Self Insured Services Company LLC	Reimbursement Request For Dental Funding Date	2,403.28
ACH	David Tilley	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Deborah Tilley	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
ACH	Robert Truesdale	Medical Insurance Reimbursement - 4th Qtr 2025	2,355.90
ACH	United Parcel Service, Inc.	Shipping	25.50
172800	Accessible Technologies, Inc	Materials - Field	2,419.88
172801	Aqua-Metric Sales Company	Materials - Field	24,203.60
172802	AT&T	Services	742.46
172803	Babcock Laboratories, Inc	Testing	1,130.25
172804	Calvin Brewer	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
172805	Kyle Churley	Refund Check 020856-000, 21962533 FH@ Wel	2,278.24
172806	Core & Main LP	Materials - Field	3,765.87
172807	Corodata Records Management	Record Storage - December 2025	126.57
172808	County of San Diego	Repeater Site Rent Acct# 7019 - Palomar Mounta	938.00
172809	EDCO Waste & Recycling Service	Trash Services - December 2025	1,005.75
172810	Rodolfo Garcia	Safety Boot Reimbursement	210.43
172811	Matt Goswick	Safety Boot Reimbursement	293.07
172812	HealthEquity Inc.	Monthly Fees - January 2026	20.65
172813	Home Depot Credit Services	Materials - Field	207.99
172814	Infrastructure Engineering Corporatio	Cole Grade Road Pipeline Replacement Project	255.00
172815	Ingersoll-Rand Company	Materials - Field	660.56
172816	Esther T. May	Medicare Part B Reimbursement - 4th Qtr 2025	555.00
172817	McCrometer, Inc.	Meter Service For Moosa	354.95
172818	Mitsogo Inc.	Hexnode Annual Subscription 02/28/26-02/28/27	2,494.80
172819	Nakamichi Consulting Services, Inc.	Services	780.00
172820	O'Reilly Automotive, Inc.	Vehicle Maintenance	137.38
172821	Pacific Pipeline Supply	Materials - Field	6,141.04
172822	Quality Chevrolet	Vehicle Maintenance	246.41

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD JANUARY 03, 2026 THROUGH JANUARY 09, 2026

JANUARY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
172823	San Pasqual Economic Development	Refund For San Pasqual Pit Stop FH	426.84
172824	VelocityEHS Inc.	Service Period 02/23/26-02/22/27	3,253.95
172825	Westair Gases & Equipment Inc.	Materials - Field	267.44
172826	Yardley Orgill Co. Inc.	Materials - Field	196.53
TOTAL			<u>284,133.71</u>

Approved By: _____


General Manager


Director of Finance & Administration

VALLEY CENTER MUNICIPAL WATER DISTRICT
ELECTRONIC DISBURSEMENTS
FOR PERIOD DECEMBER 1, 2025 THROUGH DECEMBER 31, 2025

SEQ. #	DATE	PAYEE	DESCRIPTION	AMOUNT
BANK TRANSFERS:				
ACH:				
612	12/04/25	Direct Deposit	DIRECT DEP PAYROLL 11/14/25-11/28/25	229,652.28
	12/05/25	IRS	P/R TAX 11/14/25-11/28/25	51,644.92
	12/05/25	EDD	P/R TAX 11/14/25-11/28/25	16,237.65
	12/05/25	PEBSCO/NATIONWIDE	DEFERRED COMPENSATION 11/14/25-11/28/25	21,102.22
	12/05/25	EXPERTPAY	GARNISHMENT 11/14/25-11/28/25	780.00
	12/05/25	CALPERS	CALPERS CONTRIBUTIONS 11/14/25-11/28/25	66,661.68
	12/12/25	CALPERS	MONTHLY UNFUNDED ACCRUED LIABILITY - DECEMBER	242,403.67
613	12/18/25	Direct Deposit	DIRECT DEP PAYROLL 11/28/25-12/12/25	228,268.67
	12/19/25	IRS	P/R TAX 11/28/25-12/12/25	51,131.41
	12/19/25	EDD	P/R TAX 11/28/25-12/12/25	15,737.88
	12/19/25	PEBSCO/NATIONWIDE	DEFERRED COMPENSATION 11/28/25-12/12/25	21,035.99
	12/19/25	EXPERTPAY	GARNISHMENT 11/28/25-12/12/25	780.00
	12/19/25	CALPERS	CALPERS CONTRIBUTIONS 11/28/25-12/12/25	66,853.60
	12/30/25	IRS	P/R TAX 12/12/25-12/29/25	3,196.13
	12/30/25	EDD	P/R TAX 12/12/25-12/29/25	926.55
	12/30/25	PEBSCO/NATIONWIDE	DEFERRED COMPENSATION 12/12/25-12/26/25	1,102.18
614	12/31/25	Direct Deposit	DIRECT DEP PAYROLL 12/12/25-12/26/25	220,345.39


ONE TIME WIRES:

RECURRING WIRES:

651	12/09/25	SDCWA	WATER DELIVERY - OCTOBER 2025	2,595,255.40
652	12/31/25	CAMP	TEMPORARY INVESTMENT	3,000,000.00
			TOTAL	<u>6,833,115.62</u>

APPROVED BY:


GENERAL MANAGER


DIRECTOR OF FINANCE

**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - SUMMARY
November 30, 2025**

ACTIVE DEPOSITS	<u>Cost Basis</u>
Checking Accounts	\$640,986.02
Deposits with Fiscal Agents	

TOTAL ACTIVE DEPOSITS	<u>\$640,986.02</u>
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INVESTMENTS	<u>Market Value</u>	<u>Average Yield</u>	<u>Percent</u>	
Money Market Funds	\$18,934,520.94	4.06%	48.993%	\$18,908,508.69
CAMP Term	\$5,321,176.12	3.96%	13.446%	\$5,189,430.00
Federal Agencies Securities	13,026,206.99	4.30%	33.690%	13,002,234.81
Certificates of Deposit, insured	<u>1,527,584.69</u>	<u>4.55%</u>	<u>3.871%</u>	<u>1,493,977.41</u>

TOTAL INVESTMENTS	<u>\$38,809,488.74</u>	<u>4.15%</u>	<u>100.000%</u>	<u>\$38,594,150.91</u>
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TOTAL ALL FUNDS	<u>\$39,235,136.93</u>
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TOTAL ALL FUNDS (PRIOR MONTH - OCTOBER 2025)	\$39,391,643.45
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Maturity Analysis of Investments

	<u>Percent</u>	<u>Cost Basis</u>
Money Market Funds	48.993%	\$18,908,508.69
Maturity within one year	18.551%	7,159,430.00
Maturity later than one year	<u>32.456%</u>	<u>12,526,212.22</u>
Total Investments	<u>100.000%</u>	<u>\$38,594,150.91</u>

Weighted Average Days to Maturity	<u>446</u>
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	4.096%	12 mo. rolling T Bond	1 year	3.973%
T Bills	3 months	3.940%	T Bonds	1 year	3.660%
T Bills	6 months	3.780%	T Bonds	2 years	3.550%

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	01/07/26
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 Received by Lindsay Leahy, General Manager	01/07/26 Date
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VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - DETAIL
November 30, 2025

ACTIVE DEPOSITS

Checking Accounts:

California Bank & Trust	\$606,969.45
California Bank & Trust	\$18,890.00
California Bank & Trust	\$13,726.57
Petty Cash	\$1,400.00
Zions	
	<u>\$640,986.02</u>

INVESTMENTS

Money Market Funds:

Local Agency Investment Fund	\$7,601,533.15	4.10%	\$7,601,533.15
County of San Diego Investment Fund	\$2,758,796.09	3.81%	2,754,356.60
Zions Institutional Liquidity Management	\$42,021.84	3.90%	42,021.84
CAMP	\$8,532,169.86	4.10%	8,510,597.10
	<u>\$18,934,520.94</u>	<u>4.06%</u>	<u>\$18,908,508.69</u>

CAMP Term:

CAMP Term	5,000,000	4/11/2025	3/31/2026	5,321,176.12	3.96%	5,189,430.00
				<u>\$5,321,176.12</u>	<u>3.96%</u>	<u>\$5,189,430.00</u>

Federal Agencies Securities - CB&T, a subsidiary of Zion Bank

Federal Home Ln Bnk 5.250%	1,000,000	4/12/2024	4/10/2029	1,003,822.44	5.25%	\$1,000,000.00
Federal Home Ln Mtg Corp 4.0850%	530,000	9/29/2025	9/18/2030	529,693.93	4.09%	529,214.78
Federal Home Loan Banks 0.80%	350,000	3/16/2021	3/16/2026	346,828.19	0.80%	350,000.00
Federal Home Loan Banks 1.00%	125,000	6/30/2021	6/30/2026	123,007.61	1.00%	125,000.00
Federal Farm Credit Bks 4.500%	600,000	8/26/2024	8/26/2026	600,399.99	4.50%	600,000.00
Federal Farm Credit Bks Bds 4.480%	400,000	9/3/2024	9/3/2026	400,044.74	4.48%	400,000.00
Federal Home Loan Banks 1.05%	250,000	10/15/2021	10/15/2026	244,274.08	1.05%	250,000.00
Federal Home Loan Banks 3.000%	250,000	4/4/2024	2/25/2027	248,535.68	3.09%	242,349.57
Federal Home Loan Banks 4.400%	600,000	3/5/2025	3/5/2027	600,034.06	4.40%	600,000.00
Federal Home Ln Mtg Corp 4.280%	310,000	3/25/2025	3/25/2027	310,159.90	4.28%	310,000.00
Federal Natl Mtg Assn 4.500%	550,000	2/3/2025	1/28/2028	549,413.67	4.50%	549,767.35
Federal Home Loan Banks 4.375%	700,000	2/28/2025	2/25/2028	699,713.63	4.38%	700,000.00
Federal Home Loan Banks 4.620%	500,000	12/26/2024	12/26/2028	499,572.19	4.62%	500,000.00
Federal Farm Credit Bank 4.970%	500,000	4/12/2024	3/27/2029	502,067.23	4.99%	498,250.00
Federal Home Loan Banks 5.00%	1,000,000	7/9/2024	7/9/2029	1,006,704.87	5.00%	1,000,000.00
Federal Home Loan Banks 4.700%	1,000,000	7/30/2024	7/30/2029	1,004,024.88	4.70%	1,000,000.00
Federal Home Ln Mtg Corp 4.125%	1,000,000	8/13/2024	8/13/2029	998,949.06	4.16%	991,831.74
Federal Farm Cr Bks 4.930%	500,000	2/25/2025	2/25/2030	500,194.34	4.93%	500,000.00
Federal Home Ln Mtg Corp 4.500%	263,000	7/15/2025	5/23/2030	264,638.69	4.50%	262,981.37
Federal Farm Cr Bks 4.660%	254,000	7/22/2025	7/8/2030	253,988.05	4.66%	254,000.00
Federal Home Loan Banks 4.040%	320,000	8/20/2025	8/20/2030	321,228.08	4.04%	320,000.00
Federal Farm Cr Bks 4.270%	419,000	8/27/2025	8/20/2030	419,360.78	4.27%	419,000.00
Federal Natl Mtg Assn 4.000%	800,000	9/10/2025	9/10/2030	799,682.37	4.00%	800,000.00
Federal Home Ln Mtg Corp 4.200%	480,000	10/21/2025	10/17/2030	479,505.98	4.20%	480,000.00
Federal Natl Mtg Assn 4.100%	320,000	11/14/2025	11/4/2030	320,362.55	0.041	319,840.00
				<u>\$13,026,206.99</u>	<u>4.30%</u>	<u>\$13,002,234.81</u>

Certificates of Deposit - CB&T, a subsidiary of Zion Bank

Federal Svgs Bk Chicago II 4.700%	250,000	6/26/2024	6/26/2028	256,005.63	4.70%	250,000.00
First Fndtm Bk Irvine Ca 4.600%	250,000	5/10/2024	5/10/2029	256,619.10	4.60%	250,000.00
Toyota Finl Svgs Bk Hend Nv 4.600%	250,000	5/14/2024	5/14/2029	256,632.15	4.60%	250,000.00
Customers Bk Phoenixville Pa 4.700%	250,000	6/11/2024	6/11/2029	257,458.83	4.71%	249,488.35
Sallie Mae Bk Murray Utah 4.500%	250,000	7/17/2024	7/17/2029	255,868.98	4.51%	249,489.06
Western Alliance Bank 4.150%	245,000	3/28/2025	3/27/2026	245,000.00	4.15%	245,000.00
				<u>\$1,527,584.69</u>	<u>4.55%</u>	<u>\$1,493,977.41</u>

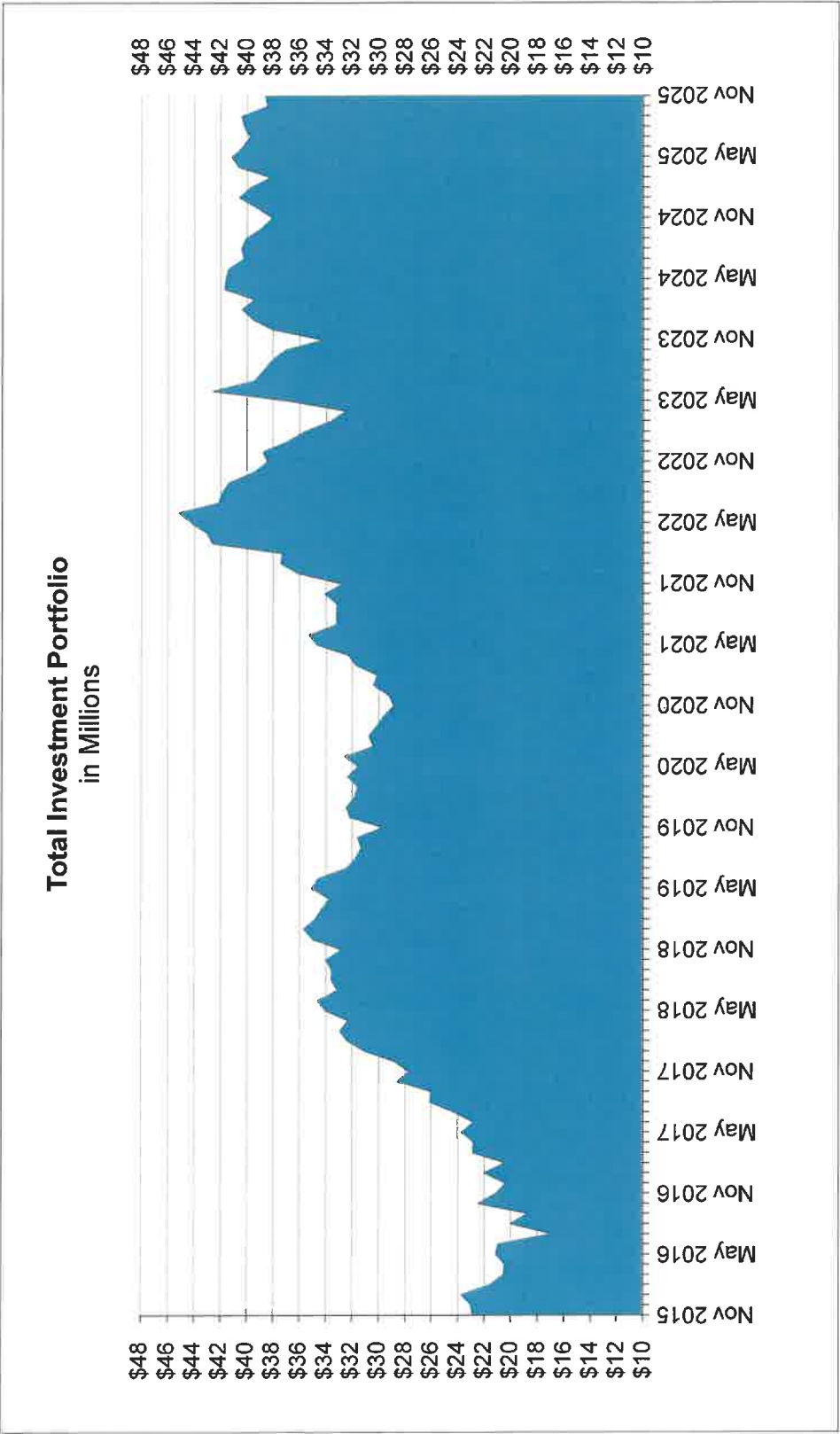
TOTAL INVESTMENTS

<u>\$38,809,488.74</u>	<u>Average</u> <u>4.145%</u>	<u>\$38,594,150.91</u>
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TOTAL ALL FUNDS

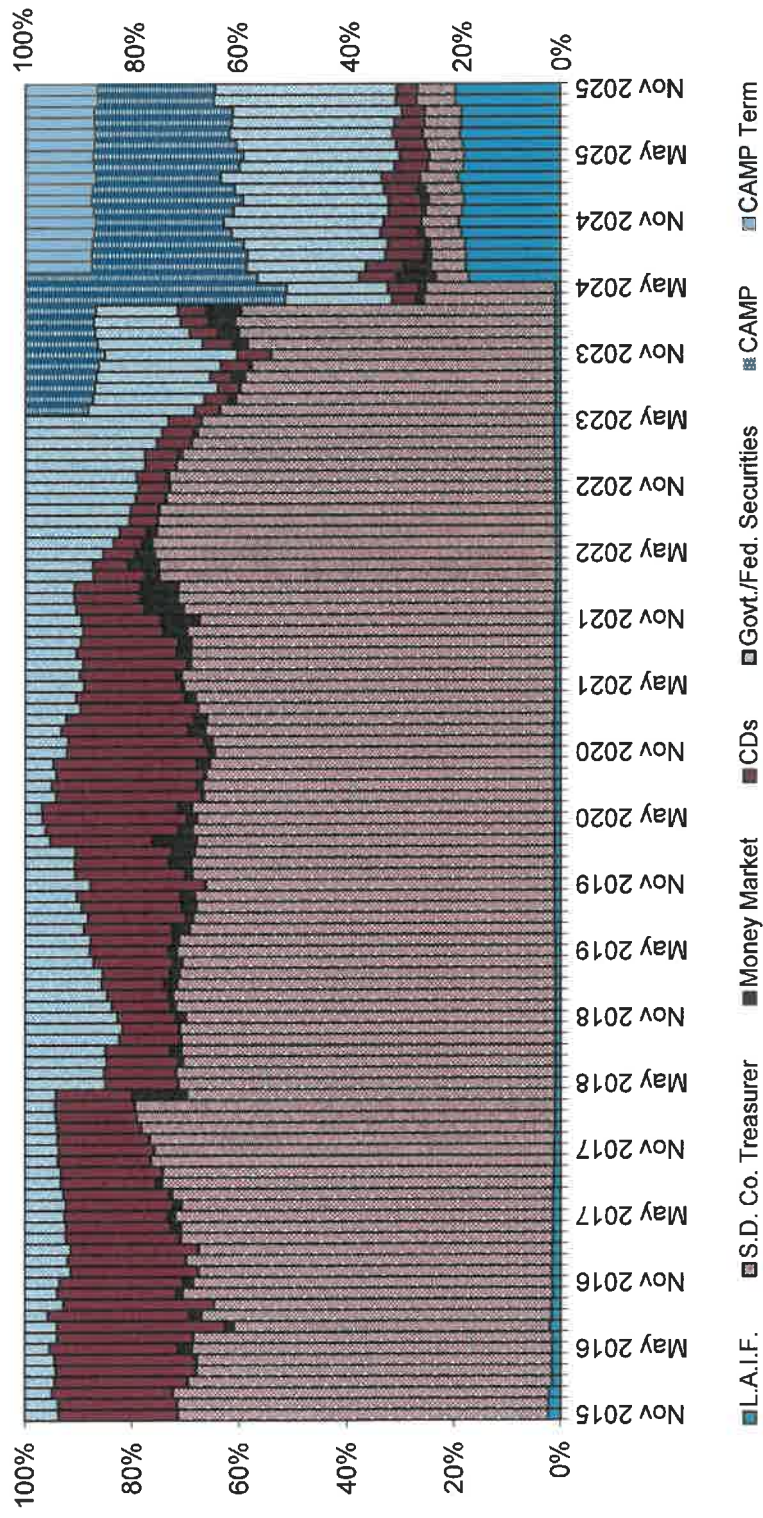
\$39,235,136.93

VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
November 30, 2025



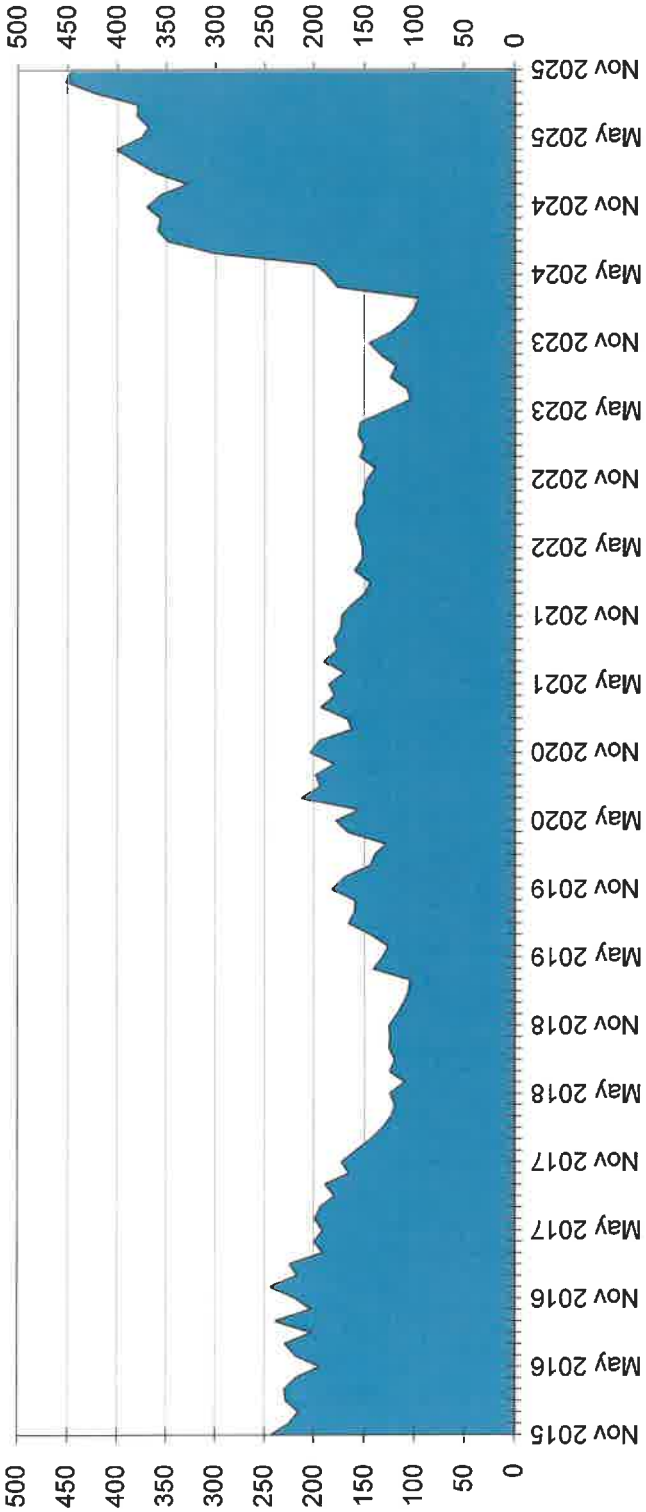
VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
November 30, 2025

Investment Portfolio Composition

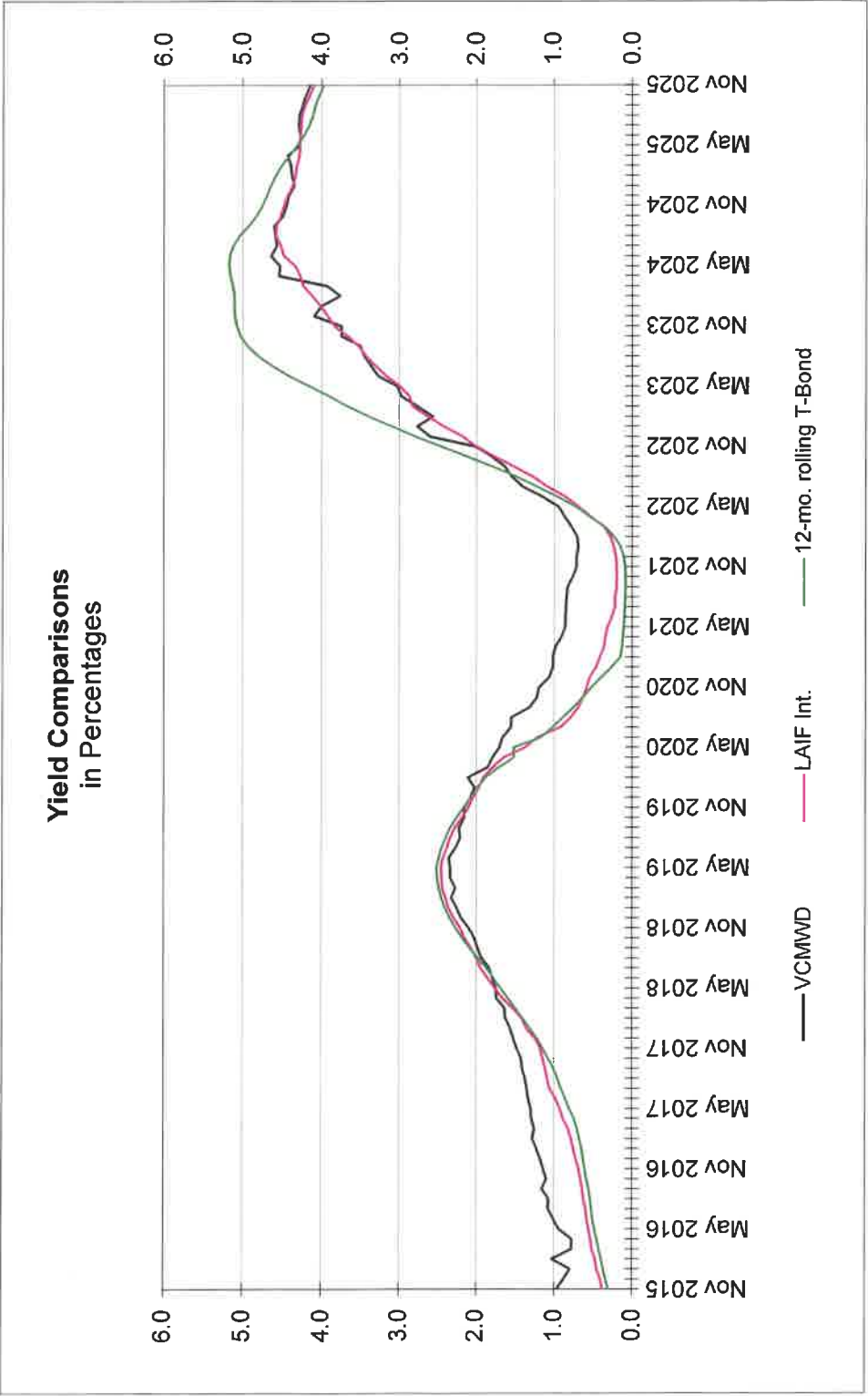


VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
November 30, 2025

Weighted Average Days to Maturity



VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - GRAPHS
November 30, 2025



**VALLEY CENTER MUNICIPAL WATER DISTRICT
TREASURER'S REPORT - TRANSACTIONS
JULY 1, 2025 THROUGH JUNE 30, 2026**

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>					
7/15/2025	Federal Home Ln Mtg Corp 4.500%	5/23/2030	263,000.00	262,980.01	4.500%
7/22/2025	Federal Farm Cr Bks 4.660%	7/8/2030	254,000.00	254,000.00	4.660%
8/12/2025	U S Treasury Bills	8/19/2025	320,000.00	319,737.52	0.000%
8/20/2025	Federal Home Loans Banks 4.040%	8/20/2030	320,000.00	320,000.00	4.040%
8/27/2025	Federal Farm Cr Bks 4.270%	8/20/2030	419,000.00	419,000.00	4.270%
9/10/2025	Federal Natl Mtg Assn 4.000%	9/10/2030	800,000.00	800,000.00	4.000%
9/29/2025	Federal Home Ln Mtg Corp 4.0850%	9/18/2030	260,000.00	259,594.40	4.085%
9/30/2025	Federal Home Ln Mtg Corp 4.0850%	9/18/2030	270,000.00	269,620.38	4.085%
10/21/2025	Federal Home Ln Mtg Corp 4.2000%	10/17/2030	480,000.00	480,000.00	4.200%
11/14/2025	Federal Natl Mtg Assn 4.100%	11/4/2030	320,000.00	319,840.00	4.100%

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>					
1/14/2025	Federal Home Loan Banks 4.40%	7/14/2025	200,000.00	200,000.00	4.400%
7/21/2021	Federal Home Loan Banks 0.80%	7/21/2025	250,000.00	250,000.00	0.800%
4/28/2025	Federal Home Ln Mtg Corp 5.000%	8/11/2025	285,000.00	285,000.00	5.000%
8/12/2025	U S Treasury Bills	8/19/2025	320,000.00	319,737.52	0.000%
8/30/2024	Federal Home Loan Banks 4.430%	8/26/2025	350,000.00	350,000.00	4.430%
5/15/2025	U S Treasury Bills	9/9/2025	785,000.00	774,129.12	4.210%
10/6/2023	USAA Federal Savings Bank 5.300%	9/26/2025	250,000.00	250,000.00	5.300%
9/29/2023	Citibank NA 5.300%	9/29/2025	250,000.00	250,000.00	5.300%
10/19/2023	U S Treasury Notes 4.250%	10/15/2025	200,000.00	200,000.00	4.250%
10/18/2023	Eastern Svgs Bk Fsb Hunt Vy 5.250%	10/20/2025	245,000.00	245,000.00	5.250%
11/13/2024	Federal Home Ln Bk Bds 4.500%	11/13/2025	300,000.00	300,000.00	4.500%

January 20, 2026

TO: Honorable President and Board of Directors

FROM: Lindsay Leahy, General Manager

SUBJECT: GOVERNMENT CODE §53065.5

PURPOSE:

Disclosure of reimbursements paid by the District to employees for the quarter ended December 31, 2025.

SUMMARY:

Government Code §53065.5 requires the District "...disclose any reimbursement paid by the district... of at least \$100.00 for each individual charge for services or product received. 'Individual charge' includes, but is not limited to, one meal, lodging for one day, transportation or a registration fee paid to any employee or member of the governing body of the district...".

Backup documentation is available upon request.

RECOMMENDATION:

Information item only

PREPARED BY:



James V. Pugh
Director of Finance & Administration

SUBMITTED BY:



Lindsay Leahy
General Manager

Attachments

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME: Gary Arant

DATE(S): 12/2, 12/3, and 12/4/ 2025

PURPOSE: ACWA Fall Conference, San Diego

Date	Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
12/2/25	Conference Registration		999.00	999.00
12/3/25	Dinner, G.Arant and L.Leahy, Sheraton Hotel		57.50	57.50
12/4/25	Sheraton Hotel, Room and Parking		563.48	563.48
Mileage : <u> </u> miles @ \$ 0.700 /mile (effect. 1/1/25)				
Comments:		Total	1,619.98	1,619.98
		Less Advance		
		Less Personal Expenses		
Vendor# <u> </u> Acct# <u> </u>		Net Expense Reimbursement		
Vendor# <u> </u> Acct# <u>01-01-01-50035</u>		Board of Directors Only:		
		Per Diem: <u> </u> Days @\$100/day		
Total Request				1,619.98

GC53065.5
Reporting

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.

Claimant's Signature

12/10/25
 Date

Approved for Payment

12/8/2025
 Date

ACCOUNTING USE ONLY:

Audited By: BD

If reimbursed from Petty Cash:

Recipient Signature: _____

Custodian: _____

Date Paid: _____

Amount Paid: _____

Account #: _____

Rev. 1/7/09

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME: Stephanie Lackerdas

DATE(S): October 13-15 2025

PURPOSE: CalPERS Educational Forum

Date	Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
10/13/25	Lodging		712.52	712.52
10/13/25	meal	22.47		22.47
10/14/25	meal	40.70		40.70
10/13/25, 10/14/25	Mileage : 188.8 miles @ \$ 0.700 /mile (effect. 1/1/25)	132.16		132.16
Comments: 01-02-15-50037 Vendor# 11825 Acct# _____	Total	195.33	712.52	907.85
	Less Advance			
	Less Personal Expenses			
	Net Expense Reimbursement	195.33		
Board of Directors Only:				
Vendor# _____ Acct# 01-01-01-50035	Per Diem: _____ Days @\$100/day			
Total Request		195.33		907.85

GC53065.5
Reporting

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.

Stephanie Lackerdas 10/27/25 J.V. Papp 10/27/2025
 Claimant's Signature Date Approved for Payment Date

ACCOUNTING USE ONLY:

Audited By: BA

If reimbursed from Petty Cash:

Recipient Signature: _____

Custodian: _____

Date Paid: _____

Amount Paid: _____

Account #: _____

Rev. 1/7/09



PAID

OCT 31 2025

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME: Stephanie Lackerdas

DATE(S): November 18-21 2025

PURPOSE: 2025 CALPELRA Conference

Date	Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
11/18/25	Flight		656.59	656.59
11/18/25	Flight - baggage fee		35.00	35.00
11/21/25	Lodging		1,047.40	1,047.40
11/21/25	Flight - baggage fee	35.00		35.00
11/18/25	Meal	21.85		21.85
11/19/25	Meal	30.88		30.88
11/20/25	Meal	44.47		44.47
11/21/25	Uber	94.73		94.73
11/21/25	Mileage: 84.6 miles @ \$ 0.700 /mile (effect. 1/1/25)	59.22		59.22
Comments:		Total	286.15	1,738.99
		Less Advance		
		Less Personal Expenses		
		Net Expense Reimbursement	286.15	
Vendor# <u>11825</u>	Acct# <u>01-02-15-50037</u>	Board of Directors Only:		
Vendor#	Acct# <u>01-01-01-50035</u>	Per Diem: <u> </u> Days @ \$100/day		
Total Request		286.15		2,025.14

GC53065.5
Reporting

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.

Stephanie Lackerdas 12/11/25 J.V. Pyle 12/11/2025
Claimant's Signature Date Approved for Payment Date

ACCOUNTING USE ONLY:

Audited By: JBL BQ

If reimbursed from Petty Cash:

Recipient Signature: _____

Custodian: _____

Date Paid: _____

Amount Paid: _____

Account #: _____

Rev. 1/7/09



DEC 19 2025

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME: Lindsay Leahy

DATE(S): 11/18/25-12/10/25

PURPOSE: Nov/Dec Credit Card and ACWA Fall Conference San Diego

Date	Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
11/18/25	SD Union Tribune - Annual Subscription		1.00	1.00
11/19/25	Fat Ivors - VCMWDEA Officers		154.05	154.05
12/3/25	Uber (TRIP 1)		51.43	51.43
12/3/25	Uber (TRIP 2)		13.99	13.99
12/2/25	Island Prime - ACWA District Dinner		473.88	473.88
12/3/25	Uber (TRIP 1 TIP)		10.00	10.00
12/3/25	Uber (TRIP 2 (TIP))		2.00	2.00
12/4/25	Sheraton Hotel - ACWA Room, Parking, Breakfast		690.89	690.89
12/5/25	Swamis - District Engineer Interview		30.73	30.73
12/10/25	Portinos - Meeting w Former General Manager/SDCWA Rep		39.40	39.40
	Mileage : <u> </u> miles @ \$ 0.700 /mile (effect. 1/1/25)			
Comments:	Total		1,467.37	1,467.37
	Less Advance			
	Less Personal Expenses			0.00
Vendor# <u> </u> Acct# <u> </u>	Net Expense Reimbursement			
Board of Directors Only:				
Vendor# <u> </u> Acct# <u>01-02-11-50037</u>	Per Diem: <u> </u> Days @\$100/day			
Total Request				1,467.37

GC53065.5
Reporting

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.


 Claimant's Signature

12/23/2025
 Date


 Approved for Payment

12/29/2025
 Date

ACCOUNTING USE ONLY:

Audited By: BA 12/29/25

If reimbursed from Petty Cash:

Recipient Signature: _____

Custodian: _____

Date Paid: _____

Amount Paid: _____

Account #: _____

Rev. 1/7/09

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME Alisa Nichols

DATE(S): 11/17/2025

PURPOSE: Mileage Reimbursement for 9/10/2025 through 10/31/2025

Date		Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
9/16/2025	64.0	Council of Water Utilities Meeting (Round trip)			
9/17/2025	45.5	SDCWA - Legislative Liaison Meeting			
10/13/2025	28.6	Costco - WAPW Lunch			
10/27/2025	12.2	SDCWA - Operations WAEC Meeting			
10/29/2025	44.5	SD County OES - Regional Fuel Planning Mtg			
	Mileage	194.8 miles @ \$ 0.700 /mile (effect. 1/1/25)	136.36		136.36
Comments: 01-01-01-50037 11862 Vendor# _____ Acct# _____ Vendor# _____ Acct# 01-01-01-5003			Total	136.36	136.36
			Less Advance	0.00	
			Less Personal Expenses		
Net Expense Reimbursement			136.36		
Board of Directors Only:					
Per Diem: _____ Days @\$100/day					
Total Request			136.36		136.36

GC53065.5
Reporting Amount

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.

[Signature] 11/17/25
Claimant's Signature Date

[Signature] 11/17/2025
Approved for Payment Date

ACCOUNTING USE ONLY:

Audited By: B2 JPR

If reimbursed from Petty Cash:

Recipient Signature: _____

Custodian: _____

Date Paid: _____

Amount Paid: _____

Account #: _____

Rev. 1/7/09



NOV 21 2025

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME Alisa Nichols

DATE(S): 11/17/2025

PURPOSE: Reimbursement for travel & parking for ACWA Region 8, 9 & 10 Event

Date	Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
10/27/2025	Registration - ACWA Region 8, 9 & 10 Event		150.00	150.00
11/14/2025	139.0 Irvine Marriott - ACWA Region 8, 9 & 10 Event			
11/14/2025	Parking	25.00		25.00
	Mileage 139 miles @ \$ 0.700 /mile (effect. 1/1/25)	97.30		97.30
Comments:	Total	122.30	150.00	272.30
	Less Advance	0.00		
	Less Personal Expenses			
	Net Expense Reimbursement	122.30		
Vendor# <u>11862</u> Acct# <u>01-01-01-50037</u>	Board of Directors Only:			
Vendor# Acct# 01-01-01-5003	Per Diem: Days @\$100/day			
Total Request		122.30		272.30

GC53065.5
Reporting Amount

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.

[Signature] 11/14/25
Claimant's Signature Date

[Signature] 11/18/2025
Approved for Payment Date

ACCOUNTING USE ONLY:

Audited By: [Signature] [Signature]

If reimbursed from Petty Cash:

Recipient Signature: _____
Custodian: _____

Date Paid: _____
Amount Paid: _____
Account #: _____

Rev. 1/7/09



NOV 21 2025

VALLEY CENTER MUNICIPAL WATER DISTRICT EXPENSE REIMBURSEMENT FORM

(Please Print)

CLAIMANT'S NAME: Jim Pugh

DATE(S): 12/1 -12/4/2025

PURPOSE: ACWA/JPIA 2025 Fall Conference - San Diego, CA

Date	Description of Expense (meeting, lodging, car rental, meals)	Employee Paid Expenses	District Paid Expenses	Total for GC53065.5 Reporting
8/20/2025	Conference Registration		999.00	999.00
11/30/2025	Dinner - Brewery X		28.07	28.07
12/1/2025	Dinner - Rumorosa		80.09	80.09
12/2/2025	Uber		13.93	13.93
12/2/2025	Uber		11.90	11.90
12/3/2025	Uber		15.99	15.99
12/3/2025	Uber		14.96	14.96
12/4/2024	Hotel and Parking		1,126.96	1,126.96
	Mileage : 97 miles @ \$ 0.700 /mile (effect. 1/1/25)	67.90		67.90
Comments:	Total	67.90	2,290.90	2,358.80
	Less Advance			
	Less Personal Expenses	26.92		26.92
Vendor# _____ Acct# _____	Net Expense Reimbursement	40.98		
Board of Directors Only:				
Vendor# _____ Acct# 01-02-11-50037	Per Diem: _____ Days @\$100/day			
Total Request		40.98		2,331.88

GC53065.5
Reporting

VCMWD does not reimburse for spouse/guest expenses or alcoholic beverages. Receipts for hotel, transportation, parking, taxi, meals and any additional claim for reimbursement must be attached.

The undersigned makes the foregoing claim against VCMWD and states the expenses/per diem requested is correct and said claim is presented in good faith and heretofore not been paid by VCMWD.




Claimant's Signature _____ Date 12/16/2025 Approved for Payment _____ Date 12/16/2025

ACCOUNTING USE ONLY:

Audited By: BS V.V. 12/17/25

If reimbursed from Petty Cash:

Recipient Signature: Jim Pugh

Custodian: B. Ramirez

Date Paid: 12/17/2025

Amount Paid: 40.98

Account #: 01-02-11-50037

Rev. 1/7/09

January 20, 2026

TO: Honorable President & Board of Directors

FROM: Lindsay Leahy, General Manager

**SUBJECT: REQUEST FOR CONCEPT APPROVAL OF THE
DIAZ WATERLINE EXTENSION PROJECT**

PURPOSE

Request Board of Directors consider conceptual approval of the Diaz Waterline Extension (Project No. 01-00-00-18081) located off Cool Valley Road west of Rock Rose Lane (APN 133-380-07) to provide fire service for the Diaz Parcel.

SUMMARY

The owner(s) of APN 133-380-07 ("Project Owner") have been required by the Valley Center Fire Protection District ("VCFPD") to install a fire hydrant for fire protection of their parcel per Section 507.5.8 of the County of San Diego 2023 Consolidated Fire Code, allowing for the development of a single-family residence located on their parcel in Valley Center, California. The project is situated along a private road approximately 480 feet west of Rock Rose Lane and will require a waterline extension to the proposed fire hydrant location. The parcel is currently served by an existing water meter near the entrance of the private road on Cool Valley Road. See attached Project Map.

Existing Facilities - Existing facilities include a 6-inch asbestos cement pipe ("ACP") water main along Cool Valley Road per the Valley Center Municipal Water District's ("District's") As-Built F-41. No public wastewater facilities exist in the area, as surrounding parcels rely on septic systems for wastewater service. The proposed project is to be located within a recorded 40-foot private road and utility easement.

Water System Improvements - The proposed project includes the installation of approximately 140 linear feet of new water main and associated appurtenances for fire protection and will provide service to a single-family residence on APN 133-380-06 and APN 133-380-07. The improvements will connect to the existing 6-inch ACP water main located in Cool Valley Road and will be constructed within a dedicated easement granted to the District per Article 200 of the District's Administrative Code. The water system extension will be served by the District's Cool Valley Reservoir pressure zone, with anticipated operating pressures ranging from approximately 71 psi to 98 psi. Improvements include the installation of a new fire hydrant to satisfy VCFPD requirements, as well as required blowoff, air release assembly, valves, and thrust restraints necessary for proper system operation and maintenance. All facilities will be designed and constructed in accordance with the District's Standard Drawings and Specifications, including trenching, water line installation, backfill, appurtenance installation, and surface restoration. Upon completion, the water system improvements will be dedicated to the District for ownership, operation, and maintenance.

Water Meter Configuration and Relocations – Pursuant to the District's Administrative Code, Article 160.8, two existing water services serving APNs 133-380-06 and 133-380-07 currently have active meters with private service laterals located within the proposed waterline alignment. As a result, both services will be relocated to the end of the proposed alignment. While the water service for APN 133-380-07 serves the parcel for which the waterline extension is proposed, APN 133-380-06 has no financial interest in the proposed water improvements. Accordingly, the cost to relocate the water service for APN 133-380-06 shall be the responsibility of the Project Owner.

Easement Acquisition – In accordance with the District's Administrative Code, Article 200, the proposed waterline improvements require the acquisition of a permanent water easement to allow the District access for construction, operation, maintenance, and future replacement of District facilities. The required easement will encompass the proposed waterline alignment and all associated appurtenances. The easement shall be granted to the District prior to plan approval and recorded with the County of San Diego. Easement documents shall be prepared on the District's standard easement acquisition forms and shall comply with all applicable requirements of the Administrative Code. Any costs associated with easement preparation, acquisition, and recording shall be the responsibility of the Project Owner.

Summary and Estimated Value of Proposed Improvements:

140 LF – 8-inch PVC C900 Waterline
2 EA – 8-inch Gate Valve
1 EA – Fire Hydrant Assembly
2 EA – Air Vacuum/Release Assembly
2 EA – Blowoff Assembly
2 EA – Water Service Laterals
1 EA – Connection to Existing Mainline on Cool Valley Road

Estimated Value - \$92,000

RECOMMENDATION

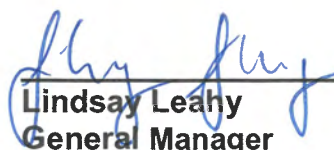
Staff recommends that the Board issue concept approval of this project as described herein and authorize the General Manager to enter into a standard District Facilities Agreement with the Project Owner.

PREPARED BY:



**Wally Grabbe, P.E.
District Engineer**

SUBMITTED BY:



**Lindsay Leahy
General Manager**









Attachments: Exhibit A - Project Map

SENSITIVE MATERIAL

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



Proposed Facilities

-  8-Inch Valve
-  Air Vac
-  Blow Off
-  Hydrant
-  Water Service Lateral
-  8-Inch Main
-  Existing Meters to be Relocated
-  Existing Water Main

**Cool Valley Waterline Extension
Project No. 01-00-00-18081
Concept Approval**



Valley Center
Municipal Water District

1/8/2026
Y:\GIS\Projects\18081_CoolValley\ProProjects\18081_CoolValley.aprx
Source: SanGIS SANDAG VCMWD

January 20, 2026

TO: Honorable President and Board of Directors

FROM: Lindsay Leahy, *General Manager*

SUBJECT: APPOINTMENT OF DISTRICT ENGINEER

PURPOSE:

To provide the Board of Directors the opportunity to approve the General Manager's appointment of the new District Engineer.

SUMMARY:

Under District Administrative Code Section 40.7, the District Engineer is appointed by the General Manager, subject to approval by the Board of Directors. With the retirement of Wally Grabbe scheduled for April 5, 2026, the District initiated a comprehensive recruitment and selection process to identify a qualified successor.

The recruitment included both internal and external panel members representing District leadership, technical expertise, and external industry experience. Following this competitive process, the General Manager has selected Melody Rocco and is requesting Board approval of her appointment as District Engineer.

Ms. Rocco's scheduled start date with the District is January 26, 2026. Mr. Grabbe will remain on staff until his retirement to assist in transitioning the responsibilities of the District Engineer to Ms. Rocco.

RECOMMENDATION:

It is recommended that the Board of Directors approve the General Manager's appointment of Melody Rocco to serve as District Engineer effective January 26, 2026, and adopt Resolution No. 2026-03, effective immediately.

SUBMITTED BY:



Lindsay Leahy
General Manager

RESOLUTION NO. 2026-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL WATER DISTRICT APPROVING THE GENERAL MANAGER'S APPOINTMENT OF MELODY ROCCO AS DISTRICT ENGINEER

WHEREAS, Valley Center Municipal Water District (hereinafter called "District") is a municipal water district existing and operating pursuant to the Municipal Water District Law of 1911, Water Code Section 71000, et seq.; and

WHEREAS, Wally Grabbe, who has served as District Engineer since April 3, 2005, retires on April 5, 2026; and

WHEREAS, the District conducted an open and competitive recruitment process that included both internal and external panelists representing District leadership, technical expertise, and external industry experience; and

WHEREAS, the General Manager has selected and appointed Melody Rocco to serve as District Engineer, effective January 26, 2026; and

WHEREAS, Administrative Code Section 40.7 requires that the General Manager's appointment of the District Engineer be subject to approval by the Board of Directors;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

1. That the above recitals are true and correct.
2. Approves the General Manager's appointment of Melody Rocco to the position of District Engineer, effective January 26, 2026.

ADOPTED AND APPROVED this 20th day of January, 2026.

Enrico P. Ferro, *President*

Coral L. Hutchins, *Acting Board Secretary*

January 20, 2026

TO: Honorable President and Board of Directors

FROM: Lindsay Leahy, *General Manager*

SUBJECT: APPOINTMENT OF BOARD SECRETARY

PURPOSE:

To provide the Board the opportunity to appoint the new District Board Secretary.

SUMMARY:

The Board of Directors is required by both Water Code Section 71340 and the District's Administrative Code Section 40.5, to appoint the Board Secretary. Historically, the District's Executive Assistant has been appointed the Board Secretary.

August 13, 2025, the prior Board Secretary/Executive Assistant resigned. Since that date, Coral Hutchins has been filling the role as Acting Board Secretary/Executive Assistant.

December 12, 2025, the District recruited to fill the vacant Executive Assistant position per the Administrative Code. On January 16, 2026, Coral Hutchins was appointed as the Executive Assistant to the General Manager and Department Directors.

RECOMMENDATION:

It is recommended that the Board of Directors appoint Coral Hutchins to serve as Board Secretary and adopt Resolution No. 2026-04, effective immediately.

SUBMITTED BY:



Lindsay Leahy
General Manager

RESOLUTION NO. 2026-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL
WATER DISTRICT, APPOINTING CORAL HUTCHINS AS BOARD SECRETARY
EFFECTIVE JANUARY 20, 2026**

WHEREAS, Valley Center Municipal Water District (hereinafter called "District") is a municipal water district existing and operating pursuant to the Municipal Water District Law of 1911, Water Code Section 71000, et seq.; and

WHEREAS, Kirsten Peraino, who served as Secretary to the Board, resigned on August 13, 2025; and

WHEREAS, the Board of Directors is required by both Water Code Section 71340 and the District's Administrative Code Section 40.5 to appoint a successor Secretary to fill the vacancy left by the resignation of Ms. Peraino; and

WHEREAS, Coral Hutchins has been appointed by the General Manager to serve as Acting Board Secretary/Executive Assistant, commencing on the date of Mrs. Peraino's resignation.

WHEREAS, Coral Hutchins has been appointed by the General Manager to serve as Executive Assistant, effective January 9, 2026.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF VALLEY CENTER
MUNICIPAL WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

1. That the above recitals are true and correct.
2. That effective January 20, 2026, Mrs. Coral Hutchins is appointed to the position of Board Secretary and will assume all of the duties and responsibilities of that position.

ADOPTED AND APPROVED this 20th day of January, 2026.

Enrico P. Ferro, President

Coral L. Hutchins, Acting Board Secretary

January 20, 2026

TO: Honorable President and Board of Directors

FROM: Lindsay Leahy, *General Manager*

SUBJECT: AMEND THE ADMINISTRATIVE CODE TO REFLECT THE ADDITION OF THE DISTRICT ENGINEER CLASSIFICATION AND SALARY RANGE

PURPOSE:

To approve the amendment of Administrative Code Section 8.9(c) for the addition of the District Engineer classification and salary range.

SUMMARY:

With the pending April 5, 2026, retirement of Wally Grabbe, the District Engineer/Deputy General Manager, a new District Engineer has been hired as his replacement. The Administrative Code needs to be updated to include the position classification and salary range for the District Engineer.

RECOMMENDATION:

Board approval of Ordinance 2026-01 to amend the District's Administrative Code to reflect the addition of the District Engineer classification and salary range in Article 8, "Compensation Policy", Section 8.9(c), "Classification and Compensation Plan for 2025-2026".

PREPARED BY:



James V. Pygh
Director of Finance & Administration

APPROVED BY:



Lindsay Leahy
General Manager

ORDINANCE NO. 2026-01

**ORDINANCE OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT
AMENDING THE ADMINISTRATIVE CODE TO PROVIDE FOR CHANGES
IN AUTHORIZED STAFFING LEVELS**

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 it 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 2025-2026" as set forth in "**Exhibit A**" attached hereto.

Section 2. That this is an urgency ordinance and shall take effect January 20, 2026.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the **VALLEY CENTER MUNICIPAL WATER DISTRICT** held on the 20th day of January, 2026, by the following vote, to wit:

Enrico Ferro, ***Board President***

ATTEST:

Coral Hutchins, ***Board Secretary***

Sec. 8.9 Compensation Policy - Position Classifications and Salary Ranges (Cont'd.)(c) Classification and Compensation Plan (Cont'd.)*Effective 01/20/2026, mid shift*

<u>Classifications</u>	<u>Salary Range Number</u>
General Manager	Gen Mgr.
Executive Assistant/Secretary to the Board	25
Special Projects and Regulatory Compliance Manager	31
Administrative/Clerical Series	
Administrative Assistant I	14 ⁽¹⁾
Administrative Assistant II	16
Administrative Assistant II/Assistant Board Secretary	17
Administrative Assistant III	18
Administrative Assistant III/Assistant Board Secretary	19
Sr. Administrative Assistant	21
Administrative Supervisor	23
Engineering Series	
District Engineer /Deputy General Manager	37.6
District Engineer	37
Senior Engineer	34
Engineer II	31
Engineer I	27
Project Coordinator	27
Project Manager	30.5
Engineering Technician I	19 ⁽¹⁾
Engineering Technician II	21
Engineering Technician III	23
Sr. Engineering Technician	25
Engineering Services Supervisor	27
GIS/Mapping Technician	21
GIS Analyst	23
Senior GIS Analyst	25
Construction Inspector I	18.5
Construction Inspector II	20.5
Construction Inspector III	22.5
Sr. Construction Inspector	24.5
Construction Inspector Supervisor	27
Finance, Accounting and Consumer Services Series	
Director of Finance and Administration	36.6
Accounting Specialist I	18
Accounting Specialist II	21
Manager of Accounting/Deputy Director of Finance and Administration	33

Notes: ⁽¹⁾ Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.

DATE: January 20, 2026

TO: Honorable President and Members of the Board of Directors

FROM: Lindsay Leahy, General Manager

SUBJECT: REQUEST APPROVAL OF A MID-YEAR BUDGET AMENDMENT TO PROVIDE ADDITIONAL FUNDING FOR THE CONSTRUCTION OF THE OLD CASTLE ROAD PHASE 2 PIPELINE REPLACEMENT PROJECT

PURPOSE:

Request the Board of Directors adopt Resolution No. 2026-05 approving an amendment to the FY 2025-2026 Annual Budget to provide funding for the construction of the Old Castle Road Phase 2 Pipeline Replacement Project.

SUMMARY:

The Old Castle Road Phase 2 Pipeline Replacement Project was included in the FY 2025-2026 Annual Budget as one of the four projects needing outside funding. Utilizing the SRF Loan and the EPS Grant as the source of funds, approval of the proposed mid-year budget amendment allocating funds for the construction phase of the project is requested.

Project Description

The Project is the second phase of the replacement of the existing 12-inch waterline in Old Castle Road from the existing PRV to Leisure Lane, shown on the attached Project Exhibit showing the limits of the project. The first phase replaced the pipeline from the existing PRV to Pamoosa Lane and was completed in 2021. This second phase replaces the remainder of the existing water pipeline in Old Castle Road. The project generally consists of the abandonment of approximately 5,025 linear feet of existing 12-inch and removal and disposal of 5,680 linear feet of 12-inch diameter buried concrete mortar lined and coated steel potable waterline, and installation of 10,700 linear feet of 12-inch buried polyvinyl chloride (PVC) potable waterline including; valves, air vacuum assemblies, blowoff assemblies, water service, bridge crossing, and the abandonment of an existing water service and existing steel cylinder waterline. All work is located within Old Castle Road, an existing developed County of San Diego public right of way.

Project Budget

Project expenses are itemized in the following line item project budget. Estimated Project expenses total \$10.0M, of which \$435K has been previously allocated to date. The blue highlighted column represents the proposed Mid-Year Amendment to the FY 2025-2026 Annual Budget.

OLD CASTLE PHASE 2 PROJECT BUDGET			
Budget Line Items	Current Project Budget	Proposed Budget Amendment 2025-2026	Estimated Total Project Cost
Staff	135,000	550,000	685,000
Design Consultants	200,000		200,000
Construction Contract	0	6,775,000	6,775,000
Construction Services	0	500,000	500,000
Miscellaneous	0	15,000	15,000
SRF Loan Processing	100,000		100,000
Net Capitalized Interest (Interim Bridge Loan)	0	250,000	250,000
Debt Service Reserve		260,600	260,600
Contingency (15.0%)		1,214,400	1,214,400
Total Project	\$435,000	\$9,565,000	\$10,000,000

Funding Sources

Funding sources for the project are summarized in the following table and include the SWRCB SRF Loan, two Community Grants and \$700,000 in District Funds for costs ineligible for reimbursement from the Loan or Grant.

Total cost of the project was estimated at \$10,00,000 with \$5,525,000 being funded from the SRF Loan and \$3,775,000 being funded from an EPA Community Grant and \$700,000 funded by the District. Final approval of the grant is pending completion of EPA's internal review.

FUNDING SOURCES	
Source	Amount
Outside Sources	
SWRCB SRF Loan	5,525,000
EPA FY23 Grant	3,060,000
EPA FY24 Grant	715,000
Subtotal Outside Sources	9,300,000
District Funds	700,000
Total Funding Source	10,000,000

Funding in the amount of \$435,000 was previously authorized for the design phase of the project, leaving a budget amendment of \$9,565,000 required for the construction phase.

State Revolving Fund Loan

The Installment Sale Agreement for the State Revolving Fund (“SRF”) Loan was approved by the Board on November 17, 2025 and fully executed on December 4, 2025.

The terms of the SRF Loan are as follows:

- Principal Amount - \$5,525,000
- Term – 30 Years
- Interest Rate – 1.9%
- Annual Payments - \$250,037
- Total Interest - \$1,968,452
- Total Payments - \$7,493,452

The following Key dates are established in the SRF Loan Agreement. Notable deadline dates include a) the submittal of the Pre-Construction Costs is 90 days from the Loan Approval (3/4/2026), b) Construction is to be completed by July 1, 2028, and c) Loan Payments start one year later on July 1, 2029.

SRF Loan Key Dates	
SRF Loan Approval	12/4/2025
Eligible Work Start Date	6/3/2024
Eligible Construction Start Date	12/30/2025
Pre-Construction Cost Reimbursement Request Due	3/4/2026
Completion of Construction Date	7/1/2028
Final Reimbursement Request Date	1/1/2029
First SRF Loan Payment - \$260,597	7/1/2029
28 - Annual Payments - \$250,037	7/1/2030 - 7/1/2057
Final Payment - \$231,811	7/1/2058
Records Retention End Date	7/1/2064

EPA Community Grant

Approval of the \$3,775,000 EPA Community Grant (“Grant”) is anticipated to be received by January 31st. The Grant is designated for reimbursement of only the construction contract cost and represents about 38% of the total project cost and 56% of the construction contract amount. The SRF Loan proceeds provide the matching funds required for the Grant.

Interim Construction Bridge Loan

Sufficient cash reserves were not available to include this project as a funded capital project in the FY 2025-2026 Annual Budget, but it was included in the list of projects in Appendix E designated as projects requiring outside funding. With approval of the SRF Loan and the EPA Community Grant FY 2025-2026 Annual Budget can be amended to include the project. While the SRF Loan and EPA Community Grant will provide for the permanent financing for the project, funds are needed for cash flow during construction. An Interim Bridge Loan is proposed for providing the cash flow needed during the construction phase to bridge the gap between paying project expenses and receiving reimbursements from the SRF Loan and EPA Community Grant.

Anticipated terms of the Interim Bridge Loan include the following:

- Principal Amount - \$9,300,000
- Estimated Interest Rate - 4.5%
- 3-Year Term with no prepayment penalties
- Estimated minimum annual payments - \$3.38M

The \$9,300,000 principal amount of the Interim Bridge Loan represents the total amount of outside funding available from SRF Loan and the EPA Community Grant. Interim Bridge Loan proceeds would be provided in full upon closing the loan and invested in an interest-bearing project account until needed during the 20-month construction phase. Capitalized interest represents the balance of the interest expense paid during the construction phase, offset by the interest earnings on the balance of the project account. Capitalized interest on the Interim Bridge Loan is not reimbursable from either the SRF Loan or the EPA Community Grant. SRF Loan and EPA Community Grant proceeds would be used to pay down the Interim Bridge Loan as best determined by the Director of Finance.

In accordance with California Government Code Section 5852.1, prior to authorizing the issuance of a debt obligation, the Board shall obtain and disclose certain specific information regarding the cost of the debt obligation. Staff will obtain a good faith estimate of the proposed interim bridge loan from Fieldman, Rolapp & Associates, Inc., the District's municipal advisor, meeting the requirements of the statute. The Good Faith Estimate would be presented for Board approval after the project has been bid and final construction costs are known, concurrent with a recommendation for award of the construction contract.

District Funding

The project cost also includes an estimated \$700,000 that would be ineligible for reimbursement from the SRF Loan and EPA Community Grant for a) the net capitalized interest to be paid on the interim bridge loan during the construction phase, b) the one-year annual debt service reserve contribution required for the SRF Loan and, c)

previously authorized project funding that is ineligible for reimbursement. These costs would be funded by the District from the Capital Reserve fund.


Project Schedule and Next Steps

PROJECT SCHEDULE	
Grant Approval	1/31/2026
Advertise for Bid	1/21/2026
Pre-Construction Costs Reimbursement Request	1/31/2026
Interim Loan Commitment Received	3/1/2026
Bid Date	3/25/2026
Board Approve Interim Loan Good Faith Estimate and Award Construction Contract	4/6/2026
Interim Bridge Loan Closing and Notice to Proceed	5/6/2026
Construction (620 Calendar Days)	5/6/2026 - 1/16/2028
Project Completion	1/16/2028

RECOMMENDATION:

Staff recommends the Board of Directors adopt Resolution No. 2026-05 amending the FY 2025-2026 Annual Budget to include additional funding in the amount \$9,565,000 for the Old Castle Road Phase 2 Pipeline Replacement Project.

PREPARED BY:


Wally Grabbe, PE
District Engineer

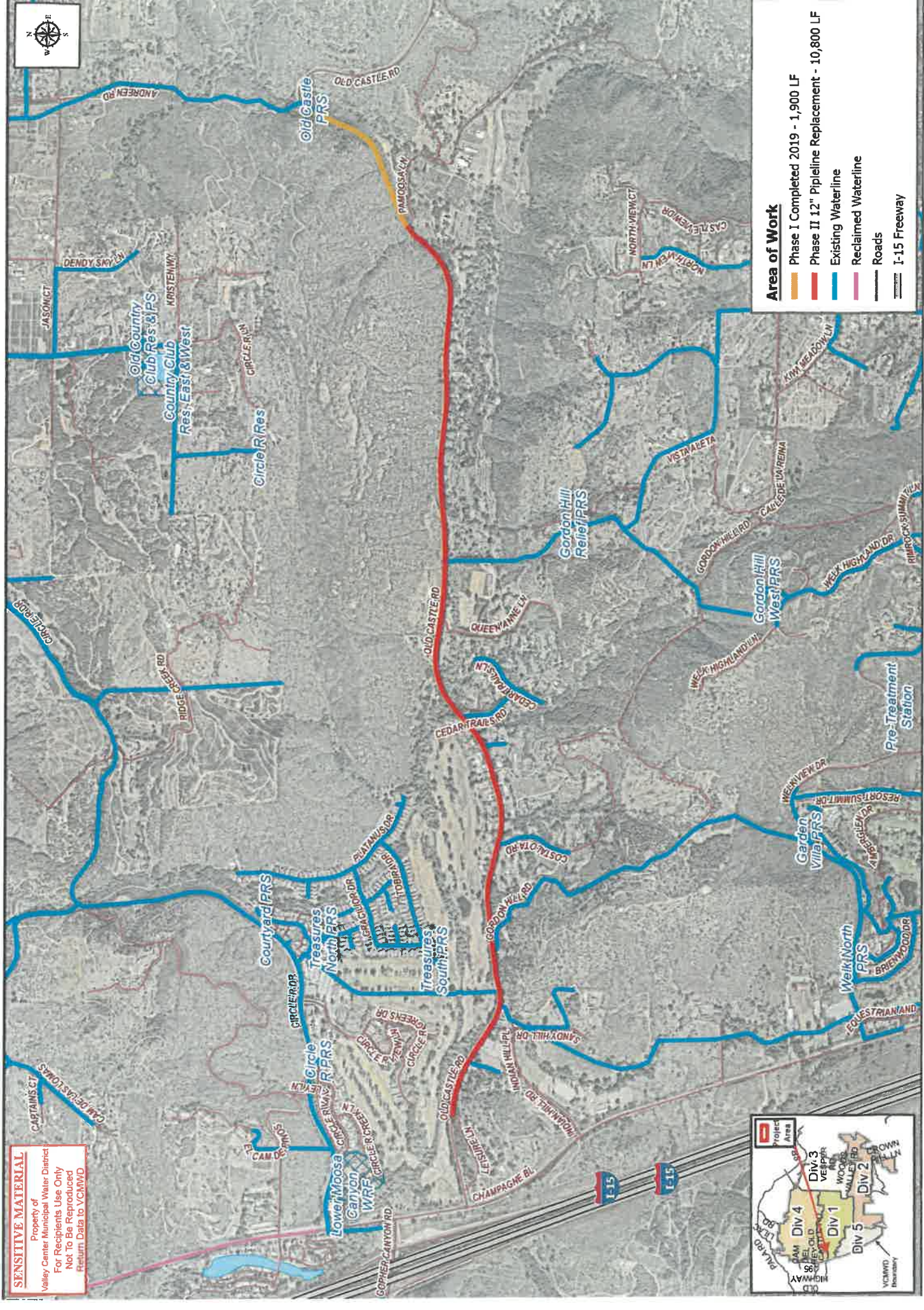
SUBMITTED BY:


Lindsay Leahy
General Manager

Attachments:

Project Exhibit
Resolution No. 2026-05
Mid-Year Capital Project Request Form

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



Area of Work

- Phase I Completed 2019 - 1,900 LF
- Phase II 12" Pipeline Replacement - 10,800 LF
- Existing Waterline
- Reclaimed Waterline
- Roads
- I-15 Freeway

**Old Castle Waterline Replacement
 Phase II**



RESOLUTION NO. 2026-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT APPROVING A MID-YEAR AMENDMENT TO THE FY 2025–2026 ANNUAL BUDGET TO PROVIDE FUNDING FOR THE OLD CASTLE ROAD PHASE 2 PIPELINE REPLACEMENT PROJECT

WHEREAS, the Board of Directors of the Valley Center Municipal Water District ("District") adopted Resolution No. 2025-23 on August 4, 2025, adopting the Fiscal Year 2025–2026 Annual Budget;

WHEREAS, the FY 2025–2026 Annual Budget included the Old Castle Road Phase 2 Pipeline Replacement Project in Appendix E as a capital project requiring outside funding;

WHEREAS, the Old Castle Road Phase 2 Pipeline Replacement Project consists of the replacement of the remaining portion of the existing 12-inch water pipeline, approximately 10,800 linear feet, from Pamoosa Lane to Leisure Lane, within Old Castle Road, an existing County of San Diego public right of way;

WHEREAS, the estimated total cost of the project is approximately \$10,000,000, of which \$435,000 has been previously authorized for pre-construction activities;

WHEREAS, the State Water Resources Control Board has approved the District's application for a State Revolving Fund Loan in the principal amount of \$5,525,000 to partially fund the project;

WHEREAS, approval of an EPA Community Grant in the amount of \$3,775,000 is anticipated, which will also partially fund a portion of construction contract costs;

WHEREAS, an interim construction bridge loan will be required to provide construction phase cash flow pending reimbursement from the State Revolving Fund Loan and EPA Community Grant proceeds;

WHEREAS, staff desires to include sufficient funding authority in the FY 2025–2026 Annual Budget to proceed with advertising for bids and securing interim financing for the project; and

WHEREAS, amending the FY 2025–2026 Annual Budget to include funding for the Old Castle Road Phase 2 Pipeline Replacement Project is necessary and in the best interest of the District.

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

1. The District finds and determines that the preceding recitals are true and correct.
2. The FY 2025-2026 Annual Budget, as originally adopted by Resolution No. 2025-23 on August 4, 2025, is hereby amended to increase the budget to include additional funding in an amount not to exceed \$9,565,000 for the Old Castle Road

Phase 2 Pipeline Replacement Project, for total project allocation of \$10,000,000 as shown in the attached Mid-Year 2025-26 Capital Project Request.

3. The approved budget amendment authorizes expenditures for project design, construction, construction management, inspection, interim financing costs, and related project expenses.
4. The General Manager, or designee, is authorized and directed to take all actions necessary to implement this budget amendment, including making the appropriate accounting adjustments and proceeding with project bidding and financing activities consistent with Board direction.
5. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 20th day of January, 2026, by the following vote:

Enrico Ferro, ***Board President***

ATTEST:

Coral Hutchins, ***Board Secretary***

Attachment:
Mid-Year 2025-26 Capital Project Request



Valley Center Municipal Water District

ACCOUNT NO.: 01-06-78-51420
DEPARTMENT: Engineering

CAPITAL PROJECT REQUEST

MID-YEAR 2025-26

Old Castle Road Phase 2 Pipeline Replacement Project

Continuing Project	Type	Master Plan		Source of Funding	Strategic Plan	
	Replacement	Priority	Project ID	Capital Reserves, SRF Loan & EPA Grant	Standard	Goal
		A	N/A		8, 9	Infrastructure

PROJECT DESCRIPTION:

The Old Castle Road Phase 2 Pipeline Replacement Project is the second phase of replacing the existing 12-inch waterline in Old Castle Road, extending westward from the existing PRV to Leisure Lane. The first phase, completed in 2021, replaced the pipeline from the PRV to Pamoosa Lane. Phase 2 includes replacing the portion from Pamoosa Lane to Leisure Lane.

The Old Castle Road Phase 2 Pipeline Replacement Project was included in the FY 2025-2026 Annual Budget as one of four projects in Appendix E identified as needing outside funding. Final approval of the \$5.525M State Revolving Fund (SRF) Loan has been received, and EPA Community Grant approval is anticipated by the end of January. The SRF Loan and EPA Community Grant provides the outside funding needed for the project. An Interim Bridge Loan is proposed to provide cash flow during construction, bridging the gap between project expenditures and reimbursements from the SRF Loan and EPA Community Grant. The proposed mid-year budget amendment memorializes the anticipated total project cost prior to proceeding with advertising for bids and securing an interim bridge loan for the construction phase.

The following table summarizes the proposed budget amendment for the project and previously authorized funding. Funding for the project budget amendment would come from the Capital Improvement Reserve, SRF Loan and EPA Community Grant.

Old Castle Phase 2 Line Item Budget	Current Project Budget	Prior Actual Expenses	Current Annual Budget	Mid-Year Budget Allocation	Revised Annual Budget	Future Budget Allocation	Future Project Budget	Estimated Total Project Cost
Staff	135,000	128,458	6,542	550,000	556,542		556,542	685,000
Design Consultants	200,000	196,621	3,379		3,379		3,379	200,000
Construction Contract	0		0	6,775,000	6,775,000		6,775,000	6,775,000
Construction Services	0		0	500,000	500,000		500,000	500,000
Miscellaneous	0		0	15,000	15,000		15,000	15,000
SRF Loan Processing (51121)	100,000	84,921	15,079		15,079		15,079	100,000
Net Capitalized Interest (Interim Bridge Loan)	0		0	250,000	250,000		250,000	250,000
Debt Service Reserve	0		0	260,600	260,600		260,600	260,600
Contingency	0		0	1,214,400	1,214,400		1,214,400	1,214,400
Total Project	435,000	410,000	25,000	9,565,000	9,590,000	0	9,590,000	10,000,000