

MINUTES OF THE ADJOURNED MEETING OF THE
BOARD OF DIRECTORS OF
VISTA IRRIGATION DISTRICT

January 17, 2024

An Adjourned Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, January 17, 2024, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

President Vásquez called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors present: Miller, Vásquez, Kuchinsky, Sanchez, and MacKenzie.

Directors absent: None.

Staff present: Brett Hodgkiss, General Manager; Ramae Ogilvie, Secretary of the Board; Lesley Dobalian, Director of Water Resources; Randy Whitmann, Director of Engineering; Frank Wolinski, Director of Operations and Field Services; Shallako Goodrick, Director of Administration; Greg Keppler, Engineering Project Manager; and Cynthia Perez, Safety and Risk Administrator, was present for Item 18. General Counsel Elizabeth Mitchell of Burke, Williams & Sorensen was also present.

Other attendees: Shannon Ayala of Davis Farr LLP was present for Item 8. LaVonne Peck of the San Luis Rey Indian Water Authority was present via teleconference.

3. PLEDGE OF ALLEGIANCE

Director Sanchez led the Pledge of Allegiance.

4. APPROVAL OF AGENDA

24-01-08	<i>Upon motion by Director MacKenzie, seconded by Director Kuchinsky and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors approved the agenda as presented.</i>
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5. ORAL COMMUNICATIONS

No public comments were presented on items not appearing on the agenda.

6. CONSENT CALENDAR

President Vásquez requested Item 6C, Minutes of the Board of Directors meeting on January 3, 2024, be pulled from the consent calendar for further discussion.

24-01-09	<i>Upon motion by Director MacKenzie, seconded by Director Sanchez and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors approved Consent Calendar items 6A, B, and D, including Resolution No. 2024-03 approving disbursements.</i>
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A. Grant of Right of Way

Staff recommended and the Board accepted Grant of Right of Way (C141) for a specific easement over a single-family residential lot consisting of approximately 0.62 gross acres owned by the Natalie Jean Curcio Living Trust, located at 2308 Bautista Avenue, Vista (LN 2023-038; APN 159-170-36; DIV NO 1).

B. Minutes of the Public Affairs Committee meeting on December 20, 2023

The Board noted and filed the Minutes of the Public Affairs Committee of December 20, 2023, which were provided for informational purposes.

D. Resolution ratifying check disbursements

RESOLUTION NO. 2024-03

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 73821 through 73916 drawn on US Bank totaling \$634,338.11.

FURTHER RESOLVED that the Board of Directors does hereby authorize the execution of the checks by the appropriate officers of the District.

PASSED AND ADOPTED unanimously by a roll call vote of the Board of Directors of Vista Irrigation District this 17th day of January 2024.

C. Minutes of Board of Directors meeting on January 3, 2024

President Vásquez stated that the first paragraph of Item 15, Comments by Directors, on page 6 of the January 3, 2024 meeting of the Board of Directors should be revised to read:

“President Vásquez commented that after further consideration the projected \$2,700 (not \$2,200) per acre foot cost for local water that was presented during the recent Vista Flume Replacement Study Workshop seems to be reasonable in comparison to the future cost of purchased water.”

24-01-10 *Upon motion by Director Sanchez, seconded by Director Kuchinsky and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors approved Consent Calendar Item 6C, Minutes of the January 3, 2024 meeting of the Board of Directors with changes.*

7. **RESOLUTION HONORING PAST PRESIDENT JO MACKENZIE**

See staff report attached hereto.

After a brief discussion and comments by the Board commending Director MacKenzie on her Board presidency for the calendar year 2023, the Board took the following action:

24-01-11 *Upon motion by Director Miller, seconded by Director Kuchinsky the Board of Directors adopted Resolution 24-04 honoring the District's 2023 past president, Jo MacKenzie, by the following roll call vote:*

AYES: Directors Vásquez, Kuchinsky, Sanchez, Miller, and MacKenzie
NOES: None
ABSTAIN: None
ABSENT: None

A copy of Resolution 24-04 is on file in the official Resolution Book of the District.

8. FISCAL YEAR 2023 AUDIT

See staff report attached hereto.

Director of Administration Shallako Goodrick introduced the agenda item, and Shannon Ayala of Davis Farr LLP presented the results of the District's Fiscal Year (FY) 2023 audit. Ms. Ayala stated that the District's financial statements and best practices were reviewed, and the auditors found no material weaknesses involving the District's internal control structure or its operation. She noted that in FY 2023 the District changed accounting policies related to subscription based information technology agreements to comply with the Governmental Accounting Standards Board's Policy 96. Ms. Ayala said that in response to the theft of cash from a District safe, Davis Farr LLP offered a best practice recommendation that the District implement procedures to secure the safe in which cash and checks are stored; she was pleased to report that Management had already implemented procedures to secure and safeguard cash and checks. Ms. Ayala thanked Ms. Goodrick and the Finance department for their time and efforts in providing the information needed for the audit. The Board and General Manager Brett Hodgkiss joined in thanking Ms. Ayala for her report and staff for another clean audit.

24-01-12 *Upon motion by Director Kuchinsky, seconded by Director Miller and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors accepted the Fiscal Year 2023 audit report by Davis Farr LLP.*

9. AMENDMENTS TO SECTIONS 2 AND 3 OF VISTA IRRIGATION DISTRICT'S RULES AND REGULATIONS

See staff report attached hereto.

Director of Administration Shallako Goodrick reviewed the proposed amendments to Section 2, Customer Service, of the District's Rules and Regulations. She stated that the proposed changes include adding a definition for Return Payment to Section 2.2.2, documenting how excessive returned payments are handled, and updating Section 2.2.3 B to clarify information provided on the Late Notice mailed to customers and Section 2.2.3 D to change the standard process for delivering the notice of discontinuation of water service from a door hanger to a mailed notice. Ms. Goodrick confirmed that the two-day mailing service provides proof of delivery and complies with Senate Bill 998 requirements.

Director of Engineering Randy Whitmann reviewed the proposed amendments to Section 3, Engineering, of the District's Rules and Regulations. He stated that the majority of the changes in sections 3.8, Extension of Distribution System, 3.12, Water Meters and 3.14, Abandonment in Place of Pipelines and Pipeline Easements, are related to updating language contained in said sections to reflect current Engineering practices, clarifying and expanding descriptions, and adding flexibility to current policy.

The Board requested that staff add specific examples of payment types (i.e. check, credit card, electronic payment, etc.) to the definition of Return Payment in Section 2.2.2 E and add language regarding accessory dwelling units (ADU) to Section 3.12.3 C, Meter Rules, and Section 3.12.5, Cost for Increasing Meter Size.

24-01-13 *Upon motion by Director Sanchez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors approved amendments to Section 2, Customer Service, and Section 3, Engineering, of Vista Irrigation District's Rules and Regulations with the addition of examples of payment types to Section 2.2.2 E, Return Payment, and ADU language to Section 3.12.3 C, Meter Rules, and Section 3.12.5, Cost for Increasing Meter Size.*

10. DEODAR RESERVOIR REHABILITATION PROJECT

See staff report attached hereto.

Engineering Project Manager Greg Keppler provided a brief history of the project stating that it was originally bid in February 2023; the lowest bidder withdrew their bid due to a clerical error, and all other bids were non-responsive. Due to time constraints and the short duration that the reservoir is able to be taken offline during winter (low demand period), the District postponed rebidding the project for a year. He reviewed the bid results and staff's recommendations to award a construction contract to Pacific Hydrotech Corporation; enter into a Professional Services Agreement for construction management and inspection services with Ardurra; and amend Consor's existing Professional Services Agreement to include construction related design support services. Mr. Keppler said that if the aforementioned recommendations are approved, construction is expected to begin in spring 2024.

The Board asked for clarification on the additional scope of work and associated costs outlined in the amendment to Consor's Professionals Services Agreement. Mr. Keppler stated that the additional costs are for construction phase design support services that were not included in the original scope of work for the design. He explained that construction related support services are typically not requested from consultants as part of the design scope of work because the actual level of effort that will be required during construction can be more accurately estimated once the final contract documents are prepared and contractor requirements are well defined. The Board voiced their concerns about the costs for construction related design support services not being included in the project's original design scope of work and requested that staff include everything up front on future projects.

24-01-14 *Upon motion by Director Sanchez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors authorized the General Manager to enter into a construction contract for the Deodar Reservoir Rehabilitation project with Pacific Hydrotech Corporation in the amount of \$3,483,076, enter into a Professional Services agreement with Ardurra for construction management and inspection services in an amount not-to-exceed \$484,618, and to amend the Professional Services Agreement with Consor for construction related design support services, increasing the total amount not-to-exceed by \$122,365 to \$427,916 (D-2366, DIV NO. 5).*

At 11:03 a.m. the Board took a break and resumed the meeting at 11:09 a.m.

11. VISTA FLUME REPLACEMENT ALIGNMENT STUDY WORKSHOP

See staff report attached hereto.

The Board set the date and time to hold the continued workshop on the Vista Flume Replacement Alignment Study for March 18, 2024 at 9:00 a.m.

12. MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

See staff report attached hereto.

Director Miller reported that Metropolitan Water District (MWD) is projecting a 20 percent rate increase over the next two years. He stated that the multi-party agreement signed by the San Diego County Water Authority (Water Authority), MWD, Imperial Irrigation District (IID) and United States Bureau of Reclamation to leave 50,000 acre-feet of water in Lake Mead is expected to save the Water Authority between \$15 and \$20 million, which will help offset inflation and other factors pushing up water rates. Director Miller reported that the Water Authority's Administrative and Finance Committee would receive an update on rate redesign efforts aimed at increasing fixed cost recovery at its January 25, 2024 meeting.

13. MEETINGS AND EVENTS

See staff report attached hereto.

Director Kuchinsky requested authorization to attend the Vista Chamber of Commerce (Chamber) Government Affairs Committee meetings for the remainder of 2024.

Director Sanchez stated that he will be attending a meeting of California Special Districts Association (CSDA) Professional Development Committee virtually on February 1, 2024.

Director MacKenzie reported on her attendance at a meeting of the CSDA San Diego Chapter Board of Directors where the Council of Water Utilities (COWU) coming under the umbrella of the CSDA San Diego Chapter was discussed; there will be a vote on this matter at the CSDA San Diego Chapter's quarterly meeting on February 15, 2024. She also reported on her attendance at the CSDA Legislative Committee meeting where discussions focused on the California State Budget and State Water Resources Control Board reporting requirements. Director MacKenzie reported on her attendance at a COWU meeting where she heard a presentation on current California water issues by former MWD General Manager and IID consultant, Jeff Kightlinger. Director MacKenzie informed the Board that she would not be attending the Groundwater Resources Association symposium in Sacramento on February 23, 2024 for which she had previously received authorization to attend.

President Vásquez reported that he attended an Association of California Water Agencies (ACWA) Sustainable Groundwater Management Act (SGMA) Implementation Sub-committee meeting that focused on the Department of Water Resources' groundwater sustainability plans for high and medium priority groundwater basins in the state. President Vásquez asked for authorization to attend the Southern California Water Coalition Quarterly meeting in Riverside on January 26, 2024 and requested authorization after-the-fact for his attendance at the ACWA SGMA Implementation Sub-committee meeting January 16, 2024.

24-01-15 *Upon motion by Director Miller, seconded by Director Sanchez and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors authorized Director Kuchinsky to attend all of the 2024 Chamber Government Affairs meetings and President Vásquez to attend the Southern California Water Coalition Quarterly Event in Riverside on January 26, 2024 and authorization after-the-fact for his attendance at the ACWA SGMA Implementation Sub-committee meeting on January 16, 2024.*

14. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

Mr. Hodgkiss said that an item to consider nominating Director Sanchez to the ACWA Energy Committee for the 2024-2025 term would be placed on the February 7, 2024 agenda.

15. COMMENTS BY DIRECTORS

Director Sanchez commended staff for working with the ACWA Joint Powers Insurance Authority's Risk Management division to review the District's Injury and Illness Prevention Plan. He thanked staff for informing the Board of their involvement in mitigating a water quality issue at the Lake Henshaw Resort. Director Sanchez said he plans to reach out to the Chamber Chief Executive Officer Rachel Beld to inquire about getting the District on the agenda as a presenter at the Chamber's 2025 State of the Community event.

Director Kuchinsky thanked Director of Operations and Field Services Frank Wolinski and his crew for their expedient response and repair of a fire hydrant. He also thanked staff for keeping the Board informed of the Lake Henshaw Resort water quality issue. Director Kuchinsky shared that he received his CSDA Governance Certificate.

President Vásquez commented that the Santa Ana Watershed Project Authority began a weather modification (cloud seeding) pilot program in November 2023.

16. COMMENTS BY GENERAL COUNSEL

Ms. Mitchell informed the Board that Assembly Constitutional Amendment 13 regarding voting thresholds will be on the November 2024 ballot.

17. COMMENTS BY GENERAL MANAGER

Mr. Hodgkiss informed the Board that staff is working with Hoch Engineering on a MWD Future Supply Action Funding Program grant application, which will be submitted to MWD via the Water Authority; the grant application is for the Lake Henshaw Oxygenation Pilot Project.

18. CLOSED SESSION WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

President Vásquez adjourned the meeting to closed session at 12:13 p.m. for a conference with legal counsel to discuss anticipated litigation per Government Code section 54956.9(d)(2): 5 potential cases.

The meeting reconvened in open session at 12:29 p.m. President Vásquez declared that no reportable action had been taken.

19. CLOSED SESSION TO CONDUCT PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GENERAL MANAGER

President Vásquez adjourned the meeting to closed session at 12:30 p.m. to conduct a performance evaluation of the General Manager, pursuant to Government Code section 54957.

During the closed session, the Board requested that Mr. Hodgkiss rejoin the meeting for the remainder of the closed session discussion. The meeting reconvened in open session at 12:54 p.m. President Vásquez declared that no reportable action had been taken.

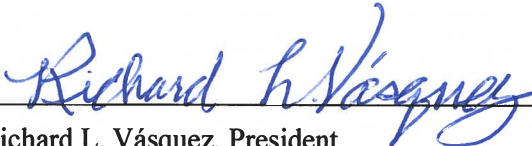
20. GENERAL MANAGER COMPENSATION

The Board commended and thanked Mr. Hodgkiss for his effort and accomplishments over the past year and after a brief discussion took the following action:


24-01-16	<i>Upon motion by Director MacKenzie, seconded by Director Kuchinsky and unanimously carried (5 ayes: Miller, Kuchinsky, Sanchez, MacKenzie, and Vásquez), the Board of Directors authorized a 3.5 percent pay raise for General Manager Brett Hodgkiss, retroactive to January 1, 2024.</i>
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21. ADJOURNMENT

There being no further business to come before the Board, at 1:10 p.m., President Vásquez adjourned the meeting.


Richard L. Vásquez, President

ATTEST:


Ranae Ogilvie, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



STAFF REPORT

Agenda Item: 6.A

Board Meeting Date:	January 17, 2024
Prepared By:	Robert Scholl
Reviewed By:	Randy Whitmann
Approved By:	Brett Hodgkiss

SUBJECT: GRANT OF RIGHT OF WAY

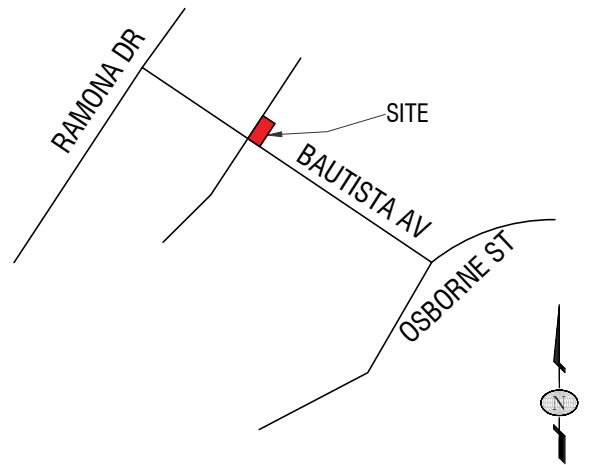
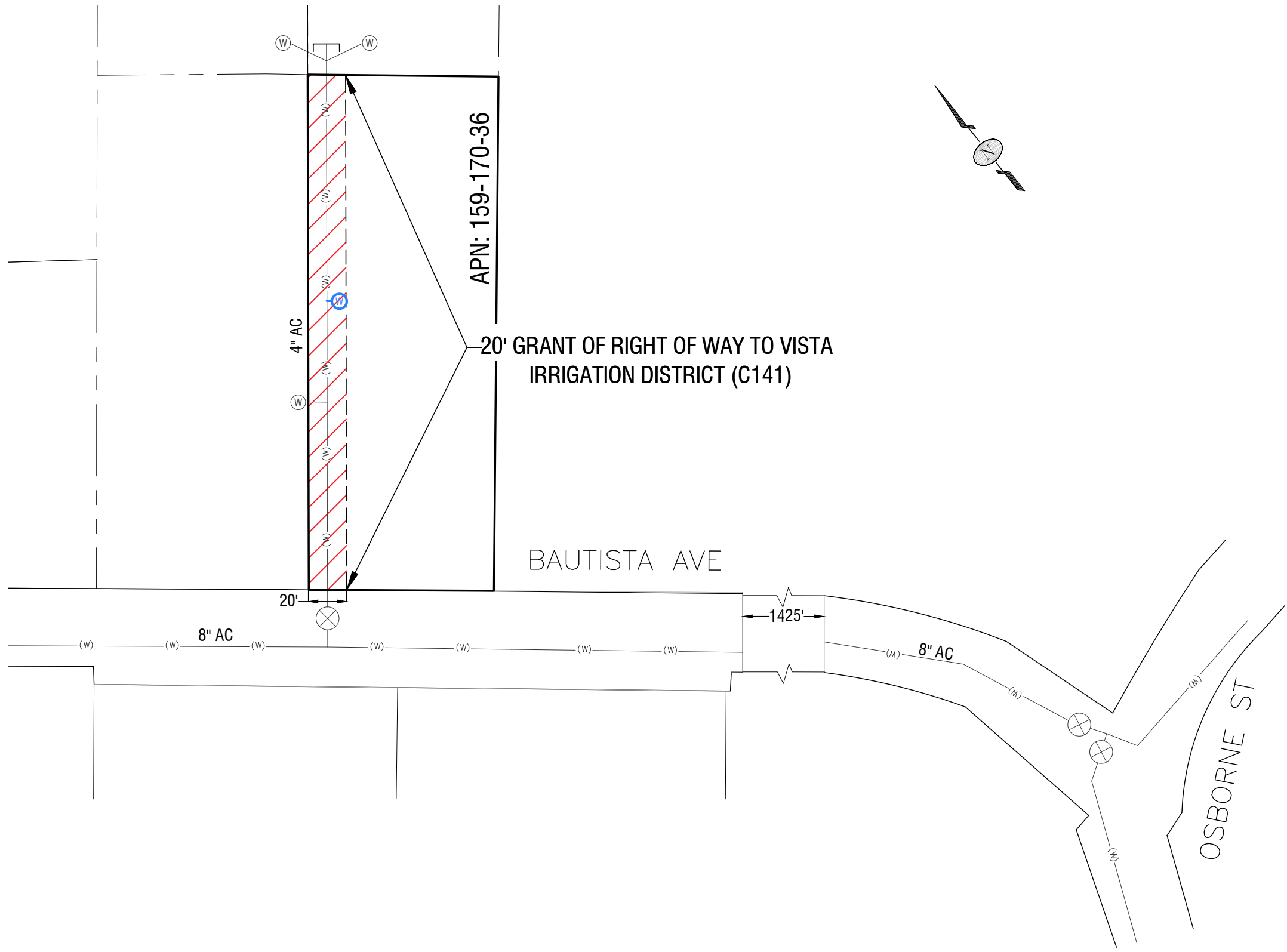
RECOMMENDATION: Accept Grant of Right of Way (C141) for a specific easement over a single-family residential lot consisting of approximately 0.62 gross acres owned by the Natalie Jean Curcio Living Trust, located at 2308 Bautista Avenue, Vista (LN 2023-038; APN 159-170-36; DIV NO 1).

PRIOR BOARD ACTION: In 1925, the Board accepted Grant of Right of Way (B23).

FISCAL IMPACT: None.

SUMMARY: The owner, Natalie Curcio, is in the process of building a single-family residence on APN 159-170-36. A new water meter will be connected to the existing 4-inch pipeline off of Bautista Avenue currently covered by Blanket Easement (B23). Acceptance of Grant of Right of Way (C141) via an easement document will allow the District to secure a dedicated 20-foot wide specific easement over the existing and proposed facilities along the west side of the property.

ATTACHMENT: Map



VICINITY MAP
NTS

LEGEND

- EXISTING**
- DOMESTIC SERVICE
 - WATER MAIN
- PROPOSED PUBLIC**
- DOMESTIC SERVICE
 - GRANT OF RIGHT OF WAY (C141)

OWNER:
NATALIE CURCIO
4065 ALTURA DRIVE
OCEANSIDE, CA 92056

ENGINEER:
WYNN ENGINEERING, INC.
VALLEY CENTER, CA 92082

VISTA IRRIGATION DISTRICT		
GRANT OF RIGHT OF WAY (C141)		
2303 BAUTISTA AVE		
APN: 159-170-36	T.B.	
SCALE: NONE	L.N. 2023-038	
APPD. BY: RS	DATE: 01/08/24	W.O.
DRAWN BY: NR	DATE: 01/05/24	
SHEET 1 of 1	MAP: E6	
REVISED: 1/9/24 Nicholas Reardon		
PATH: \\wid-h2o.org\viddata\users\Nreardon\My Documents\MY PROJECTS\Bautista Ave.dwg		



Cash Disbursement Report

Payment Dates 12/21/2023 - 1/3/2024

Payment Number	Payment Date	Vendor	Description	Amount
73821 - 73826	12/28/2023	Refund Checks 73821 - 73826	Customer Refunds	8,446.90
73827 - 73828	12/28/2023	Refund Checks 73827 - 73828	Customer Refunds	750.88
73828	12/28/2023	Airgas USA LLC	Welding Supplies	211.73
73830	12/28/2023	Amazon Capital Services	Office Supplies	127.02
	12/28/2023		Brass Cotter Pins	29.07
	12/28/2023		Hydraulic Test Caps (4)	48.87
73831	12/28/2023	Answering Service Care, LLC	Answering Service 11/2023	275.00
73832	12/28/2023	AT&T	3680/CALNET 11/13/23 - 12/12/23 - Phones	501.35
	12/28/2023		0230/CALNET 11/13/23 - 12/12/23 - Teleconference	18.86
73833	12/28/2023		Voice & Data Service	1,183.96
73834	12/28/2023	Branden O'Donnell	Computer Loan Program	1,428.52
73835	12/28/2023	Brown and Caldwell	Flume Replacement Alignment Study 9/29/23-10/28/23	64,912.97
73836	12/28/2023	Burke, Williams & Sorensen, LLP	Legal 11/2023	6,387.00
	12/28/2023		Legal 11/2023	406.00
73837	12/28/2023	California Department of Justice	Fingerprinting (1) - New Hire	49.00
73838	12/28/2023	CDW Government Inc	Network Management System Software	304.93
73839	12/28/2023	Cecilia's Safety Service Inc	Traffic Control - Waxwing Dr	3,325.00
	12/28/2023		Traffic Control - Nordahl Rd & Anthony Heights	2,185.00
73840	12/28/2023	CleanCapital HC4 Borrower LLC	Solar Energy Use 11/2023	3,175.89
73841	12/28/2023	Direct Energy	Electric 11/2023 - T & D / Cathodic Protection	97.77
	12/28/2023		Electric 11/2023 - Reservoirs	65.89
	12/28/2023		Electric 11/2023 - Pump Stations	8,912.79
	12/28/2023		Electric 11/2023 - Treatment Plants	36.81
73842	12/28/2023	Garda CL West, Inc	Armored Transport 11/2023 (Excess Items)	14.95
73843	12/28/2023	Gateway Pacific Contractors, Inc	E Reservoir Replacement & Pump Station 11/2023	185,373.79
73844	12/28/2023	Government Finance Officers Association	ACFR Award Fee 12/2023	460.00
73845	12/28/2023	Leon Perrault Trucking & Materials	Trucking & Material 11/2023	13,546.50
73846	12/28/2023	Mutual of Omaha	LTD/STD/Life Insurance 01/2024	2,844.08
73847	12/28/2023	NAPA Auto Parts	Filters (7)	68.10
	12/28/2023		Filters (2)	76.16
73848	12/28/2023	North County Auto Parts	Transmission Fluid (12)	213.82
	12/28/2023		Transmission Fluid (12)	194.46
	12/28/2023		Shop Chemicals, Wipers	208.80

Payment Number	Payment Date	Vendor	Description	Amount
	12/28/2023		Fluid Pump	6.27
	12/28/2023		Starter - Truck 47	252.99
73849	12/28/2023	North County Industrial Park	Association Fees 01/2024	1,028.22
73850	12/28/2023	O'Reilly Auto Parts	Battery Cores (2)	(44.00)
	12/28/2023		Battery - Truck 39	211.91
73851	12/28/2023	San Diego County Vector Control Program	County Mosquito Control 07/2023 - 06/2024	402.68
73852	12/28/2023	San Diego Gas & Electric	Electric 11/2023 - Cathodic Protection & T&D	357.89
	12/28/2023		Electric 11/2023 - Reservoirs	203.85
	12/28/2023		Electric 11/2023 - Pump Stations	15,541.30
	12/28/2023		Electric 11/2023 - Plants	135.72
73853	12/28/2023	Sandra Sanchez	Reimburse - Tuition 12/2023	185.25
73854	12/28/2023	Bend Genetics, LLC	HABs Lab Analysis	2,271.00
73855	12/28/2023	The San Diego Union-Tribune LLC	Bid Advertisement - Deodar Reservoir Rehabilitation	1,093.06
73856	12/28/2023	Umpqua Bank	E Reservoir Replacement & Pump Station 11/2023	9,756.51
73857	12/28/2023	Urban Water Institute	Spring 2023 Conference Registration - R Vasquez	595.00
73858	12/28/2023	Verizon Wireless	Air Cards (4)	152.03
73859 - 73861	01/03/2024	Refund Checks 73859 - 73861	Customer Refunds	958.96
73862	01/03/2024	Refund Check 73862	Customer Refund	3,021.91
73863 - 73867	01/03/2024	Refund Checks 73863 - 73867	Customer Refunds	1,512.45
73868	01/03/2024	Refund Check 73868	Customer Refund	23.83
73869	01/03/2024	A-1 Irrigation, Inc	Plumbing Parts	41.54
73870	01/03/2024	AC Plumbing	Meter Tie-Backs - Cabrillo Circle	2,500.00
73871	01/03/2024	Amazon Capital Services	Headlights - Truck 35	139.52
	01/03/2024		USB-To-Ethernet for Wachs	54.11
	01/03/2024		Office Supplies	9.20
	01/03/2024		Flash Drives	30.30
	01/03/2024		Office Supplies	80.88
	01/03/2024		Carburetor for Welder - Truck 85	60.61
73872	01/03/2024	Bryan and the Bee's	Live Bee Removal (1)	192.50
	01/03/2024		Live Bee Removal (1)	192.50
	01/03/2024		Live Bee Removal (1)	192.50
	01/03/2024		Live Bee Removal (1)	192.50
	01/03/2024		Live Bee Removal (1)	192.50
	01/03/2024		Live Bee Removal (1)	192.50
73873	01/03/2024	CDW Government Inc	GARAGE FORTIAP COTERM	56.60
	01/03/2024		Splunk Cloud - License + Standard Success Plan	14,995.00
73874	01/03/2024	Cecilia's Safety Service Inc	Traffic Control - Civic Center Dr & Postal Way	842.50
	01/03/2024		Traffic Control - La Mirada	1,615.00

Payment Number	Payment Date	Vendor	Description	Amount
	01/03/2024		Traffic Control - Warmlands Ave	1,520.00
	01/03/2024		Traffic Control - Ridge Rd	1,567.50
	01/03/2024		Traffic Control - Cabrillo Circle	2,897.50
73875	01/03/2024	Akeso Occupational Health	New Hire Physical (1)	193.00
73876	01/03/2024	Complete Office of California, Inc	Office Supplies	16.18
73877	01/03/2024	Core & Main	Ell 6"x16" POxFL Bury DI (4)	1,736.33
	01/03/2024		Tubing 2" Copper Soft 20' (60)	1,558.80
	01/03/2024		Gate Valve 6" FL R/W (2)	1,695.20
	01/03/2024		Fire Hydrant LB400 Check Valve (5)	10,500.25
	01/03/2024		Sleeve 8"x12" Galvanized Top Sections (100)	1,244.88
	01/03/2024		Ell 12" DI PO 45 Degree (1)	457.90
	01/03/2024		Service Saddle 10x1 PVC (2)	506.61
	01/03/2024		Flange 4" Companion (1)	40.05
	01/03/2024		Coupling 1" CTSxCTS (5)	140.73
	01/03/2024		Ell 2" Brass Street 90 Degree (5)	173.17
	01/03/2024		Flange 6" SOW 8-hole (5)	214.34
	01/03/2024		Flange 6" SOW 6-hole (4)	138.56
	01/03/2024		Ell 10" DI PO 45 Degree (1)	343.15
	01/03/2024		Ell 8" DI PO 22.5 Degree (2)	368.05
	01/03/2024		Ell 10" DI POxFL 11.25 Degree (1)	322.59
	01/03/2024		Coupling 6" Deflection C900 (8)	389.70
	01/03/2024		Ell 10" DI POxFL 45 Degree (1)	401.61
	01/03/2024		Fire Hydrant Spool 6x18 DI (2)	417.85
	01/03/2024		Ell 8" DI POxFL 11.25 degree (2)	489.29
	01/03/2024		Fire Hydrant Spool 6x24 DI (2)	493.62
	01/03/2024		Nut Bolt Gasket Kit 6"-8" (6" gskt) 3/4 x 3 1/4 (24)	389.70
	01/03/2024		Adapter 6" DI POxFL (6)	909.30
	01/03/2024		Supplies for Tie-Ins - Cabrillo Dr	304.26
73878	01/03/2024	Diamond Environmental Services	Portable Restroom Service	135.08
	01/03/2024		Portable Restroom Service	84.23
73879	01/03/2024	Dudek	E Reservoir Replacement & Pump Station 09/2023	6,922.50
	01/03/2024		E Reservoir Replacement & Pump Station 10/2023	8,277.50
73880	01/03/2024	EH Wachs Company	Telescoping Key Extension - Truck 10	279.02
73881	01/03/2024	Electrical Sales Inc	Solar Controller	404.58
73882	01/03/2024	Ferguson Waterworks	Pipe Restraint / 10" with T-Bolts (10)	1,097.66
	01/03/2024		Rubber Gaskets / PO / 8" (30)	250.06
	01/03/2024		Rubber Gaskets / PO / 6" (30)	211.09
	01/03/2024		Ell / 1" /45° / C x C (20)	132.50

Payment Number	Payment Date	Vendor	Description	Amount
	01/03/2024		Pipe Lube / Proselect / 32 oz (24)	116.91
	01/03/2024		Rubber Gaskets / PO / 4" (10)	60.08
	01/03/2024		Corp Stop 1" MIP X Flare (6)	467.25
	01/03/2024		Coupling 6" Repair PVC C900 (1)	59.86
	01/03/2024		Nut Bolt Gskt Kit 6"-8" (6" gskt) 3/4 x 3 1/4 (18)	375.09
	01/03/2024		Adapter 12" DI FLxPO (1)	423.99
	01/03/2024		Service Saddle 4x2 PVC (1)	174.29
	01/03/2024		Adapter 8" DI POxFL (1)	213.56
	01/03/2024		Coupling 6" Macro (1)	386.30
	01/03/2024		Tee 8x6 DI Flange (1)	411.00
	01/03/2024		Ell 2" Brass Street 90 Degree (7)	219.75
	01/03/2024		Service Saddle 8x2 PVC (1)	229.37
	01/03/2024		Adapter 2" Copper x MIP (14)	269.76
	01/03/2024		Nut Bolt Gasket Kit 10"- 12" (10" gasket) (5)	297.69
	01/03/2024		Coupling 6" Deflection C900 (8)	416.29
	01/03/2024		Service Saddle 6x2 PVC (1)	201.14
	01/03/2024		Coupling 8" Macro (1)	437.45
	01/03/2024		Reducer 8x4 DI PO (1)	168.35
	01/03/2024		Corp Stop 2" MIP X FIP (9)	2,613.91
	01/03/2024		Coupling 8" Repair PVC C900 (1)	144.32
	01/03/2024		Gate Valve 6" POxFL R/W (7)	6,482.17
	01/03/2024		Angle Ball Mtr Valve 1"Flare Swl Mtr Nut Lckwg(52)	7,653.75
	01/03/2024		Service Saddle 8x1 PVC (21)	4,423.74
	01/03/2024		Service Saddle 12x2 PVC (6)	1,999.49
	01/03/2024		Tee 12"x 6" DI POxFL (3)	1,624.27
	01/03/2024		Ell 6"x16" POxFL Bury DI (6)	2,778.24
	01/03/2024		Tubing 2" Copper Soft 20' (60)	1,461.38
	01/03/2024		Service Saddle 12x1 PVC (28)	8,123.99
	01/03/2024		Coupling 12" Deflection C900 (26)	9,114.20
	01/03/2024		Pipe 4" PVC DR-14 C900 (160)	1,293.80
	01/03/2024		Fire Hydrant LB400 Check Valve (6)	12,372.98
	01/03/2024		Coupling 8" Deflection C900 (10)	1,244.23
	01/03/2024		Angle Ball Valve 2" FNPT X MNPT (CurbStop) (3)	1,164.00
	01/03/2024		Wire 10 Copper (2000)	757.75
	01/03/2024		Tubing 1" Copper Soft 60' (540)	4,237.99
	01/03/2024		Tee 8x6 DI POxFL (2)	638.07
	01/03/2024		Gate Valve 8" POxFL R/W (4)	5,853.90
	01/03/2024		Gate Valve 12" POxFL R/W (2)	5,663.34

Payment Number	Payment Date	Vendor	Description	Amount
73883	01/03/2024	Garda CL West, Inc	Armored Transport	444.23
73884	01/03/2024	Grainger	Ethernet Port Blank	150.38
	01/03/2024		Motor for HVAC System	863.01
	01/03/2024		Ladder Safety Hook	90.34
73885	01/03/2024	Iconix Waterworks (US) Inc.	Meter 3/4" x 1" electronic read (120)	21,650.42
73886	01/03/2024	iFlow Energy Solutions, Inc	Meter 1.5" electronic read (5)	1,832.35
73887	01/03/2024	InfoSend Inc	Mailing Service 11/2023	5,387.90
	01/03/2024		Data Processing Service 11/2023	1,740.35
	01/03/2024		Backflow Notices	331.85
	01/03/2024		Support & Storage	1,795.45
73888	01/03/2024	Jo MacKenzie	Reimburse - ACWA Fall Conference	780.66
	01/03/2024		Reimburse - CRWUA Conference - J MacKenzie	815.73
	01/03/2024		Reimburse - CRWUA Conference - M Miller	34.00
73889	01/03/2024	Joe's Paving	Patch Paving	27,778.40
73890	01/03/2024	K2 Calibrations LLC	Charging Cradle Repair	93.82
	01/03/2024		Air Monitor Repair Service	89.03
73891	01/03/2024	Kronick Moskovitz Tiedemann & Girard	Legal 11/2023 - Indian Settlement	6,057.51
73892	01/03/2024	Lightning Messenger Express	Messenger Service	88.00
	01/03/2024		Messenger Service	88.00
73893	01/03/2024	McMaster-Carr Supply Company	DIN Rail Brackets	46.66
73894	01/03/2024	Miguel Garcia	Reimburse - Water Damage	3,680.00
73895	01/03/2024	NAPA Auto Parts	Brake Rotors, Filter	114.96
	01/03/2024		Front Brake Pads - Truck 46	59.53
73896	01/03/2024	North County Auto Parts	Alternator & Belt - Truck 79	328.72
	01/03/2024		Front Brake Pads - Truck 45	66.00
73897	01/03/2024	O'Reilly Auto Parts	Drip Pans	38.53
	01/03/2024		Batteries (2) - G24	886.41
	01/03/2024		Brake Pads, Rotor - Truck 29	173.19
	01/03/2024		Bland Door Actuator - Car 9	34.36
	01/03/2024		Battery Clamps	7.53
73898	01/03/2024	Pacific Pipeline Supply	Cutter 2" PWL-200 PVC Carb Shell Romac (1)	245.23
	01/03/2024		Drill 1-2" SCA102 Motor Arbor (3)	164.72
	01/03/2024		Cutter 1" PWL-100 PVC Carb Shell (2)	417.69
	01/03/2024		Drill 3/8" PD Pilot for PVC (2)	56.96
	01/03/2024		Compression Angle Meter Stops (7)	1,461.32
73899	01/03/2024	Powerland Equipment, Inc	Fuel Filters (2)	81.95
	01/03/2024		Tractor Parts, Chainsaw Chaps, Bar Oil	485.04
73900	01/03/2024	Ramona Disposal Service	Trash Service	327.83

Payment Number	Payment Date	Vendor	Description	Amount
73901	01/03/2024	RS Americas Inc	SCADA Breakers (20)	1,282.94
	01/03/2024		SCADA Supplies	955.48
73902	01/03/2024	Volvo Construction Equipment & Services	Cabin Air Filter (2)	163.48
73903	01/03/2024	San Diego Gas & Electric	Electric 12/2023 - Henshaw Buildings & Grounds	618.99
	01/03/2024		Electric 12/2023 - Henshaw Wellfield	13,602.28
	01/03/2024		Electric 12/2023 - Warner Ranch House	75.87
73904	01/03/2024	Bend Genetics, LLC	HABs Lab Analysis	2,271.00
73905	01/03/2024	Midas Service Experts	Tires (2) - Truck 46	454.84
73906	01/03/2024	UniFirst Corporation	Uniform Service	217.40
73907	01/03/2024	Valley CM, Inc	E Reservoir Replacement & Pump Station 11/2023	31,236.00
73908	01/03/2024	Verizon Wireless	Cell Phones	2,294.61
	01/03/2024		SCADA Remote Access	408.33
73909	01/03/2024	Vinje & Middleton Engineering Inc	Class II Compaction Test - Cabrillo Circle	328.75
73910	01/03/2024	Vista Chamber of Commerce	Membership Dues 2024	845.00
73915	01/03/2024	T.S. Industrial Supply	Wood Wedges / 2" x 4" x 12" (90)	126.66
	01/03/2024		Towel Wypall X80 (5)	257.08
	01/03/2024		Gloves Thickster Nitrile LG 100 per box (10)	281.45
	01/03/2024		Blade 14" Diamond Concrete (1)	233.82
	01/03/2024		Head Lights (6)	265.00
	01/03/2024		Gloves Welding MED (3)	88.49
	01/03/2024		Measuring Tape 25' Engineering (4)	83.57
	01/03/2024		Measuring Tape Holder 25' (4)	80.54
	01/03/2024		Broom Utility Corn (2)	35.51
	01/03/2024		Tape 3" Caution (5)	56.83
	01/03/2024		Probe Soil 3/8"x4' SSP 400 SS (2)	166.71
	01/03/2024		Sling Lifting 2"x8' Heavy Duty (2)	69.60
	01/03/2024		Mirror 3.25" Diameter Telescopic (2)	57.70
	01/03/2024		Shop Supplies	259.17
	01/03/2024		Nemesis Safety Glasses - Smk/Blk Frame (12)	76.51
	01/03/2024		Sqwincher Punch / Tropical Cooler / 50-0.6 oz (4)	112.58
	01/03/2024		Pyramex Goliath Safety Glasses- Blk/Smk Frame (12)	123.41
	01/03/2024		Striping Paint Blue #750 (24)	198.75
	01/03/2024		Striping Paint Black #770 (24)	198.75
	01/03/2024		Striping Paint White #710 (24)	198.75
	01/03/2024		Maxi Flex Glove / Large / Maroon Cuff (12)	66.90
	01/03/2024		Maxi Flex Glove / XL / Yellow Cuff (12)	66.90
	01/03/2024		Color Knit Rags / 50 lb box (1)	63.31
	01/03/2024		Construction Marking Paint Blue #254 (12)	55.86

Payment Number	Payment Date	Vendor	Description	Amount
	01/03/2024		Stainless Wire Brush / 7 3/4" /plastic handle (20)	48.06
	01/03/2024		Black Pipe Wrap Tape / 2" x 100' / 10 mil (24)	227.33
	01/03/2024		Striping Paint Yellow #720 (12)	99.37
73916	01/03/2024	Xerox Corporation	Xerox Maintenance & Supplies	269.52
Grand Total:				634,338.11



STAFF REPORT

Agenda Item: 7

Board Meeting Date: January 17, 2024
Prepared By: Ranae Ogilvie
Approved By: Brett Hodgkiss

SUBJECT: RESOLUTION HONORING PAST PRESIDENT JO MACKENZIE

RECOMMENDATION: Adopt Resolution No. 2024-XX honoring the District's 2023 past president, Jo MacKenzie.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: Director MacKenzie has served as Director of Division 5 since 1992. She recently completed her term as President of the Board of Directors for 2023. During her term as President, the District celebrated its 100th Anniversary, receiving 14 resolutions and proclamations from water agencies, cities, County of San Diego, San Luis Rey Indian Water Authority, Rincon Band of Luiseño Indians and local legislators. The Board approved the District's Annex to the San Diego County Multi-Jurisdictional Hazard Mitigation Plan. The District continued evaluating long-term mitigation solutions for Harmful Algal Blooms in Lake Henshaw and work on the Vista Flume Replacement Alignment Study. The San Pasqual Undergrounding Project was also completed.

Under Director MacKenzie's leadership, the District was a co-recipient with the City of Escondido of the Engineering-News Record's California Regional Best Projects Award of Merit for its participation in the San Pasqual Undergrounding Project. The District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the sixteenth consecutive year. The District was also a recipient of Wellness and Risk Control grants from the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) and received the ACWA JPIA President's Special Recognition Workers' Compensation program award.

Director MacKenzie's unwavering dedication was demonstrated through her conscientious service on the California Special Districts Association (CSDA) Board of Directors on both the State and local levels. She also served on the San Diego Local Agency Formation Commission (LAFCO) and on the California LAFCO (CALAFCO). Director MacKenzie tirelessly serves on committees for CSDA, ACWA and CALAFCO and as President of the CSDA Finance Corporation and Vice President of the Special District Leadership Foundation.

In recognition of Director MacKenzie's accomplishments and outstanding efforts for the benefit of all the people of Vista Irrigation District during her tenure as President, the attached resolution is presented for the Board's consideration.

ATTACHMENT: Draft resolution honoring past President Jo MacKenzie

RESOLUTION NO. 2024–XX
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE VISTA IRRIGATION DISTRICT
HONORING PAST PRESIDENT JO MACKENZIE

WHEREAS, Jo MacKenzie has served as Director of Division 5 since 1992; and

WHEREAS, she has conscientiously and ably served as President of the Board for 2023; and

WHEREAS, during her term as President, the District celebrated its 100th Anniversary, receiving 14 resolutions and proclamations from water agencies, cities, County of San Diego, San Luis Rey Indian Water Authority, Rincon Band of Luiseño Indians and local legislators; the Board approved the District’s Annex to the San Diego County Multi-Jurisdictional Hazard Mitigation Plan; the District continued evaluating long-term mitigation solutions for Harmful Algal Blooms in Lake Henshaw and continued work on the Vista Flume Replacement Alignment Study; and the San Pasqual Undergrounding Project was completed; and

WHEREAS, under Director MacKenzie’s leadership, the District was a co-recipient with the City of Escondido of the Engineering-News Record’s California Regional Best Projects Award of Merit for its participation in the San Pasqual Undergrounding Project. The District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the sixteenth consecutive year. The District was also a recipient of Wellness and Risk Control grants from the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) and received the ACWA JPIA President’s Special Recognition Workers’ Compensation program award; and

WHEREAS, Director MacKenzie’s unwavering dedication was demonstrated through her conscientious service on the California Special Districts Association (CSDA) Board of Directors on both the State and local levels. She also served on the San Diego Local Agency Formation Commission (LAFCO) and on the California LAFCO (CALAFCO). Director MacKenzie tirelessly serves on committees for CSDA, ACWA and CALAFCO and as President of the CSDA Finance Corporation and Vice President of the Special District Leadership Foundation.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors and staff of the Vista Irrigation District does hereby express to Jo MacKenzie appreciation for her accomplishments and outstanding efforts for the benefit of all the people of the Vista Irrigation District during her tenure as President.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors for the Vista Irrigation District this 17th day of January 2024.

AYES:
NOES:
ABSTAIN:
ABSENT:

Richard L. Vásquez, President

ATTEST:

Ramae Ogilvie, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



STAFF REPORT

Agenda Item: 8

Board Meeting Date: January 17, 2024
Prepared By: Shallako Goodrick
Approved By: Brett Hodgkiss

SUBJECT: FISCAL YEAR 2023 AUDIT

RECOMMENDATION: Accept the Fiscal Year 2023 audit report by Davis Farr LLP.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None by this action. The fees for Fiscal Year 2023 audit services are \$25,000.

SUMMARY: The District's independent auditors, Davis Farr LLP, are issuing an unmodified opinion on the District's Financial Section in the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The ACFR will be discussed in detail during the Board meeting.

The independent auditors found no material weaknesses involving the internal control structure or its operation. As requested, the auditors have reviewed the District's best practices to evaluate potential enhancements to District procedures and have communicated, via memorandum, other matters that could enhance the District's best practices. Management's response to their finding is included in the letter. The letter will be discussed in detail during the Board meeting.

DETAILED REPORT: See attached financial statements and the auditor's letters. Shannon Ayala, CPA, Principal, Davis Farr LLP, will be in attendance to present the audit.

ATTACHMENTS:

- ACFR for the year ended June 30, 2023
- Summary of Audit Results Letter for the year ended June 30, 2023
- Management Letter for the year ended June 30, 2023
- Best Practices Letter for the year ended June 30, 2023



2023

**Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2023**

A background image of a blue water splash with bubbles, positioned behind the "100 years" text.

100
years

Service and Stewardship Since 1923

Prepared by:

***The Finance Department
Vista Irrigation District
Vista, CA***

VID VISTA IRRIGATION DISTRICT

1391 Engineer Street · Vista, California 92081

Phone: (760) 597-3100 · Fax: (760) 598-8757

www.vidwater.org



A public agency serving the city of Vista and portions
of San Marcos, Escondido, Oceanside and San Diego County

**Vista Irrigation District
Annual Comprehensive Financial Report
For Fiscal Year Ended June 30, 2023
Table of Contents**

Table No. Page Number

Introductory Section

Organization Chart	i
Transmittal Letter	ii
Certificate of Achievement for Excellence in Financial Reporting	vii

Financial Section

Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements	
• Statements of Net Position	9
• Statements of Revenues, Expenses and Changes in Net Position	11
• Statements of Cash Flows	12
• Notes to Financial Statements	14
Required Supplementary Information	
• Schedule of the Proportionate Share of the Plan’s Net Pension Liability and Related Ratios	42
• Schedule of Contributions - Pension Plan	43
• Schedule of Changes in the net OPEB Liability and Related Ratios	44
• Schedule of Contributions - OPEB	45

Statistical Section

Table of Contents		46
Net Position by Component - Last Ten Fiscal Years	I	47
Changes in Net Position - Last Ten Fiscal Years	II	48
Water Sales by User Type - Last Ten Fiscal Years	III	49
Service Connections - Last Ten Fiscal Years	IV	50
Water Rates - Last Ten Fiscal Years	V	51
Principal Water Customers - Current and nine years prior	VI	52
Demographic and Economic Statistics - Last Ten Fiscal Years	VII	53
Principal Employers - Current and nine years prior	VIII	54
Number of Employees - Last Ten Fiscal Years	IX	55
Operating and Capital Indicators - Last Ten Fiscal Years	X	56

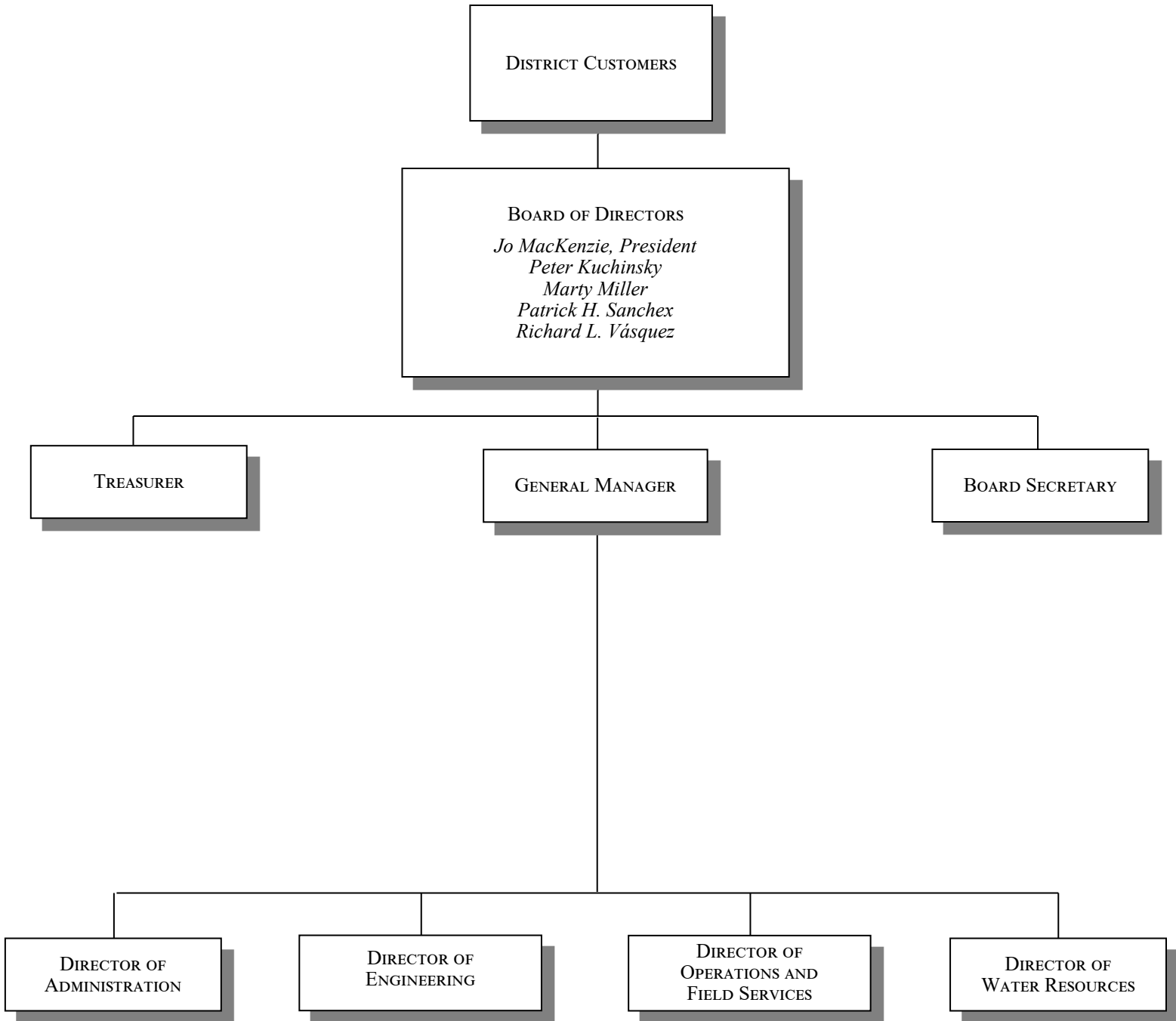
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Introductory Section



**Organization Chart
As of June 30, 2023**





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

Board of Directors

Jo MacKenzie, *President*
Peter Kuchinsky
Marty Miller
Patrick H. Sanchez
Richard L. Vásquez

Administrative Staff

Brett L. Hodgkiss
General Manager
Lisa R. Soto
Board Secretary

November 20, 2023

To the Board of Directors and customers served by the Vista Irrigation District:

We are pleased to present the Vista Irrigation District's (the District's) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The purpose of the report is to provide the Board of Directors, our customers, and any other interested parties with reliable financial information about the District.

The report was prepared by the District's Finance Department following guidelines set forth by the Governmental Accounting Standards Board (GASB) and generally accepted accounting principles (GAAP). Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including disclosures, rests with the District. We believe the data, as presented, is accurate in all material respects and that it is presented in a manner that provides a fair representation of the financial position and results of operations of the District. Included are all disclosures we believe necessary to enhance your understanding of the financial condition of the District. Internal controls are an important part of any financial reporting framework, and management of the District has established a comprehensive framework of internal controls to provide a reasonable basis for asserting that the financial statements are fairly presented. Because the cost of an internal control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Davis Farr LLP, a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's

financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Profile of the District

District's Service Area

The District's service area consists of a 33-square mile area in the northwestern quadrant of San Diego County that lies west of the Interstate 15 Freeway and east of the Interstate 5 Freeway, encompassing approximately 21,152 acres. Within the District's boundaries are the City of Vista; portions of the cities of San Marcos, Escondido and Oceanside; and unincorporated areas of the county. The District provides potable water to its service area.

District's Authority

Vista Irrigation District is a special district of the State of California organized in 1923 under the Irrigation District Act (Water Code §20500, et. Seq.) and authorizing statutes (Water Code §22975, et. Seq.) and approved by voters on August 28, 1923 which coincided with the building of Henshaw Dam in 1923 by the San Diego County Water Company. Completion of the dam made it possible for the Vista community to receive a reliable source of water, instead of relying on wells in the area. In June 1946, the District purchased the San Diego County Water Company. Included in the purchase was the 43,000-acre Warner Ranch, which includes Henshaw Dam and Lake Henshaw. In 1954, the District became a member of the San Diego County Water Authority (SDCWA) in order to receive water imported from the Colorado River and Northern California.

The State of California Water Code also authorizes the District to exercise the power of eminent domain; to fix, revise and collect rates or other charges for the delivery of water, use of facilities or property, or provision of service; and to fix in each fiscal year, a water standby or availability charge on land within the boundaries of the District to which water is made available by the District. The District may also issue bonds, borrow money and incur indebtedness.

Governance

The District's Board of Directors is comprised of five members elected by the citizens within their geographical area. Each Director serves a four year staggered term and must be a resident of the division he or she represents. The District operates under a Board-Manager form of government. The General Manager is appointed by the Board, and administers the daily affairs of the District and carries out policies of the Board of Directors. The District budgets a staff of 88 under the direction of the Board-appointed General Manager.

Water Services

The District serves more than 29,000 customers. Typically, 15 to 25 percent of the District's water comes from its local water supply, Lake Henshaw, and remainder comes from purchased water sources, including the Colorado River, desalinated seawater and the Sacramento River/San Joaquin River Delta in Northern California. In years when Lake

Henshaw is low, over 90 percent of the water delivered to customers would come from purchased water sources via SDCWA. The District currently delivers approximately 14,300 acre feet of water annually to its customers.

The water system operates over 429 miles of pipe, 12 storage reservoirs, and 7 pumping stations. The District jointly owns the Escondido-Vista water treatment plant with the City of Escondido. The Escondido-Vista water treatment plant has a permitted capacity of 75 million gallons per day and treats raw water before it is delivered to customers.

Local Economy

District Economic Results

The estimated population of the District is 130,583. According to the San Diego Association of Governments, the per capita personal income of residents in the City of Vista, which encompasses the majority of the District, was \$66,068 in 2022. From 2012 to 2022 the population increased 2.9%, and median household income (adjusted for inflation) increased by 79.6%.

The District's total service connections increased from 29,056 to 29,083 in Fiscal Year 2023. Water sales during that same period were 14,346 acre feet, down 2,098 acre feet or 12.1% from sales of 16,444 in Fiscal Year 2022. Of the 14,346 acre feet, or 4.7 billion gallons sold in Fiscal Year 2023, 72% was distributed for residential use, 12% for industrial and commercial use, 11% for landscape irrigation use, 4% for agricultural use and 1% for governmental use.

Bay-Delta Fix

The Bay-Delta, a 1,000 square mile network of islands and waterways at the confluence of the Sacramento and San Joaquin rivers east of San Francisco Bay, is a key water supply source for California, including the 3.1 million residents and business community in San Diego County.

Water supplies from the Bay-Delta come to San Diego County via the State Water Project. The Metropolitan Water District of Southern California (MWD) purchases the water from the state Department of Water Resources under a water supply contract. This water has become increasingly unreliable in recent years, as deteriorating ecological conditions have led to regulatory restrictions on pumping water supplies from the Bay-Delta. How much and when the District would begin paying for a Bay-Delta fix is undetermined at this time.

MWD Lawsuit

During 2021 and 2022, the SDCWA was successful in its decade-long rate case litigation against MWD and received payments for damages interest and legal fees from MWD totaling over \$91.1 million. The SDCWA Board of Directors distributed pro-rata shares to each of its member agencies. There were a total of four distributions made to each member

agency, two in each year; three of the distributions were based on each member agency's purchases of municipal and industrial (M&I) water from 2011 to 2014 and one distribution was based on each member agency's purchases of M&I water from 2015 through 2017.

Vista Irrigation District received its pro-rata share of the disbursements totaling \$3,183,170.62 during 2021 and 2022 (\$1,571,006 in February 2021; \$1,227,642.91 in November 2021; \$369,938.92 in June 2022; and \$14,582.44 in August 2022). The District's Board of Directors approved using the monies received to offset the financial impact of SDCWA rate increases beginning in April 2022 and continuing over a five-year period.

Long-Term Financial Planning

New facilities and system improvements are funded by water rates and service fees. Water rates and service fees are increased over time based on the long-range capital improvement plan to replace facilities. Expanded facilities are funded by developer fees and capacity charges.

Items in the long-range capital improvement plan are determined not only by the depreciation schedule, but through a process which assesses a combination of factors including age, condition and the critical nature of the facility. The long-range capital improvement plan spreads projects over several years to maintain a constant level of capital projects to maximize the efficiency of District resources. Funds collected or accumulated in years in which there are no new or expanded facilities are placed into the District's capital improvement reserve account. Funds in the capital improvement program reserve account are used to pay for construction projects in years that the costs of construction projects exceed the amount collected from water rates. Financing options may need to be considered and utilized should the cost of a large capital project exceed the amount available on a "pay-as-you-go" basis and/or in the capital improvement program reserve.

Major Initiatives

Mainline Replacement Program

In 1995, the District's Board of Directors initiated an on-going Main Replacement Program with the goal of replacing aging pipelines before they reach the end of their useful life and become a maintenance liability. Formalizing a Main Replacement Program has allowed pipe replacements to be prioritized based on the age of the line, leak history, and pipe material as well as factors related to site conditions. Another important factor is input from District crews, who evaluate the line's condition at the time repairs are being made.

Since its inception, the Board of Directors has allocated \$37.1 million to the program, which has allowed the replacement of nearly 40.03 miles of older pipe ranging in size from 4 to 20 inches.

Accomplishments

Financial Statement Awards and Acknowledgements

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

We would like to express our appreciation to the Finance Department staff and the independent accounting firm of Davis Farr LLP for the efforts made to prepare this report. We would also like to thank the members of the District's Board of Directors for their continued interest and support in all aspects of the District's financial management.

Respectfully submitted,



Brett Hodgkiss
General Manager



Shallako Goodrick, CPA
Director of Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Vista Irrigation District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



Financial Section

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Independent Auditor's Report

Board of Directors
Vista Irrigation District
Vista, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the Vista Irrigation District (the District), as of and for the year June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the District, as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described further in Note 9 to the financial statements, during the year ended June 30, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Accounting for Subscription Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, the Schedule of the Proportionate Share of the Plan's Net Pension Liability and Related Ratios, Schedule of Contributions – Pension Plan, Schedule of Changes in the Net OPEB Liability and Related ratios and Schedules of Contributions – OPEB* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the District’s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 18, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the *introductory section* and *statistical section* but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2023 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

DavisFarrLLP

Irvine, California
November 16, 2023

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**VISTA IRRIGATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Our discussion and analysis of the Vista Irrigation District’s financial performance provides an overview of the District’s financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the District’s financial statements, which begin on page 9. This annual financial report consists of two parts -- Management’s Discussion and Analysis (this section) and the Financial Statements.

Financial Statements

The District’s financial statements include four components:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to Financial Statements

The Statement of Net Position includes all of the District’s assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net Position is displayed in two categories:

- Investment in capital assets
- Unrestricted

The Statement of Net Position provides the basis for evaluating the capital structure of the District and assessing its liquidity and financial flexibility.

The Statement of Revenues, Expenses and Changes in Net Position presents information, which shows how the District’s net position changed during each year. All of the year’s revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The Statement of Revenues, Expenses and Changes in Net Position measures the success of the District’s operations during the year and determines whether the District has recovered its costs through user fees and other charges.

The Statement of Cash Flows provides information regarding the District’s cash receipts and cash disbursements during the year. This statement reports cash activity in four categories:

- Operating
- Noncapital financing
- Capital and related financing
- Investing

This statement differs from the Statement of Revenues, Expenses and Changes in Net Position by only accounting for transactions that result in cash receipts or cash disbursements.

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by accounting principles generally accepted in the United States of America that are not otherwise present in the financial statements.

Financial Highlights

- Overall, operating revenues increased 0.1%, while operating expenses increased by 47.3%.
- The District realized a \$16.7 million operating loss for fiscal year 2023 compared to a \$6.2 million operating gain in fiscal year 2022. The decrease is primarily the result of two significant cost increases:
 1. The District incurred \$19.5 million in expenses in the current fiscal year to underground a portion of the Escondido Canal pursuant to the San Luis Rey Indian Water Rights Settlement Agreement (Settlement Agreement), further discussed in Note 10 to the Financial Statements. For the same project, the District incurred \$2.4 million in expenses in fiscal year 2022.
 2. The District incurred \$5.3 million in pension expense in the current fiscal year, compared to \$2.9 million in pension income gain in the prior fiscal year. The prior year's income was due to the high performance of the pension investment portfolio. The pension investment portfolio was expected to reverse direction in the current fiscal year resulting in a large year-over-year difference resulting in a significantly higher expense.

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Financial Analysis of the District

Net Position - The District's overall net position decreased \$14.4 million between fiscal years 2022 and 2023, from \$139.6 to \$125.2 million, primarily due to an operating loss of \$16.7 million, offset by \$1.3 million in investment income. The investment in capital assets increased \$7.0 million in 2023, which reflect the excess of net capital additions over the current year depreciation and dispositions.

Vista Irrigation District's Net Position
(In Millions of Dollars)

	<u>2023</u>	<u>2022</u>
Current assets	\$ 39.9	\$ 59.9
Capital assets	118.0	111.0
Other noncurrent assets	<u>2.7</u>	<u>4.1</u>
Total Assets	<u>160.6</u>	<u>175.0</u>
Deferred outflows of resources	<u>14.6</u>	<u>5.3</u>
Current liabilities	17.2	17.0
Noncurrent liabilities	<u>26.6</u>	<u>10.6</u>
Total Liabilities	<u>43.8</u>	<u>27.6</u>
Deferred inflows of resources	<u>6.2</u>	<u>13.1</u>
Net Position:		
Investment in capital assets	118.0	111.0
Unrestricted	<u>7.2</u>	<u>28.6</u>
Total Net Position	<u>\$ 125.2</u>	<u>\$ 139.6</u>

**VISTA IRRIGATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Change in Net Position – In fiscal year 2023, the District's operating revenues increased by 0.1% to \$55.1 million; 96.0% of operating revenues came from water sales and service charge revenues.

During fiscal year 2023, the District's operating expenses increased 47.3% to \$71.8 million primarily due to increased expenses related to undergrounding for the Escondido Canal, pursuant to the Settlement Agreement, along with higher pension expense.

Vista Irrigation District's Changes in Net Position
(In Millions of Dollars)

	<u>2023</u>	<u>2022</u>
Operating Revenues		
Water sales, net	\$ 52.9	\$ 53.4
System fees	0.9	0.3
Property rentals	0.9	0.9
Other services	0.4	0.3
Total Operating Revenues	<u>55.1</u>	<u>54.9</u>
Operating Expenses	<u>71.8</u>	<u>48.7</u>
Operating Income (Loss)	<u>(16.7)</u>	<u>6.2</u>
Nonoperating Revenues (Expenses)		
Investment income (loss)	1.3	(0.1)
Property taxes	0.7	0.6
Loss on disposal of capital assets	-	(1.7)
Total Nonoperating Revenues (Expenses)	<u>2.0</u>	<u>(1.2)</u>
Contributed Capital	<u>0.3</u>	<u>0.9</u>
Changes in Net Position	(14.4)	5.9
Total Net Position - beginning	<u>139.6</u>	<u>133.7</u>
Total Net Position - ending	<u>\$ 125.2</u>	<u>\$ 139.6</u>

**VISTA IRRIGATION DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

Capital Assets

At June 30, 2023, the District had invested \$219.0 million in capital assets with \$101.0 million in accumulated depreciation. Net capital assets increased \$7.0 million as a result of capital acquisitions exceeding the annual depreciation and dispositions. During the year, the District added \$10.7 million of capital assets. The largest capital additions were \$5.9 million for reservoir rehabilitation, \$3.3 million in costs for several mainline replacement projects, and \$0.6 million for a flume replacement alignment study/repair. This year’s capital reductions included the disposal of pipelines and the flume roof repair for a total cost of \$90 thousand in disposals. Depreciation for the year was \$3.7 million.

**Vista Irrigation District’s Capital Assets, Net
(In Millions of Dollars)**

	<u>2023</u>	<u>2022</u>
Land, franchises and water rights	\$ 5.4	\$ 5.4
Buildings, canals, pipelines, reservoirs and dams	98.1	95.7
Equipment	2.6	2.6
Henshaw pumping project	0.2	0.2
Construction in progress	<u>11.7</u>	<u>7.1</u>
Total Capital Assets, Net	<u><u>\$ 118.0</u></u>	<u><u>\$ 111.0</u></u>

For more detailed information on capital asset activity, please refer to “Note 4 – Capital Assets” in the notes to the financial statements.

Long-term Debt

At June 30, 2023, the District had no debt and has no immediate need to issue debt.

Contacting the District’s Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for and the stewardship of the financial resources and facilities it manages and maintains. If you have questions about this report or need additional financial information, contact the Vista Irrigation District’s Finance Department at 1391 Engineer Street, Vista, California 92081.

**VISTA IRRIGATION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023
(with prior year comparative data)**

	2023	2022
Assets		
Current Assets:		
Cash and cash equivalents (note 2)	\$ 15,882,480	\$ 29,697,941
Investments (note 2)	13,295,831	19,271,410
Accounts receivable, net (note 3)	8,916,882	9,238,601
Lease receivable, short-term (note 8)	402,864	454,849
Taxes receivable	42,090	42,669
Accrued interest receivable	28,071	27,408
Other receivable	130,362	112,209
Inventories of materials and supplies	843,232	723,669
Prepaid expenses and other current assets	372,873	309,384
Total Current Assets	39,914,685	59,878,140
Noncurrent Assets:		
Capital assets: (note 4)		
Depreciable assets, net of accumulated depreciation:		
Buildings, canals, pipelines, reservoirs and dams	98,080,277	95,658,312
Equipment	2,579,067	2,584,834
Henshaw pumping project	168,691	210,788
IT subscription asset (note 9)	50,075	-
Nondepreciable assets:		
Land, franchises and water rights	5,453,295	5,453,295
Construction in progress	11,675,340	7,125,220
Total capital assets	118,006,745	111,032,449
Net OPEB asset (note 7)	49,666	1,178,104
Lease receivable, long-term (note 8)	2,603,669	2,892,144
Total Noncurrent Assets	120,660,080	115,102,697
Total Assets	160,574,765	174,980,837
Deferred Outflows of Resources		
Pension related (note 6)	14,141,886	5,207,549
Other post-employment benefits (OPEB) related (note 7)	514,889	162,991
Total Deferred Outflows of Resources	14,656,775	5,370,540

The accompanying notes are an integral part of the financial statements.

(Continued)

**VISTA IRRIGATION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023
(with prior year comparative data)**

	2023	2022
Liabilities		
Current Liabilities:		
Accounts payable	\$ 11,005,199	\$ 13,694,981
Deposits	1,114,738	494,330
Compensated absences, short-term (note 1)	435,864	461,017
Accrued expenses and other liabilities, short term (note 5)	4,584,349	2,392,259
IT subscription liability, short-term (note 9)	50,668	-
Total Current Liabilities	17,190,818	17,042,587
Noncurrent Liabilities:		
Compensated absences, long-term (note 1)	1,090,240	1,193,370
Accrued expenses and other liabilities, long-term (note 5)	1,803,616	2,445,805
Net pension liability (note 6)	23,743,555	6,936,401
Total Noncurrent Liabilities	26,637,411	10,575,576
Total Liabilities	43,828,229	27,618,163
Deferred Inflows of Resources		
Pension related (note 6)	2,726,630	8,230,655
OPEB related (note 7)	739,288	1,656,363
Lease related (note 8)	2,766,576	3,176,944
Total Deferred Inflows of Resources	6,232,494	13,063,962
Net Position		
Net investment in capital assets	117,956,077	111,032,449
Unrestricted	7,214,740	28,636,803
Total Net Position	\$ 125,170,817	\$ 139,669,252

The accompanying notes are an integral part of the financial statements.

VISTA IRRIGATION DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023
(with prior year comparative data)

	2023	2022
Operating Revenues		
Water sales, net (note 3)	\$ 52,858,157	\$ 53,384,918
System fees	921,233	353,720
Property rentals	913,042	903,963
Other services	370,786	352,059
Total Operating Revenues	55,063,218	54,994,660
 Operating Expenses		
Purchased water	25,009,400	27,362,036
Contractual services	24,152,930	7,034,273
Wages and benefits	16,723,300	8,510,447
Depreciation and amortization	3,702,966	3,582,582
Supplies	2,146,360	1,717,651
Power	623,560	707,904
Office and general	533,828	440,896
Insurance	360,513	255,617
Professional fees	359,041	420,146
Communications	58,823	50,340
Burden allocation	(1,863,755)	(1,339,074)
Total Operating Expenses	71,806,966	48,742,818
 Operating Income (Loss)	(16,743,748)	6,251,842
 Nonoperating Revenues (Expenses)		
Investment income (loss)	1,321,865	(85,371)
Property taxes	662,402	573,205
Other nonoperating revenues	-	4,494
Loss on disposal of capital assets	(621)	(1,739,448)
Interest expense (note 9)	(2,403)	-
Total Nonoperating Revenues (Expenses)	1,981,243	(1,247,120)
 Income (Loss) Before Contributed Capital	(14,762,505)	5,004,722
Contributed Capital	264,070	905,140
Change in Net Position	(14,498,435)	5,909,862
 Total Net Position - beginning	139,669,252	133,759,390
Total Net Position - ending	\$ 125,170,817	\$ 139,669,252

The accompanying notes are an integral part of the financial statements.

**VISTA IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(with prior year comparative data)**

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities		
Receipts from customers	\$ 55,015,618	\$ 54,516,560
Payments to suppliers	(58,793,959)	(39,788,502)
Payments to employees	(8,496,914)	(8,327,791)
Collection of deposits	1,224,574	620,489
Return of deposits	(604,166)	(643,270)
MWD rebate proceeds	14,582	1,597,582
Net Cash Provided (Used) by Operating Activities	<u>(11,640,265)</u>	<u>7,975,068</u>
Cash Flows From Noncapital Financing Activities		
Receipts from property taxes	<u>660,577</u>	<u>567,930</u>
Net Cash Provided by Noncapital Financing Activities	<u>660,577</u>	<u>567,930</u>
Cash Flows From Capital and Related Financing Activities		
Proceeds from disposal of capital assets	4,175	35,393
Acquisition and construction of capital assets	(10,417,987)	(6,269,821)
Proceeds from property leases	<u>281,258</u>	<u>193,169</u>
Net Cash Used by Capital and Related Financing	<u>(10,132,554)</u>	<u>(6,041,259)</u>
Cash Flows From Investing Activities		
Proceeds from maturities of investments	19,500,000	19,500,000
Interest on cash and investments	835,048	(51,969)
Purchase of investments	<u>(13,038,267)</u>	<u>(19,326,114)</u>
Net Cash Provided by Investing Activities	<u>7,296,781</u>	<u>121,917</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(13,815,461)	2,623,656
Cash and Cash Equivalents - beginning	<u>29,697,941</u>	<u>27,074,285</u>
Cash and Cash Equivalents - ending	<u>\$ 15,882,480</u>	<u>\$ 29,697,941</u>

The accompanying notes are an integral part of the financial statements.

(Continued)

**VISTA IRRIGATION DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(with prior year comparative data)**

	<u>2023</u>	<u>2022</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income (loss)	\$ (16,743,748)	\$ 6,251,842
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	3,702,966	3,582,582
Other nonoperating expenses	(336,584)	(358,728)
 Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:		
Accounts receivable, net	321,719	(230,172)
Other receivable	(18,153)	15,121
Inventories of materials and supplies	(119,563)	(87,365)
Prepaid expenses and other assets	(63,489)	5,613
Net OPEB asset	1,128,438	(1,178,104)
Deferred outflows of resources	(9,286,235)	601,393
Accounts payable	(2,689,782)	3,490,440
Deposits	620,408	(22,781)
Accrued expenses and other liabilities	1,585,988	1,221,394
Compensated absences	(128,284)	228,542
Net pension liability	16,807,154	(11,864,268)
Net OPEB liability	-	(1,155,368)
Deferred inflows of resources	(6,421,100)	7,474,927
Net Cash Provided (Used) by Operating Activities	<u>\$ (11,640,265)</u>	<u>\$ 7,975,068</u>
 Noncash Investing, Capital and Financing Activities		
Contributed capital assets	\$ 264,070	\$ 905,140
Change in fair value of investments	\$ 486,155	\$ (49,266)

The accompanying notes are an integral part of the financial statements.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies

Description of the Reporting Entity

Vista Irrigation District (District) is a public entity established in 1923, pursuant to the Irrigation District Act of the California Water Code, for the purpose of providing water services to the properties in the District. The District's service area lies within the northwestern quadrant of San Diego County, encompassing approximately 21,078 acres. Historically, the District has received between 15% to 25% of its water supply from Lake Henshaw which, along with the surrounding 43,000 acre Warner Ranch, is owned and operated by the District. The remainder of the District's supply comes from Northern California through the State Water Project and from the Colorado River. These sources are conveyed to the District via aqueducts owned and operated by water wholesalers, the Metropolitan Water District of Southern California and the San Diego County Water Authority. The District is governed by a Board of Directors consisting of five directors elected by geographical divisions, based on District population, for four-year alternating terms.

The criteria used in determining the scope of the reporting entity are based on the provisions of the Governmental Accounting Standards Board (GASB). The District is the primary government unit and currently has no component units. Component units are those entities which are financially accountable to the primary government, either because the District appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the District.

Basic Financial Statements

The basic financial statements are comprised of the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, the Statement of Cash Flows and the Notes to the Basic Financial Statements.

Basis of Presentation

The accounts of the District are reported as an enterprise fund. An enterprise fund is a Proprietary type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Under the economic measurement focus all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect: the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, all investment instruments are considered to be cash equivalents if purchased with a maturity of three months or less and are readily convertible to known cash amounts.

Investments

Investments are reported at fair value in the Statement of Net Position. All investment income, including changes in the fair value of investments, is recognized as revenues in the Statement of Revenues, Expenses, and Changes in Net Position. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

Accounts Receivable

Accounts receivable includes both billed and unbilled water sales provided to District customers. An allowance for doubtful accounts is provided for uncollectible accounts based on the District’s bad debt experience and on management’s estimate.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Inventories of Materials and Supplies

Inventories of materials and supplies consist primarily of materials used in the construction and maintenance of the water system and are valued at average cost.

Prepaid Expenses

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

Capital Assets and Depreciation

The District records at cost the acquisition of capital assets greater than \$20,000 and with a useful life of 3 or more years. Contributed assets are recorded at their acquisition value at the date of acceptance by the District. Self-constructed assets are recorded in the amount of labor, material, and overhead incurred. Depreciation is charged to expense and is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

	<u>Useful Life</u>
Buildings, canals, pipelines, reservoirs and dams	15 - 80 years
Equipment	3 - 25 years
Henshaw pumping project	10 - 20 years
IT subscription asset	The estimated life of the leased asset or the contract term, whichever is shorter

Burden Allocation

The District allocates overhead burden costs to pipeline installation jobs, inspection work, fixed fee jobs, damage claims, and other small jobs. The overhead burden costs include management salaries, benefits, use of equipment, warehousing, and handling.

Vacation, Sick Leave, and Compensatory Time Off

The District records a liability equal to 100% of vacation earned and compensatory time off, and an applicable percentage of sick leave available to employees at year end (25%-100%), which is included in compensated absences, current and long-term portions. At June 30, 2023, compensated absences, current portion was \$435,864, and long-term portion was \$1,090,240.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Pension Plans

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the California Public Employees Retirement System (CalPERS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability (asset) and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the District's OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The District has pension-related and other postemployment benefits-related items in this category.

Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until then. The District has pension-related, other postemployment benefits-related, and lease-related items in this category.

Leases

The District is a lessor for various noncancellable leases of land for cell towers and other third parties. The District recognizes a lease receivable and a deferred inflow of resources in the Statement of Net Position.

At the commencement of the lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. During the term of the lease, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease start date. The deferred inflow of resources is recognized as lease revenue over the life of the lease term.

Estimates and judgements are made by the District to determine (1) the discount rate to use to discount the expected lease receipts to present value, (2) the term of the lease, and (3) lease receipts.

The District uses an average imputed interest rate for borrowing as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if changes occur that are expected to significantly affect the amount of the lease receivable.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Subscription-Based Information Technology (IT) Arrangements

The District is a participant in subscription-based IT arrangements as detailed in Note 9. The District recognizes a subscription-based IT payable and a right-to-use IT asset in the financial statements.

At the commencement of the arrangement, the District initially measures the payable at the present value of payments expected to be paid during the arrangement term. Subsequently, the payable is reduced by the principal portion of payments made. The right-to-use assets are initially measured at the initial amount of the subscription-based payable. Subsequently, the right-to-use assets are amortized over the life of the arrangement term.

Operating Revenues and Expenses

Operating activities generally result from providing services and producing and delivering goods. As such, the District considers fees received from water sales, capacity fees, connection and installation fees and property rentals to be operating revenues. The collection of deposits and return of deposits related to operating activities are reported in the District's cash flows from operating activities. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The collection of deposits and return of deposits related to the specific purpose of deferring the cost of acquiring, constructing or improving assets are reported in the District's cash flows from capital and related financing activities.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Net Position

In the Statement of Net Position, net position is classified in the following categories:

- Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
- Restricted net position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.
- Unrestricted net position - This amount is all net position that does not meet the definition of “investment in capital assets” or “restricted net position”.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the Statement of Net Position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District’s practice to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Property Taxes

Property taxes are attached as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due in two installments. The first installment is due on November 1, and is payable through December 10 without penalty. The second installment is due February 1, and becomes delinquent on April 10. Property taxes are remitted to the District from the County of San Diego at various times throughout the year.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; and natural disasters. To help mitigate this risk, the District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The Authority is a risk-pooling self-insurance authority, created under provisions of California Government Code Sections 6500 et. seq. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

The District participates in the following self-insurance programs of the Authority:

Property Loss - Insured up to \$500,000,000 per occurrence, except boiler & machinery \$100,000,000 per occurrence, earthquake \$2,500,000 program aggregate, and flood \$25,000,000 (total insurable value \$36,678,397). Deductibles are as follows: \$5,000 for buildings, personal property, mobile equipment, licensed vehicles/trailers; \$25,000 for boiler & machinery, except \$50,000 if turbine or power generation equipment; 5% of TIV for earthquake; and \$100,000 for flood. The Authority is self-insured up to \$10,000,000 per occurrence and excess insurance coverage has been purchased.

General, Auto & Public Officials Errors & Omissions Liability - Insured up to \$55,000,000 per occurrence, except terrorism \$5,000,000, communicable disease \$10,000,000, PFAS \$10,000,000, subsidence \$45,000,000, lead \$45,000,000, and mold \$45,000,000, with no deductible; the Authority is self-insured up to \$5,000,000 and excess insurance coverage has been purchased.

Crime - Insured up to \$100,000 per occurrence with \$1,000 deductible; the Authority is self-insured.

Cyber Liability - Insured up to \$2,000,000 per member/\$5,000,000 aggregate with up to \$100,000 deductible depending on total insurable values.

Workers' Compensation (WC) and Employer's Liability (EL) - Insured up to statutory limits per occurrence for WC and up to \$4,000,000 for EL. The Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased.

Dam Failure Liability - up to \$4,000,000 per occurrence; the District's self-insured retention is \$1,000,000 and excess coverage has been purchased.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Risk Management (Continued)

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims experience. The nature and amounts of these adjustments cannot be estimated and are charged to expense as invoiced. There were no instances in the past three years where a settlement exceeded the District's coverage.

Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's prior year financial statements, from which this selected financial data was derived. In addition, certain minor reclassifications of the prior year data have been made to enhance their comparability to the current year.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Cash and Investments

The following is a detail of cash and cash equivalents as of June 30, 2023:

Cash on hand	\$	6,360
Deposits		1,216,671
Local Agency Investment Fund (LAIF)		4,901,219
California Asset Management Program		9,758,230
Total cash and cash equivalents	\$	<u>15,882,480</u>

As of June 30, 2023, the District had the following investments:

Investment	Maturity	
LAIF	less than 12 months	\$ 4,901,219
California Asset Management Program	less than 12 months	9,758,230
Total cash equivalents		<u>\$ 14,659,449</u>
U.S. Treasury bills	5 months weighted average	\$ 13,295,831
Total Investments		<u>\$ 13,295,831</u>

Authorized deposits and investments of the District are governed by the California Government Code as well as policies set forth by the District’s Board of Directors. Within the contents of these limitations, permissible instruments include FDIC-insured institutions’ certificates of deposit and savings accounts, corporate medium-term notes, U.S. government agency/instrumentalities, money market instruments, money market mutual funds, mortgage backed securities, U.S. government bills, notes and bonds, and asset backed securities. Funds may also be invested in the local government investment pools.

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based upon the District’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Cash and Investments (Continued)

The District is a voluntary participant in the California Asset Management Program (CAMP), an investment pool managed by Public Financial Management, Inc. CAMP was established under provisions of the California Joint Exercise of Powers Act. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio).

Interest Rate Risk. In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting investment maturities to five years. Express authority is granted to invest in investments with term to maturity of greater than five years with a maximum term of ten years, provided the investments are in accordance with stated policy and total investments shall not exceed the amount of long term liabilities outstanding. Investments exceeding five years will be matched with a corresponding liability.

Credit Risk. State law and District policy limits investments in money market funds to the top ratings issued by nationally recognized statistical rating organizations. The District's investment in the California Asset Management Program was rated AAAM by Standard & Poor's Corporation. The District's investment in the California State Treasurer's investment pool (LAIF) was unrated. U.S. Treasury bills are exempt from rating disclosures.

Concentration of Credit Risk. The District manages the concentration of credit risk by limiting local government investment pools and money market funds to a maximum of 40% and 20%, respectively, of the District's total available investment capital as outlined in the District investment policy. Furthermore, no more than 10% of the District's available investment capital can be invested in a single money market fund.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. All deposits are entirely insured or collateralized. State law requires banks to secure the District's deposits by pledging government securities valued at 110% of the amount of the deposit as collateral. The District may waive the collateral requirement for deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC). Beginning on January 1, 2013, combined deposits are insured by the FDIC up to \$250,000. As of June 30, 2023, the District's bank balances were \$931,747, of which \$250,000 were insured and the remaining \$681,747 were collateralized with securities held by the pledging institution's trust department.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 2 - Cash and Investments (Continued)

Fair Value Measurements

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted market prices for similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2023:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Fixed Income Securities:				
Treasury Bills	\$ -	\$ 13,295,831	\$ -	\$ 13,295,831
Total Leveled Investments	<u>\$ -</u>	<u>\$ 13,295,831</u>	<u>\$ -</u>	<u>13,295,831</u>
LAIF*				4,901,219
California Asset Management Program*				<u>9,758,230</u>
 Total Investment Portfolio				 <u>\$ 27,955,280</u>

*Not subject to fair value measurement.

Note 3 - Accounts Receivable, Net

As of June 30, 2023, the net balance was comprised of accounts receivable balances of \$9,234,514 less the allowances for doubtful accounts of \$317,632.

On the Statement of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2023, the balance of water sales, net of uncollectible accounts expense, was comprised of water sales revenue of \$52,886,240 less uncollectible amounts of \$28,083.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 4 - Capital Assets

Capital assets consist of the following at June 30, 2023:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land, franchises, and water rights	\$ 5,453,295	\$ -	\$ -	\$ 5,453,295
Construction in progress	7,125,220	9,902,071	(5,351,951)	11,675,340
Total capital assets not being depreciated	<u>12,578,515</u>	<u>9,902,071</u>	<u>(5,351,951)</u>	<u>17,128,635</u>
Capital assets being depreciated/amortized:				
Buildings, canals, pipelines, reservoirs and dams	185,642,931	5,594,465	(89,914)	191,147,482
Equipment	7,058,217	437,322	-	7,495,539
Henshaw pumping project	3,111,870	-	-	3,111,870
IT subscription asset	-	100,150	-	100,150
Total capital assets being depreciated/amortized	<u>195,813,018</u>	<u>6,131,937</u>	<u>(89,914)</u>	<u>201,855,041</u>
Less accumulated depreciation/amortization for:				
Buildings, canals, pipelines, reservoirs and dams	(89,984,619)	(3,167,705)	85,119	(93,067,205)
Equipment	(4,473,383)	(443,089)	-	(4,916,472)
Henshaw pumping project	(2,901,082)	(42,097)	-	(2,943,179)
IT subscription asset	-	(50,075)	-	(50,075)
Total accumulated depreciation/amortization	<u>(97,359,084)</u>	<u>(3,702,966)</u>	<u>85,119</u>	<u>(100,976,931)</u>
Total capital assets being depreciated/amortized, net	<u>98,453,934</u>	<u>2,428,971</u>	<u>(4,795)</u>	<u>100,878,110</u>
Total capital assets, net	<u>\$ 111,032,449</u>	<u>\$ 12,331,042</u>	<u>\$ (5,356,746)</u>	<u>\$ 118,006,745</u>

Note 5 – Accrued Expenses and Other Liabilities

Beginning in March 2021 through August 2022, the District received \$3,183,171 from the San Diego County Water Authority (Water Authority), as their pro-rata share of a rebate from a case litigation between the Water Authority and the Metropolitan Water District of Southern California, and was recorded to income as non-operating. The District determined the funds do not belong to the District but rather to the rate payers. The rebate is being returned to the rate payers, as a reduction to rates, over five years beginning in April 2022. A non-operating expense and a liability to the rate payers was recognized. Amortization of the case rebate liability in the amount of \$583,762 was recorded for the current fiscal year. The net liability balance of \$2,459,476 for the case rebate is recorded in Accrued Expenses and Other Liabilities under current and noncurrent portions.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan

A. General Information about the Pension Plan

Plan Description

The Plan is a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not account purposes), and membership information is listed in the Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. The actuarial valuation report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

The Plan's provisions and benefits in effect at measurement date June 30, 2022 are summarized as follows:

	Miscellaneous Plan		
	Tier 1	Tier 2	PEPRA
Hire date	prior to 1/1/2012	from 1/1/12 to 12/31/12	on or after 1/1/13
Benefit formula	3% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	1.092% - 2.418%	1.0% to 2.5%
Required employee contribution rates	4.5%	7.0%	6.25%
Required employer contribution rates			
Normal cost rate	19.65%	8.65%	7.59%
Payment of unfunded liability	\$1,477,427	\$4,712	\$8,498

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. District contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability

The District's net pension liability was measured as of June 30, 2022 using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement periods ended June 30, 2022, the total pension liability was determined by actuarial valuations as of June 30, 2021, with update procedures used to roll forward the total pension liability. The total pension liability for the Plan was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	(1)
Mortality Rate Table	(2)
Post Retirement Benefit Increase	(3)

(1) Annual increases vary by category, entry age, and duration of service.

(2) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

(3) The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% thereafter.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability (Continued)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach.

The expected real rates of return by asset class at measurement date June 30, 2022 are as follows:

<u>Asset Class (a)</u>	<u>Assumed Asset Allocation</u>	<u>Real Return (a)(b)</u>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)
Total	<u>100.00%</u>	

(a) An expected inflation of 2.30% used for this period.

(b) Figures are based on the 2021 Asset Liability Management study.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

C. Proportionate Share of Net Pension Liability

The following table shows the Plan’s proportionate share of the net pension liability over the measurement period.

Miscellaneous Plan:

	Increase (Decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2021 (VD)	\$ 106,932,363	\$ 99,995,962	\$ 6,936,401
Balance at: 6/30/2022 (MD)	\$ 112,639,852	\$ 88,896,297	\$ 23,743,555
Net Changes during 2021-22	\$ 5,707,489	\$ (11,099,665)	\$ 16,807,154

Valuation Date (VD), Measurement Date (MD).

The District’s proportionate share of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The change in the District’s proportionate share of the collective net pension liability was as follows:

Proportionate Share - June 30, 2021	<u>0.36530%</u>
Proportionate Share - June 30, 2022	<u>0.50742%</u>
Change - Increase (Decrease)	<u><u>0.14212%</u></u>

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

C. Proportionate Share of Net Pension Liability (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability of the Plan as of the June 30, 2022 measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Miscellaneous Plan's Net Pension Liability - 2022	\$ 39,098,396	\$ 23,743,555	\$ 11,110,329

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the fiscal year ending June 30, 2023, the District incurred pension expense of \$5,321,333 for the Plan.

As of June 30, 2023, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,952,541	\$ -
Differences between expected and actual experience	476,817	319,351
Changes in assumptions	2,433,023	-
Net difference between projected and actual earnings on pension plan investments	4,349,188	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	2,407,279
Changes in employer's proportion	3,930,317	-
Total	\$ 14,141,886	\$ 2,726,630

\$2,952,541 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense (income) as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources, Net
2024	\$ 2,284,703
2025	2,196,702
2026	1,321,199
2027	2,660,112
2028	-
Thereafter	-
	\$ 8,462,716

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 6 - Defined Benefit Pension Plan (Continued)

E. Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for the fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Note 7 – OPEB Plan

Plan Description

The District provides post-retirement medical benefits to retirees through the Association of California Water Agencies (ACWA) health program and managed through the California Employers' Retiree Benefit Trust (CERBT).

The plan is an agent multiple-employer defined benefit healthcare plan that provides retiree medical benefits to eligible retirees and spouses. The plan pays 100% of the cost (premiums) for benefits. To be eligible for retiree health benefits, an employee must retire under CalPERS on or after age 50 with at least 15 years (10 years for at-will employees) of service with the District. Coverage is available to the retiree and the spouse for a combined maximum of 15 years (20 years for at-will employees). The maximum coverage period for the retiree is 10 years and the spouse can be covered for up to the same number of years as the retiree subject to the combined maximum. Employees hired on or after January 1, 2012 are not eligible to continue health benefits at retirement. A separate financial report is not prepared for the plan.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 7 – OPEB Plan (Continued)

Employees Covered

As of the June 30, 2022 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Inactive employees or beneficiaries currently receiving benefits	28
Active employees	<u>45</u>
Total	<u><u>73</u></u>

Contributions

The Plan and its contribution requirements are established by District policy and may be amended by the Board of Directors. The annual contribution is based on the actuarially determined contribution. For the measurement date ended June 30, 2022, the District’s contribution was \$94,500.

Net OPEB Liability (Asset)

The District’s net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability (asset) used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2021 and rolled forward to June 30, 2022. A summary of the principal assumptions and methods used to determine the total OPEB liability (asset) is shown below.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 7 – OPEB Plan (Continued)

Actuarial Assumptions

The total OPEB liability (asset) in the June 30, 2021 actuarial valuations was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.50%
Projected Salary Increase	2.75% per annum, in aggregate
Expected long term investment rate of return	6.75%
Healthcare Cost Trend Rates	4.0% HMO/4.0% PPO
Pre-retirement Turnover	Derived from termination rates under the CalPERS pension plan
Mortality	Derived from CalPERS pension plan updated to reflect most recent experience study

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation at measurement date June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
CERBT		
All Equities	59.00%	7.55%
All Fixed Income	25.00%	4.25%
REITs	8.00%	7.25%
All Commodities	3.00%	7.55%
Treasury Inflation Protected Securities (TIPS)	5.00%	3.00%
Total	<u>100.00%</u>	

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 7 – OPEB Plan (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability (asset) was 6.75%. The projection of cash flows used to determine the discount rate assumed that District’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset).

Changes in the Net OPEB Liability (Asset)

The changes in the net OPEB liability (asset) during measurement period June 30, 2022 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2021	\$ 4,818,965	\$ 5,997,069	\$ (1,178,104)
Changes in the Year:			
Service cost	110,070	-	110,070
Interest on the total OPEB liability	312,159	-	312,159
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	94,500	(94,500)
Net investment income (loss)	-	(753,633)	753,633
Administrative expenses	-	(1,484)	1,484
Experience (gains)/losses	45,592	-	45,592
Benefit payments	(544,444)	(544,444)	-
Net Changes	<u>(76,623)</u>	<u>(1,205,061)</u>	<u>1,128,438</u>
Balance at June 30, 2022	<u><u>\$ 4,742,342</u></u>	<u><u>\$ 4,792,008</u></u>	<u><u>\$ (49,666)</u></u>

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 7 – OPEB Plan (Continued)

Change of Assumptions

The inflation assumption was 2.5% for the valuation completed June 30, 2021, and rolled forward to June 30, 2022.

Change of Benefit Terms

There were no changes in benefit terms.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the District as of the June 30, 2022 measurement date, as well as what the District’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability (Asset)	\$ 222,428	\$ (49,666)	\$ (300,657)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Health-Care Cost Trend Rates

The following presents the net OPEB liability (asset) of the District as of the June 30, 2022 measurement date, as well as what the District’s net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease (3.00% HMO/ 3.00% PPO)	Current Healthcare Cost Trend Rates (4.00% HMO/ 4.00% PPO)	1% Increase (5.00% HMO/ 5.00% PPO)
Net OPEB Liability (Asset)	\$ (421,708)	\$ (49,666)	\$ 371,625

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 7 – OPEB Plan (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the District recognized OPEB income of \$(45,962).

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 94,573	\$ -
Differences between actual and expected experience	37,302	523,761
Change in assumptions	-	215,527
Differences between projected and actual earnings	383,014	-
Total	\$ 514,889	\$ 739,288

\$94,573 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense (income) as follows:

Fiscal Year Ending June 30:	Amount
2024	\$ (135,709)
2025	(144,582)
2026	(183,666)
2027	140,843
2028	4,142
Thereafter	-

Payable to the OPEB Plan

At June 30, 2023, the District had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2023.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 8 – Leases

Lease Receivable

The District leases land to various third parties on a noncancellable basis. These leases range in terms from up to twenty-three years as of the beginning of the current fiscal year. Leases which have monthly payments, range from \$1,241 to \$4,836 per month, and certain other lease payments are received twice a year or on an annual basis, ranging from \$14,400 to \$80,000 per year. The District recognized \$427,714 in lease revenue and \$73,927 in interest revenue during the current fiscal year related to these leases. As of June 30, 2023, the District's short-term lease receivable of \$402,864 was comprised of \$303,702 in noncancellable leases and \$99,162 in cancellable leases. Long-term lease receivable was \$2,603,669. Also, the District has a deferred inflow of resources associated with these leases of \$2,766,576 at June 30, 2023, that will be recognized as lease revenue over the lease terms.

Note 9 – Subscription-Based Information Technology Arrangements

Microsoft Enterprise Agreement (EA)

On June 1, 2022, the District entered into a 36-month subscription for the use of Microsoft EA. An initial subscription liability was recorded in the amount of \$100,150. As of June 30, 2023, the value of the subscription liability is \$50,668. The District is required to make annual fixed payments of \$51,885. The subscription has an imputed interest rate of 2.4%. The value of the right-to-use asset as of June 30, 2023 of \$100,150 with accumulated amortization of \$50,075 is included in Note 4 with right-to-use IT assets. The final payment of \$51,885 is due in June 2024, and will be comprised of \$1,216 in interest and \$50,669 in principal.

**VISTA IRRIGATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Note 10 - Commitments and Contingencies

Commitments

On May 17, 2017 the District settled its long-standing water rights lawsuit with various Indian bands. Per the terms of the Settlement Agreement, the District and the City of Escondido are responsible for all costs associated with maintaining and operating the local water system, as well as the cost of undergrounding a portion of a the Escondido Canal on the San Pasqual Indian Reservation which was required to be completed in May 17, 2023. The cost of the San Pasqual Undergrounding Project (SPUP) will be divided equally between the District and the City of Escondido. During fiscal year 2023, the SPUP was completed, and the District incurred \$19.5 million in expenses related to the SPUP, which included a \$2.1 million accrual for estimated remaining costs incurred but not yet invoiced to the District.

At June 30, 2023, the District has the following outstanding contract balances on two large projects:

- (1) \$2.7 million in construction contractor expenses for a reservoir replacement and pump station project.
- (2) \$1.0 million in engineering consulting costs for a flume replacement alignment study.

The District has been named as defendant in various other legal actions. In the opinion of management and legal counsel, it is too early to determine the outcome and effect on the District's financial position.

Note 11 – Implementation of New Accounting Standard

As described in Note 9, the District changed accounting policies related to IT subscription payments by adopting GASB 96, *Subscription-Based Information Technology Arrangements*, in fiscal year 2023. The District did not restate prior year balances, as it was not practicable to do so.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

Schedule of the Proportionate Share of the Plan's Net Pension Liability and Related Ratios

Last 10 Fiscal Years*

	Measurement Date									
	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014*	
Plan's Proportion of the Net Pension Liability ¹	0.20556%	0.12825%	0.17279%	0.16305%	0.15349%	0.15753%	0.14938%	0.22908%	0.21738%	
Plan's Proportionate Share of the Net Pension Liability	\$ 23,743,555	\$ 6,936,401	\$ 18,800,668	\$ 16,707,460	\$ 14,791,100	\$ 15,622,668	\$ 12,926,266	\$ 15,723,785	\$ 13,526,753	
Plan's Covered Payroll ²	\$ 8,325,495	\$ 8,208,274	\$ 8,272,132	\$ 8,034,376	\$ 7,982,625	\$ 7,576,845	\$ 7,601,853	\$ 7,473,687	\$ 7,494,718	
Plan's Proportionate Share of the Net Pension Liability as a % of its Covered Payroll	285.19%	84.50%	227.28%	207.95%	185.29%	206.19%	170.04%	210.39%	180.48%	
Plan's Proportionate Share of the Fiduciary Net Position as a % of the Plan's Total Pension Liability	76.68%	88.29%	75.10%	75.26%	75.26%	73.31%	74.06%	80.66%	83.03%	
Plan's Proportionate Share of Aggregate Employer Contributions ³	\$ 4,611,121	\$ 3,932,998	\$ 3,818,933	\$ 3,448,002	\$ 3,091,757	\$ 2,954,163	\$ 2,678,414	\$ 2,268,191	\$ 1,789,539	

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

² Covered Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

³ The plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the Measurement Period. The plan's proportionate share of aggregate contributions is based on the plan's proportion of fiduciary net positions, as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

Notes to Schedule:

Benefit Changes:

There were no changes in the benefit terms.

Changes in Assumptions:

Discount rate changed from 7.15% to 6.90%.

Inflation rate changed from 2.50% to 2.30%.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

Schedule of Contributions - Pension Plan

Last 10 Fiscal Years*

	Fiscal Year-End									
	2023	2022	2021	2020	2019	2018	2017	2016	2015*	
Actuarially Determined Contribution	\$ 2,952,541	\$ 2,727,753	\$ 2,447,195	\$ 2,155,181	\$ 2,007,718	\$ 1,862,822	\$ 1,816,735	\$ 1,924,128	\$ 1,488,966	
Contributions in Relation to the										
Actuarially Determined Contribution	(2,952,541)	(2,727,753)	(2,447,195)	(2,155,181)	(2,007,718)	(1,862,822)	(1,816,735)	(9,682,740)	(1,488,966)	
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,758,612)	\$ -	
Covered Payroll ¹	\$ 8,285,143	8,325,495	\$ 8,208,274	\$ 8,272,132	\$ 8,034,376	\$ 7,982,625	\$ 7,576,845	\$ 7,601,853	\$ 7,473,687	
Contributions as a % of Covered Payroll	35.64%	32.76%	29.81%	26.05%	24.99%	23.34%	23.98%	127.37%	19.92%	

¹ Covered Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

Notes to Schedule:

Fiscal Year End: 6/30/23
Valuation Date: 6/30/20

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of payroll
Asset Valuation Method	Fair Value of Assets
Discount Rate	7.00%
Inflation	2.50%
Payroll Growth	Annual increases vary by category, entry age, and duration of service.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

**Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Last 10 Fiscal Years***

Measurement date	Measurement Date					
	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:						
Service cost	\$ 110,070	138,859	\$ 134,815	\$ 147,996	\$ 143,685	\$ 134,285
Interest on total OPEB liability	312,159	423,875	438,783	421,739	420,585	416,970
Differences between actual and expected experience	45,592	(718,289)	(133,334)	211,413	-	-
Changes in assumptions	-	(338,687)	-	62,548	-	-
Changes in benefit terms	-	(323,788)				
Benefit payments, including refunds of member contributions	(544,444)	(632,759)	(597,943)	(586,233)	(517,935)	(500,111)
Net Change in Total OPEB Liability	(76,623)	(1,450,789)	(157,679)	257,463	46,335	51,144
Total OPEB Liability - Beginning of Year	4,818,965	6,269,754	6,427,433	6,169,970	6,123,635	6,072,491
Total OPEB Liability - End of Year (a)	4,742,342	4,818,965	6,269,754	6,427,433	6,169,970	6,123,635
Plan Fiduciary Net Position:						
Contributions - employer	94,500	145,464	122,021	101,590	94,656	500,111
Net investment income	(753,633)	1,371,860	167,864	329,378	439,596	533,100
Administrative expenses	(1,484)	(1,882)	(2,563)	(1,950)	(10,309)	(2,706)
Benefit payments, including refunds of member contributions	(544,444)	(632,759)	(597,943)	(586,233)	(517,935)	(500,111)
Net Change in Plan Fiduciary Net Position	(1,205,061)	882,683	(310,621)	(157,215)	6,008	530,394
Plan Fiduciary Net Position - Beginning of Year	5,997,069	5,114,386	5,425,007	5,582,222	5,576,214	5,045,820
Plan Fiduciary Net Position - End of Year (b)	4,792,008	5,997,069	5,114,386	5,425,007	5,582,222	5,576,214
Net OPEB Liability (Asset) - Ending (a)-(b)	\$ (49,666)	(1,178,104)	\$ 1,155,368	\$ 1,002,426	\$ 587,748	\$ 547,421
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	101.05%	124.45%	81.57%	84.40%	90.47%	91.06%
Covered - employee payroll	\$ 4,738,000	4,811,000	\$ 5,178,000	\$ 5,559,000	\$ 6,109,000	\$ 6,182,000
Net OPEB liability (asset) as percentage of covered - employee payroll	-1.05%	-24.49%	22.31%	18.03%	9.62%	8.86%

Notes to Schedule:

Benefit Changes:

There were no changes in the benefit terms.

Changes in Assumptions:

There were no changes in assumptions.

* Fiscal year 2018 was the first year of implementation.

**VISTA IRRIGATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

Schedule of Contributions - OPEB
Last 10 Fiscal Years*

	Fiscal Year-End					
	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Actuarially determined contribution	\$ 14,362	13,977	\$ 231,973	\$ 225,216	\$ 200,852	\$ 195,002
Contributions in relation to the actuarially determined contributions	<u>(94,573)</u>	<u>(94,500)</u>	<u>(145,464)</u>	<u>(122,021)</u>	<u>(101,590)</u>	<u>(94,656)</u>
Contribution deficiency (excess)	<u>\$ (80,211)</u>	<u>(80,523)</u>	<u>\$ 86,509</u>	<u>\$ 103,195</u>	<u>\$ 99,262</u>	<u>\$ 100,346</u>
Covered - employee payroll	\$ 4,419,000	4,738,000	\$ 4,811,000	\$ 5,178,000	\$ 5,559,000	\$ 6,109,000
Contributions as a percentage of covered - employee payroll	2.14%	1.99%	3.02%	2.36%	1.83%	1.55%

Notes to Schedule:

Valuation Date	6/30/2021	6/30/2021	6/30/2019	6/30/2019	6/30/2017	6/30/2017
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Methods and Assumptions Used to Determine Contribution Rates:

Single and agent employers	Entry age					
Amortization method	Level % of payroll, closed					
Asset valuation method	Fair Value					
Inflation		2.50%	2.50%	2.75%	2.50%	2.75%
Salary increases		2.75%	2.75%	3.00%	3.00%	3.00%
Investment rate of return		6.75%	6.75%	7.00%	7.00%	7.00%
Mortality	CalPers pension plan					

* Fiscal year 2018 was the first year of implementation.



Statistical Section

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STATISTICAL SECTION

This part of the Vista Irrigation District’s (the “District”) comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

CONTENTS	PAGE
Financial Trends	47
<i>These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	49
<i>These schedules contain information to help the reader access the District’s most significant local revenue source.</i>	
Demographic and Economic Information	53
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District’s financial activities take place.</i>	
Operating Information	56
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the services the District provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Table I
NET POSITION BY COMPONENT
Last Ten Fiscal Years

	<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>		<u>2019</u>
Net Position									
Investment in capital assets	\$ 117,956,077	\$	111,032,449	\$	109,214,910	\$	102,334,860	\$	97,849,943
Unrestricted	7,214,740		28,636,803		24,544,480		27,992,421		26,552,862
Total Net Position	<u>\$ 125,170,817</u>	<u>\$</u>	<u>139,669,252</u>	<u>\$</u>	<u>133,759,390</u>	<u>\$</u>	<u>130,327,281</u>	<u>\$</u>	<u>124,402,805</u>

	<u>2018</u>		<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>
Net Position									
Investment in capital assets	\$ 94,645,829	\$	89,924,833	\$	84,550,252	\$	82,551,852	\$	81,758,263
Unrestricted	18,084,612		15,418,929		21,630,198		19,724,448		31,251,239
Total Net Position	<u>\$ 112,730,441</u>	<u>\$</u>	<u>105,343,762</u>	<u>\$</u>	<u>106,180,450</u>	<u>\$</u>	<u>102,276,300</u>	<u>\$</u>	<u>113,009,502</u>

Source: Vista Irrigation District

Table II
CHANGES IN NET POSITION
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating Revenues:										
Water sales	\$ 52,858,157	\$ 53,384,918	\$ 52,527,704	\$ 48,703,324	\$ 47,799,794	\$ 49,802,101	\$ 45,948,385	\$ 41,193,157	\$ 44,594,810	\$ 46,858,642
Property rentals	913,042	903,963	836,723	771,289	807,180	823,871	770,023	718,075	738,767	705,845
Other services	370,786	352,059	454,878	408,369	569,180	451,600	645,880	657,891	428,667	454,842
System fees	921,233	353,720	754,464	924,945	1,225,043	731,240	1,029,580	622,039	853,041	667,311
Total operating revenues	55,063,218	54,994,660	54,573,769	50,807,927	50,401,197	51,808,812	48,393,868	43,191,162	46,615,285	48,686,640
Operating Expenses:										
Purchased water	25,009,400	27,362,036	27,010,218	20,917,710	21,287,616	22,569,140	23,826,729	18,721,053	19,235,486	21,351,934
Wages and benefits	16,723,300	8,510,447	16,257,820	16,207,874	13,591,552	14,461,797	13,492,353	11,870,598	12,298,601	12,026,730
Depreciation and amortization	3,702,966	3,582,582	3,400,480	3,247,471	3,157,173	2,968,997	2,719,379	2,581,311	3,363,263	3,222,382
Contractual services	24,152,930	7,034,273	5,492,856	4,945,888	5,240,188	4,292,413	3,495,060	4,125,191	3,827,299	3,932,249
Supplies	2,146,360	1,717,651	1,330,707	1,288,380	1,359,577	1,531,232	1,450,699	1,396,166	1,309,636	1,369,388
Professional fees	359,041	420,146	281,135	719,175	596,320	603,257	949,374	700,489	658,616	634,801
Power	623,560	707,904	466,942	411,118	466,694	405,854	525,897	656,238	662,164	603,100
Office and general	533,828	440,896	361,044	408,249	536,420	557,713	481,697	489,547	488,237	445,363
Insurance	360,513	255,617	14,072	110,882	385,026	543,145	535,788	531,811	489,023	476,242
Uncollectible accounts	-	-	-	-	-	-	-	-	-	60,389
Communications	58,823	50,340	49,299	49,025	51,755	53,326	56,779	49,845	55,126	57,814
Burden allocation	(1,863,755)	(1,339,074)	(1,507,279)	(1,257,841)	(1,363,958)	(1,433,392)	(1,422,130)	(1,255,779)	(945,126)	(947,821)
Total operating expenses	71,806,966	48,742,818	53,157,294	47,047,931	45,308,363	46,553,482	46,111,625	39,866,470	41,442,325	43,232,571
Operating Income	(16,743,748)	6,251,842	1,416,475	3,759,996	5,092,834	5,255,330	2,282,243	3,324,692	5,172,960	5,454,069
Nonoperating Revenues (Expenses):										
Property taxes	662,402	573,205	539,949	507,604	487,062	450,512	423,469	384,960	381,843	443,255
Investment income (loss)	1,321,865	(85,371)	61,093	903,373	859,164	346,063	168,777	129,591	63,423	45,451
Gain (Loss) on disposal of capital assets	(621)	(1,739,448)	50,523	35,014	3,722,423	19,210	(139,088)	(16,209)	30,557	(3,819)
Other nonoperating revenues (expenses)	-	4,494	-	(32,341)	49,198	-	-	-	42,810	-
Interest Expense	(2,403)	-	-	-	-	-	-	-	-	-
Legal settlement	-	-	-	-	-	-	(66,961)	(83,905)	(55,173)	(94,732)
Total Nonoperating Revenues (Expenses)	1,981,243	(1,247,120)	651,565	1,413,650	5,117,847	815,785	386,197	414,437	463,460	390,155
Income Before Contributed Capital	(14,762,505)	5,004,722	2,068,040	5,173,646	10,210,681	6,071,115	2,668,440	3,739,129	5,636,420	5,844,224
Contributed Capital	264,070	905,140	1,364,069	750,830	1,461,683	1,315,564	1,257,820	165,021	499,911	67,345
Change in net position	(14,498,435)	5,909,862	3,432,109	5,924,476	11,672,364	7,386,679	3,926,260	3,904,150	6,136,331	5,911,569
Net Position, beginning of year	139,669,252	133,759,390	130,327,281	124,402,805	112,730,441	110,106,710	106,180,450	102,276,300	113,009,502	107,097,933
Prior Period Adjustment	-	-	-	-	-	(4,762,948)	-	-	(16,869,533)	-
Net Position, end of year	\$ 125,170,817	\$ 139,669,252	\$ 133,759,390	\$ 130,327,281	\$ 124,402,805	\$ 112,730,441	\$ 110,106,710	\$ 106,180,450	\$ 102,276,300	\$ 113,009,502

Source: Vista Irrigation District

Table III
WATER SALES BY USER TYPE
Last Ten Fiscal Years

Fiscal Year Ended	<u>Residential</u>		<u>Commercial/Industrial</u>		<u>Irrigation</u>		<u>Agricultural</u>		<u>Governmental</u>		Average Rate
	Value	Acre Feet	Value	Acre Feet	Value	Acre Feet	Value	Acre Feet	Value	Acre Feet	
2023	\$23,471,778	10,339.9	\$3,847,606	1,698.7	\$3,464,128	1,532.8	\$1,214,611	548.5	\$518,224	226.5	\$2,267
2022	\$24,078,879	11,696.1	\$3,704,894	1,769.2	\$4,190,315	2,006.7	\$1,453,817	694.2	\$586,706	278.2	\$2,068
2021	\$24,139,088	12,288.3	\$3,385,503	1,670.9	\$4,486,971	2,241.2	\$1,700,825	848.6	\$553,930	272.9	\$1,978
2020	\$21,166,639	10,747.0	\$3,239,744	1,621.9	\$3,624,924	1,836.0	\$1,463,693	742.8	\$570,427	276.2	\$1,975
2019	\$20,866,138	10,747.2	\$3,441,266	1,740.4	\$3,635,381	1,820.5	\$1,593,200	815.6	\$720,781	360.6	\$1,954
2018	\$22,332,964	11,643.8	\$3,530,165	1,809.8	\$4,230,231	2,149.4	\$1,871,045	964.0	\$729,793	370.0	\$1,930
2017	\$19,568,389	10,767.2	\$3,365,773	1,720.3	\$3,237,014	1,765.9	\$1,635,378	883.5	\$704,645	359.0	\$1,840
2016	\$17,679,019	10,153.3	\$3,037,823	1,681.5	\$2,562,469	1,389.9	\$1,588,646	882.3	\$477,063	268.1	\$1,763
2015	\$20,141,952	11,900.4	\$3,214,629	1,866.1	\$3,377,886	1,954.8	\$1,646,475	954.0	\$766,433	441.3	\$1,703
2014	\$21,671,513	13,079.4	\$3,275,725	1,945.6	\$3,835,833	2,287.1	\$1,810,450	1,075.1	\$1,276,974	740.5	\$1,666

Source: Vista Irrigation District

Table IV
SERVICE CONNECTIONS
Last Ten Fiscal Years

<u>Fiscal Year Ended</u>	<u>Residential</u>	<u>Commercial/Industrial</u>	<u>Irrigation</u>	<u>Agricultural</u>	<u>Fire Service</u>	<u>Governmental</u>	<u>Total</u>
2023	24,896	1,572	945	264	1,313	93	29,083
2022	24,864	1,578	945	279	1,299	91	29,056
2021	24,770	1,576	957	333	1,281	90	29,007
2020	24,470	1,571	954	524	1,269	91	28,879
2019	24,393	1,581	944	515	1,258	89	28,780
2018	24,268	1,584	934	568	1,244	90	28,688
2017	24,209	1,582	928	572	1,240	91	28,622
2016	24,036	1,587	918	574	1,237	91	28,443
2015	24,191	1,606	914	586	1,236	92	28,625
2014	24,191	1,608	897	562	1,228	94	28,580
2013	24,048	1,601	889	567	1,218	92	28,415
2012	24,061	1,603	887	555	1,211	92	28,409
2011	23,974	1,630	877	557	1,183	92	28,313

Source: Vista Irrigation District

Table V
WATER RATES
Last Ten Fiscal Years

Fiscal Year Ended	VID Commodity Charge per HCF*				Monthly ¾” Meter Charge
	Domestic - Tier 1	Domestic - Tier 2	Domestic - Tier 3**	Agricultural	
2023	\$4.99	\$5.46	\$5.46	\$5.30	\$43.30
2022	\$4.72	\$5.19	\$5.19	\$5.03	\$43.30
2021	\$4.44	\$4.98	\$4.98	\$4.76	\$40.97
2020	\$4.35	\$4.89	\$4.89	\$4.67	\$40.97
2019	\$4.27	\$4.81	\$4.81	\$4.59	\$38.85
2018	\$4.24	\$4.78	\$4.78	\$4.56	\$37.05
2017	\$4.16	\$4.70	\$4.70	\$4.48	\$35.85
2016	\$4.04	\$4.58	\$4.58	\$4.36	\$34.76
2015	\$3.73	\$4.27	\$4.27	\$4.05	\$33.67
2014	\$3.61	\$4.15	\$4.15	\$3.93	\$32.85

* HCF = One Hundred Cubic Feet

** The tier 3 rate is only imposed during times of water delivery cutbacks stipulated by the San Diego County Water Authority.
When no water delivery cutbacks are imposed by the Water Authority, Tier 3 usage is billed at the Tier 2 rate.

Source: Vista Irrigation District

Table VI
PRINCIPAL WATER CUSTOMERS
Current Fiscal Year and Nine Years Prior

Fiscal Year ended June 30, 2023			Fiscal Year ended June 30, 2014		
<u>Customer</u>	<u>Usage in Acre Feet</u>	<u>Percent of Water Sold</u>	<u>Customer</u>	<u>Usage in Acre Feet</u>	<u>Percent of Water Sold</u>
Industrial	70.9	0.49%	Golf Course	275.5	1.45%
Courthouse	60.6	0.42%	Courthouse	131.8	0.69%
Industrial	60.0	0.42%	Industrial	62.7	0.33%
Industrial	43.7	0.30%	Agricultural	57.9	0.30%
Industrial	39.7	0.28%	Industrial	51.3	0.27%
Mobile Home Park	32.4	0.23%	High School	43.6	0.23%
Mobile Home Park	31.4	0.22%	Mobile Home Park	39.1	0.21%
Multi-Family	33.0	0.23%	Mobile Home Park	38.6	0.20%
High School	29.1	0.20%	Mobile Home Park	38.4	0.20%
Multi-Family	31.1	0.22%	Industrial	37.5	0.20%
Total Top Ten Customers	431.8	3.01%	Total Top Ten Customers	776.4	4.08%
Other Customers	13,914.6	96.99%	Other Customers	18,232.9	95.92%
Total Water Sales	14,346.4	100.00%	Total Water Sales	19,009.3	100.00%

Source: Vista Irrigation District

Table VII
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Total Population	Average Household Size	Unemployment Rate*	Per Capita Personal Income*	Total Personal Income (000s)*
2022**	130,583	3.03	<i>3.8%</i>	<i>\$66,068</i>	<i>\$8,392,439</i>
2021	130,008	3.09	<i>6.8%</i>	<i>\$62,720</i>	<i>\$8,154,039</i>
2020	133,058	3.20	<i>10.2%</i>	<i>\$59,541</i>	<i>\$7,922,411</i>
2019	133,625	3.15	<i>3.6%</i>	<i>\$51,123</i>	<i>\$6,831,277</i>
2018	133,851	3.16	<i>3.6%</i>	<i>\$50,670</i>	<i>\$6,782,275</i>
2017	133,797	3.17	<i>4.3%</i>	<i>\$47,207</i>	<i>\$6,316,133</i>
2016	131,006	3.17	<i>5.0%</i>	<i>\$48,129</i>	<i>\$6,305,173</i>
2015	129,801	3.17	<i>4.7%</i>	<i>\$46,701</i>	<i>\$6,061,837</i>
2014	129,144	3.17	<i>5.8%</i>	<i>\$40,220</i>	<i>\$5,194,168</i>
2013	128,358	3.16	<i>7.1%</i>	<i>\$44,534</i>	<i>\$5,716,309</i>

NOTES:

* Values in italics text are for the City of Vista. All other values are for the Vista Irrigation District.

** Income columns come from the Bureau of Economic Analysis website for San Diego County.

Data for 2022 is not available; therefore, 2020 and 2021 growths data was used to project 2022.

Population figure for 2021 is based on 2020 census data.

Data for all categories is not available for 2023.

Amounts presented may vary from the prior year's report due to inflationary adjustments or re-calculations.

Source: SANDAG

Table VIII
Principal Employers – County of San Diego
Current Fiscal Year and Nine Years Prior

Fiscal Year Ended June 30, 2023⁽¹⁾			Fiscal Year Ended June 30, 2014⁽²⁾		
Employer Name	Industry	No. of Employees	Employer Name	Industry	No. of Employees
United States Navy, San Diego	Government - Military	10,000+	U.S. Dept. of Defense	Military	10,000+
University of California, San Diego	Education	10,000+	Federal Government	Government	10,000+
Sharp Healthcare	Healthcare	10,000+	State of California	Government	10,000+
County of San Diego	Government	10,000+	University of California, San Diego	Education	10,000+
San Diego Unified School District	Education	10,000+	County of San Diego	Government	10,000+
Scripps Healthcare	Healthcare	10,000+	Sharp Healthcare	Healthcare	10,000+
City of San Diego	Government	10,000+	Scripps Health	Healthcare	10,000+
Qualcomm, Inc.	Technology	10,000+	San Diego Unified School District	Education	10,000+
San Diego Community College	Education	5,000-9,999	City of San Diego	Government	10,000+
Kaiser Medical Center	Healthcare	5,000-9,999	Kaiser San Diego Medical Center	Healthcare	5,000-9,999

Source: ¹ Employment Development Department - Major Employers in San Diego (<https://labormarketinfo.edd.ca.gov/>)

² Vista Irrigation District 2014 CAFR/San Diego Source Book

Table IX
NUMBER OF EMPLOYEES
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Employees	82	83	85	87	87	90	89	87	88	84
Average Years of Service	10.7	11.5	10.8	10.2	10.8	11.6	12.8	12.0	11.6	11.9

Source: Vista Irrigation District

Note- Based on active employees at fiscal year-end.

Table X
OPERATING AND CAPITAL INDICATORS
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Service Area (acres)	21,152	21,152	21,152	21,152	21,152	21,152	21,160	21,160	21,160	21,200
Miles of water main (4" and larger) *	429	429	429	429	429	429	473	473	473	473
Number of enclosed reservoirs	12	12	12	12	12	12	12	12	12	12
Capacity of enclosed reservoirs (acre feet)	142	142	142	142	142	142	141	141	142	142
Number of open reservoirs	1	1	1	1	1	1	1	1	1	1
Capacity of open reservoirs (acre feet) **	51,832	51,832	51,832	51,832	51,774	51,774	51,774	51,774	51,774	51,774
Number of pump stations	7	7	7	7	7	7	7	7	7	7
Number of pumps	18	18	18	18	18	18	18	18	18	18
Total capacity of pumps (horsepower)	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
Number of service connections	29,083	29,056	29,007	28,879	28,780	28,688	28,622	28,443	28,625	28,580
Production peak (million gallons per day)	21	21	22	21	22	21	22	20	24	32
Average production (million gallons per day)	14	15	16	15	14	16	15	14	16	18
Total rainfall (inches) - Lake Henshaw	45	16	15	29	35	12	34	21	16	13
Total rainfall (inches) - Vista	28	10	4	21	16	4	20	11	8	5
Average daily temperature (F) - Lake Henshaw	57	60	59	58	58	60	60	59	60	60
Average daily temperature (F) - Vista	61	62	63	63	62	64	63	64	64	63
Electricity purchased (1,000 kWh) - Service Area	942	1,016	1,007	1,017	1,075	1,060	712	1,081	1,094	1,078
Electricity purchased (1,000 kWh) - Lake Henshaw	1,855	3,316	1,368	302	1,783	1,077	1,964	3,176	3,352	3,310
Natural gas purchased (therms)	9,052	6,578	7,256	8,829	7,833	6,926	5,768	5,970	5,573	5,777
Mainline repairs	32	24	17	19	31	20	40	29	33	32

* Miles of pipe within the Vista Irrigation District system was updated consistent with the findings set forth of the 2018 Potable Water Master Plan.

** Capacity of open reservoir was updated according to a 2018 study.

Source: Vista Irrigation District

Board of Directors
Vista Irrigation District
Vista, California

We have audited the financial statements of the Vista Irrigation District (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated November 16, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated July 11, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence under the American Institute of Certified Public Accountants ("AICPA") independence standards, contained in the Code of Professional Conduct.

We identified self-review threats to independence as a result of non-attest services provided. Those non-attest services included the preparation of the statement of cash flows. To mitigate the risk, management has compared the draft statement of cash flows to the underlying accounting records to verify accuracy.

Additionally, we utilize a quality control reviewer to perform a second review the statement of cash flows. We believe these safeguards are sufficient to reduce the independence threats to an acceptable level.

Significant Risks Identified

We have identified the following significant risks:

We have identified implementation of Governmental Accounting Standards Board No. 96 – Subscription Based IT Arrangements (SBITAs) as a significant risk. We compared the terms of the agreements to the information included in the calculation of the SBITA payable for 100% of the outstanding balance.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. As described in Note 9 to the financial statements, the District changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 96, Subscription Based Information Technology Arrangements, in the fiscal year 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Management’s estimate of which capital projects represent ordinary maintenance activities necessary to keep an asset operational for its originally intended useful life versus significant improvement, replacement, and life extending projects that should be capitalized as additions to capital assets is based on management’s knowledge of the assets and their useful lives.
- Management’s estimate of transactions related to net pension and OPEB liabilities based on actuarial information.
- Management’s estimate of the GASB 87 lease transactions based on a single leasing model for accounting and reporting purposes.

We evaluated the key factors and assumptions used to develop the estimates and determined that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of Capital Assets in note 4 to the financial statements.
- The disclosure of Accrued Expenses and Other Liabilities in note 5 to the financial statements.
- The disclosure of Pension in note 6 to the financial statements.
- The disclosure of OPEB in note 7 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no such misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were none.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated November 16, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Information Included in Annual Comprehensive Financial Report

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

DavisFarrLLP

Irvine, California
November 16, 2023

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Vista Irrigation District
Vista, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Vista Irrigation District (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 16, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DavisFarrLLP

Irvine, California
November 16, 2023

Board of Directors
Vista Irrigation District
Vista, California

In planning and performing our audit of the financial statements, we considered Vista Irrigation District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Vista Irrigation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Vista Irrigation District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

As a matter of best practice, we offer the following recommendation as an opportunity to improve the District's internal controls.

(1) Safe Keeping of Cash

During our audit, we became aware the District had \$840 stolen from a safe located in the Engineering Vault. It was noted the safe was in a secure location, however there was not limited access.

Recommendation

We recommend the District implement procedures to secure the safe in which cash and checks are stored.

Management Comments

Management made the auditors aware of the incident during interim testing and provided information on the already executed actions taken and procedures implemented by the District to secure and safeguard cash and checks while on-site.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit as described above. The District's response was not subject to the other auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on the response.

This communication is intended solely for the information and use of management, the Board of Directors, and others within the District and is not intended to be, and should not be, used by anyone other than these specified parties.

DavisFarrLLP

Irvine, California
November 16, 2023



STAFF REPORT

Agenda Item: 9

Board Meeting Date:

January 17, 2024

Prepared By:

Shallako Goodrick and
Randy Whitmann

Approved By:

Brett Hodgkiss

SUBJECT: AMENDMENTS TO SECTIONS 2 AND 3 OF VISTA IRRIGATION DISTRICT'S RULES AND REGULATIONS

RECOMMENDATION: Approve amendments to Section 2, Customer Service, and Section 3, Engineering, of Vista Irrigation District's Rules and Regulations.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: Unknown.

SUMMARY: Amendments to the Rules and Regulations are recommended in the Section 2, Customer Service (Section 2) and Section 3, Engineering (Section 3). Proposed amendments to Section 2 include adding a definition for a returned payment and specifying how excessive returned payments are handled; clarifying the information provided on the mailed Late Notice; and updating the procedure for delivering discontinuation of water service notices. Proposed amendments to Section 3 included clarifying and/or updating current practices for pipeline extensions; clarifying and expanding on meter rules; and revising and adding flexibility to the pipeline abandonment policy.

DETAILED REPORT:

Section 2 – Customer Service

Staff has identified several provisions contained in Rules and Regulations Section 2.2, Billing Procedures, which need to be clarified and updated. Procedurally, Customer Service staff's practice has been to place a customer account in "Cash Only" status after three return payments within a 12-month period. To provide clarity to customers, staff proposes adding a definition for "Return Payments" to Section 2.2.2, Definitions, and language to describe how excessive returned payments are handled.

Section 2.2.3, Billing Procedures, outlines procedures used to communicate with customers regarding billings. Staff proposes updating Section 2.2.3 B to clarify information provided on the Late Notice mailed to customers and Section 2.2.3 D to change the standard process for delivering the notice of discontinuation of water service from a door hanger to a mailed notice which complies the requirements set forth in Senate Bill 998.

Section 3 - Engineering

Staff proposes number of edits to Section 3.8, Extension of Distribution System, to reflect current practices, better describe Onsite Water Services, and require a project to extend a pipeline to a nearby pressure zone if determined beneficial to the future customers.

Proposed edits to Section 3.12, Water Meters, include clarifying the description of Onsite Water Services, describing the basis for sizing meters to a site based on the District's Water Master Plan and current capacity fee methodology, and adding provisions to limit water flow if usage exceeds the meter's capacity and to revisit meter sizing requirements to currently served properties when tenant improvement or redevelopment occurs.

Proposed edits to Section 3.14, Abandonment In Place Of Pipelines and Pipeline Easements, include allowing staff to determine requirements for abandonment on a case-by-case basis, adding the option to pursue Quitclaim Deed and Bill of Sale documents with owners and requirements for a site to remove or accept ownership of abandoned pipelines for new projects or tenant improvements, and delegating authority to the General Manager to execute documents associated with abandoned pipeline removal and transfer of ownership of a pipeline to a property owner.

ATTACHMENTS:

- Strikeout version of amended Customer Service Section 2.2 of the Rules and Regulations
- Strikeout version of amended Engineering Sections 3.8, 3.12, and 3.14 of the Rules and Regulations

2.2 BILLING PROCEDURES

2.2.1 Water Bill Charges

(See Section 4.4.14 for fees related to payment of water bills.)

2.2.2 Definitions

A. Owner

Owner of record per the County of San Diego. The owner remains liable for water served to the property even when used by a Tenant. The District has no duty to collect any water charges, penalties or fees from a tenant who has vacated the property prior to collecting delinquent amounts from the Owner. Water bills are a lien on the land and may be added to the assessment roll of the District.

B. Tenant

Occupying the premises with the Owner's approval. Per Water code Section 25806, the Owner can elect to have the Tenant billed if the Owner completes and signs the District's authorization form. However, Owner retains full responsibility for the payment of all water charges, penalties and fees. If the District sends a late note to the Tenant, it will also send a late notice to the Owner.

C. Billing Due Date

All water bills are due 15 days from the date of mailing and are subject to late penalty if not received within 25 days after the due date.

D. Good Payment Record

No late charges, returned checks, broken lock fees or delinquent alternative payment arrangements within the last -12 months.

E. Return Payment

A return payment is a payment that has been rejected by the financial institution (e.g. bank, credit union, etc.). Three return payments over the course of a 12 month period can result in an account being placed on a "Cash Only" status. Accepted forms of "Cash Only" payments include cash, cashier's check or money order delivered to the District's office.

FE. Alternative Payment Arrangements

A Customer Service Representative may make arrangements of up to four months to clear the account. These payments should be approximately in equal amounts. A customer may be required to sign a payment arrangement. If customer fails to comply with an alternative payment arrangement for delinquent charges or fails to pay the current residential service bill for 60 days or more, the service becomes subject to discontinuation.

A request for Alternative Payment Agreements in excess of four months must be submitted to and approved by the General Manager or designee. Alternative Payment Arrangements may be granted for up to 12 months.

G. Hardship Payment Agreements

Customers meeting requirements specified in Section 2.2.4 (C) may be qualified to enter in a Hardship Payment Agreement to avoid discontinuation of residential water service. Failure to meet the Hardship Payment Agreements for more than 60 days will subject a customer to discontinuation.

2.2.3 Billing Procedures (until service discontinuation)

- A. First billing, which is for approximately two months water use or from the last special read for eight bi-monthly cycles, and one-month use or from last special read for monthly cycles is due within 15 days from the date of mailing.
- B. If payment is not received in the District office within 25 days after the due date, a late charge is added to the water account, and a Late Notice (second billing notice) is mailed. The Late Notice will include [information on options to avoid discontinuation of water service as well as information pertaining to the District's policy on Discontinuation of Water Service](#) and identify the delinquent amount and late charge with a penalty date showing "PAST DUE". If payment is not received within 21 days of the Late Notice being sent, the District will commence discontinuation of service 14 days later as outline in subsection 2.2.3 (D).
- C. Prior to the penalty date, a customer with a good payment record may ask for an extension of up to 15 days beyond the penalty date with no late charge assessed. This extension may be granted at the discretion of the Customer Service Representative. Any waiver of late charges or extensions of time requested after the penalty date may be granted at the discretion of the Customer Service Supervisor. Tenants that do not meet specific income and financial requirements receive no further time extension after discontinuation of service to make payment without owner authorization.
- D. If the customer does not contact the District after receiving the written notice of impending discontinuation of water service and payment is not received in

the District office 14 days before scheduled discontinuation, the District will ~~mail~~ ~~visit the premises and leave~~ a notice of discontinuation of water service ~~(door hanger) as well as~~ and the District's policy on Discontinuation of Water Service to the address of the property to which service is provided. The District may use other means of notification than mail (door hanger) should ~~the~~ circumstances warrant it. The notice will advise occupants that the water service will be discontinued unless the bill is PAID IN FULL or alternative payment arrangements are made with the District.

For multiple family residences, the District will make a reasonable attempt to notify the facility manager as set forth in subsection 2.2.3 above, and request that the manager give notice to all of the individual tenants affected by the discontinuation. In addition, the District shall post a written notice of the pending discontinuation of service in conspicuous location on the property served by the service connection, which may, but is not required to be, posted at the vehicular entry to such property from the public right of way. Such notice shall provide both a telephonic and e-mail contact at the District that parties subject to service discontinuation can contact for further information.

3.8 EXTENSION OF DISTRIBUTION SYSTEM

3.8.1 Policy (Resolution No. 2031, 8/5/52)

The District will build, cause to be constructed or may allow to be constructed, such necessary extensions to its system by laterals so that water may be delivered to smaller tracts than originally planned as provided in this section.

3.8.2 Request for Service to Subdivided Lands

When a request is made for service to subdivided lands or lands to be subdivided into five or more parcels, or when replacement of existing privately-owned facilities is desired, and in the judgment of the District such service can be adequately made only through the enlargement or relocation of existing lines, cost of all such installations shall be at the expense of the applicant. Distribution systems within subdivisions shall be designed to eliminate deadends insofar as is possible, and all lines within the subdivision shall be installed to its boundaries. There shall be more than one feed to a subdivision whenever possible.

3.8.3 Oversizing

Should the District determine, in connection with any subdivision, that mains larger in size than those actually needed for the purpose of providing water to such subdivision, or larger feeder mains are determined to be necessary to serve not only the subdivision, but other territory, the increased cost of such water mains, including larger sized feeder mains, shall be paid by the owner and reimbursed by the District.

3.8.4 Supplemental Length or Extension of Pressure Zone

The District may impose a requirement that improvements installed by the subdivider for the benefit of the subdivision shall contain supplemental length for the benefit of property within the subdivision, and that those improvements be dedicated to the public.

(Last revision: State of California Subdivision Map Act, 1995)

The District may also impose a requirement to extend a pipeline from an adjacent pressure zone to serve a project if considered beneficial to the property within the subdivision including, but not limited to, consideration of pad elevations, pressures within private plumbing and/or elimination of the need for private equipment such as booster pumps.

3.8.5 Applications for Pipeline Extensions

Development of lands requiring public pipeline extensions will be reviewed by the District for sizing and route location. The District will prepare a hydraulic analysis and schematic drawing showing the pipeline and establishing preliminary project requirements, and coordinate with the owner all and will also prepare an engineer's cost estimate of the pipeline, which will include the anticipated fees and costs that are to be paid to the District by the owner of the land being developed.

The owner is to submit a set of improved plans for the District's review and approval. The pipeline installation will require a construction contract between the District and the owner. The installation can be by the District, provided District forces are available, or by a qualified private contractor ~~(under the District's inspection), the choice is left to the owner.~~ If installed by the District, the District will prepare an engineer's cost estimate of the pipeline for use in collecting a deposit with work performed on a time and materials basis.

~~The District will own the pipeline unless the pipeline is installed under the terms and conditions of "Vista Irrigation District Maintenance Agreement for Privately Owned Fire Hydrants and Water Lines." In both cases, the pipeline shall be operated and maintained by the District.~~

Except where otherwise determined by the Board of Directors, all rights of way, easements and permits shall be obtained by the applicant without cost to the District.

(Resolution No. 88-60, 9/7/88)

3.8.6 Temporary and Permanent Offsite Water Services

A. Offsite water service shall be specified as either temporary or permanent and shall be defined as follows:

1. "Temporary Offsite Service" shall mean water service to any property not considered an "Onsite Service" as defined in Section 3.12.3-A that does not abut or traverse and is not adjacent to an existing District pipeline, where the District, in its sole discretion, believes it to be likely that in the foreseeable future a District pipeline will be constructed that will allow for an Onsite Service~~abut, traverse, or be adjacent to the property.~~
2. "Permanent Offsite Service" shall mean water service to any property not considered an "Onsite Service" as defined in Section 3.12.3-A that does not abut or traverse and is not adjacent to an existing District pipeline, where the District, in its sole discretion, believes it to be unlikely that in the foreseeable future a District pipeline will be constructed that will allow for an Onsite Service~~abut, traverse, or be adjacent to the property.~~

(Resolution No. 98-43, 12/16/98)

B. Conditions under which District will provide Temporary Offsite Service

When the District determines that a property is eligible for Temporary Offsite Service, the District shall provide such service only when the property owner does all of the following:

1. The property owner shall obtain all necessary easements and shall install all necessary private water lines between the subject property and the District meter from which it is to be served; and
2. The property owner shall pay all of the District's charges for installation of a District meter and service lateral connection to the District's offsite pipeline; and
3. The property owner shall pay the District, at then current rates, the anticipated cost of disconnecting and abandoning the Temporary Offsite Service and installing and reconnecting a new permanent onsite service, plus a pro rata per lineal foot share of the full anticipated cost (including right of way acquisition, design, construction and all other necessary costs) of extending any District pipelines as necessary to provide permanent onsite service. (See Section 4.4.8)

C. Conditions under which the District will move a Temporary Offsite Service

When a District pipeline is installed by the District adjacent-allowing an Onsite Service to the parcel in question, the District will, at no additional cost to the owner, move the meter from its temporary offsite location to the parcel in question and reconnect it to the structure it serves. If a District pipeline is installed as part of a development, the District will condition the project to relocate the meter.

D. Conditions under which District will provide Permanent Offsite Service

1. Permanent off-site meters for service to individual parcels or minor subdivisions (3 or 4 lots) may be permitted in cases where it can be determined that:
 - A. No new fire hydrants will be required, present or future.
 - B. No future pipeline extensions will be required to serve lands in the subdivision or abutting the subdivision.
 - C. The lots are of such a small size that any future further subdivision is precluded.
 - D. Circumstances exist under which no future development could occur.
 - ~~D~~.E. Low usage in a pipeline extension creates concerns with water quality.
 - E.F. Private utility easements over intervening lots between the meter and property being served have been granted.

(Last revision 9/23/81; Resolution No. 5771))

2. When the District determines that a property is eligible for Permanent Offsite Service, the District shall provide such service only when the property owner does all of the following:
 - A. The property owner shall obtain all necessary easements and shall install all necessary private water lines between the subject property and the District meter from which it is to be served; and
 - B. The property owner shall pay all of the District's charges for installation of a District meter and service lateral connection to the District's offsite pipeline.

(Adopted 12/16/98: Resolution No. 98-43)

3.8.7 Connection Fees

In addition to the charges otherwise provided for by these regulations, a connection fee may be collected by the District for the right to connect to any pipeline or extension of existing pipeline from all applicants who have not contributed to its cost of construction. The amount of such connection fee shall be established by action of the Board of Directors of the District and shall represent an estimated prorata share of the cost of such pipeline over or to the land to be served and benefited thereby.

A. General

1. Connection fees shall be applied by the District based on a charge per lineal foot of property fronting on a water main or extended to a property for which ~~fronting the~~ property owners have not contributed to a fair share of its cost.
2. A connection fee charge shall be imposed at the time water service is established.
3. No service connections shall be allowed that attempt to avoid the payment of connection fees.

B. Pipeline Extensions Constructed by District

1. Connection fees shall be imposed where District funds are used to construct new or replacement pipelines which can provide Onsite Service, as defined in Section 3.12.3-A, to serve an adjacent property that has not established water service, or where an existing Temporary Offsite Service is converted to a permanent Onsite Service to satisfy the terms and conditions of a TSA. Connection fees shall also be collected for new Temporary Offsite Services to reimburse the District for a future water main extension and conversion to a permanent onsite service.
2. Connection fees shall be determined by the District based on estimated

design and construction costs. See Section 4.4.8 “Collection of Connection Fees.”

C. Pipeline Extensions Constructed by Developers

1. The District may enter into a standard Payback Agreement with a Developer regarding reimbursement by future connections for a portion of the costs incurred for a pipeline extension. The District’s only obligation is to collect specified reimbursement fees on behalf of the Developer for each future connection by other developers or applicants whose properties front the installed pipeline.
2. In order for a Developer to establish reimbursements for the design and construction of a pipeline, the Developer shall provide the District with a written and accurate itemization of the costs of design and construction prior to acceptance of the pipeline by the District. The District, at its sole discretion, shall determine the amounts subject to reimbursement and establish appropriate connection fees for properties not contributing to the cost of the new pipeline.
3. The connection fee shall continue to be imposed for the water main until District has collected and paid to Developer the reimbursement funds collected to which Developer is entitled from adjacent developed property or until expiration of the payback agreement, whichever occurs first. The agreement shall provide that reimbursement to a Developer shall cease after a ten-year period. No interest shall be paid to the Developer on any sum paid or payable that is associated with the agreement.
4. The payback agreement shall be executed on a form provided by the District, covering a period of ten (10) years from the date of acceptance of the facilities by the District. No reimbursement contract shall be entered into by the District unless it is executed by the parties within ninety (90) days after the Board has accepted the completed facilities.

3.12 WATER METERS

3.12.1 Approval by General Manager

No meter shall be installed or service connection made that has not first been approved by the General Manager or assigned designee.

3.12.2 Subdivision Construction Meters

When a subdivision's new on-site water distribution system has progressed to the point that it may be placed into service, the Developer shall make application for subdivision construction water which will be provided through Master Construction Meter(s) at the location(s) shown on the approved improvement plans. Master Construction Meter(s) shall be plumbed so all water used in the subdivision is metered.

The District reserves the right to turn off all construction water service to the subdivision if the Developer becomes delinquent on one or more Master Construction Meter accounts. The District also reserves the right to turn off all water service to the entire subdivision if the Developer's on-site water distribution system is damaged and, in the opinion of the District, water could escape from the Developer's on-site water distribution system. Should the District turn off water service to any portion or all of the subdivision, the District will endeavor, but is under no obligation, to notify the appropriate Fire Department/Fire Protection Agency if any fire hydrants are affected.

When the Developer's on-site water distribution system is ready for acceptance by the District, the Developer, with District's prior approval, shall remove the Master Construction Meter and return the District's furnished materials to the District. The Developer's on-site water distribution system may be connected to the District's distribution system in accordance with the District's approved improvement plans. At that time, all service outlets shall be locked. The Developer shall then apply for either permanent water service via water service laterals or construction meters via fire hydrants. No unmetered water service shall be allowed, once the Master Construction Meter(s) has been removed.

(Last revision 4/1/87: Resolution No. 87-16)

3.12.3 Meter Rules

(Last revision 6/5/19: Minute Order 19-06-66)

A. The District shall determine the size, type, backflow prevention requirements and final location of each meter and service outlet. Meters shall be “Onsite Water Services” where the meter is placed adjacent to the property being served with a lateral that will receive water from a water main that borders, is adjacent to, abuts, fronts, or traverses the property with the meter set adjacent to the property. If an adjacent water main does not meet these conditions, exist, the applicant for water service shall extend the District’s water line to the property. At the discretion of the District, an exception may be granted per Section 3.8.6 “Temporary and Permanent Offsite Water Facilities.”

B. Water meter size and amount of capacity to be purchased shall be determined based on the following unless otherwise approved by the Director of Engineering:

1) Estimated annual usage is calculated from the Master Plan’s land use and unit demand factor designation (minimum usage) and/or information submitted by the applicant.

2) Minimum meter size is ¾-inch and allows for an estimated annual usage of 182,500 gallons (based on 500 gallons per day). Meter sizing for higher estimated annual usage shall be scaled based on the ¾-inch allowance and meter capacity ratios established in the District’s capacity fees.

C. Meter sizing requirements to currently served properties will be re-evaluated by the District for proposed tenant improvements, site expansions, new development or redevelopment. Refer to Sections 3.12.4 and 3.12.5 for associated costs with a change in meter size.

D. The District shall retain the ownership of meters and connecting service pipe assemblies.

E. The District will schedule the installation of the meter and service at the District’s earliest possible convenience. The District’s current workload will govern the amount of elapsed time between customer’s accepted application and actual installation date.

F. The meter is to supply water to only the property indicated on the application ~~only and all properties indicated on the application must be under the same legal ownership.~~ Except for approved master meters for multi-family residential, commercial complex, or mixed-use developments, a meter shall not be used to supply water to multiple properties not indicated on the meter application.

If the property is split ~~or a portion of the property indicated on the application changes ownership~~, the meter shall belong to the subsequent lot upon which the meter is physically located unless otherwise approved by the District. The

remaining subsequent lot(s) are required to apply for water service and pay all applicable fees.

GE. All water supplied by the District shall be via meters furnished and installed by the District.

HF. The District retains continuing discretion to determine the backflow requirements on any existing or new account. System and safety requirements evolve over time with changes in land uses, and in technology and State and local regulations, and the District may in its discretion condition new or continued water service upon compliance with updated system or safety requirements to meet such evolving needs. Water service may be terminated when required backflow prevention devices have not been tested or installed; or have been removed or deemed inoperative. (See “Cross-Connection Control,” Section 6.3.)

I. In the event a property has continual usage beyond the rated capacity of the existing meter, the District may install a flow restrictor unless an increase in the meter size is requested with payment of all associated fees as listed in Section 3.12.5.

JG. No by-pass or other connection line between meters and transmission or distribution mains shall be made or maintained by any consumer.

KH. The District will endeavor to provide continuous uninterrupted water service. However, from time to time, it is necessary for the District to temporarily suspend delivery due to routine or emergency maintenance or improvements to its distribution system. Notice to customers regarding the service interruption will be made enough in advance for consumers to make necessary adjustments in their usage. However, in an emergency, it may not be possible or practical to provide this advanced notification. The District does not guarantee continuous, uninterrupted service and assumes no liability for customer loss for failure to provide this service.

L. General use of water by District customers is subject to regulation by the Board of Directors in such a manner as will ensure an equitable supply to all customers. (Also, see “Waste of Water and Water Conservation,” Section 1.9.)

MJ. Pursuant to Water Code Section 537 et seq., all newly constructed multiunit residential and newly constructed mixed-use residential and commercial structures, for which an application for water service is submitted after January 1, 2018, are required to measure the quantity of water supplied to each individual residential dwelling unit as a condition of new water service. The owner of the structure shall be responsible for installing and reading submeters and complying with all applicable laws and regulations.

(Last revision 11/15/17: Minute Order 17-11-131)

3.12.4 Cost for Reduction of Meter Size

Reduction of meter size will be made by the District upon written request by the owner and will be performed at a cost to the owner; customers shall retain equity in the meter based on the smaller size. (Refer to Water Meter Prices, Section 4.4.12.B)

(Last revision 2/1/12: Resolution No. 12-06)

3.12.5 Cost for Increasing Meter Size

The District may accept application for increasing meter size upon payment of the difference between the system expansion fee, the District and Water Authority capacity fees (difference between from the smaller to and the larger meter), the cost for a new meter, and if necessary, a “meter move”, and for a new lateral, if needed and/or old lateral termination. Similar payment will be required if an increase in meter size is found necessary for currently served properties with proposed tenant improvements, site expansions, new development or redevelopment. (Also see □ 3.12.7 and 3.12.8.)

3.12.6 Refunds for Discontinued Meters

There are no refunds for discontinued meters.

(Last revision 8/4/93: Resolution No. 93-42)

3.12.7 Moving of Meters

At the request of the owner, and concurrence by the District as to VID accessibility, a meter may be moved to another location on the property. The new location must be either in an easement granted to the Vista Irrigation District or in a public right of way. The cost of the work will be determined on an individual case basis and will depend upon the labor and materials required for the move.

3.12.8 Collection of Capacity Fee on Behalf of the San Diego County Water Authority

This District will not accept any otherwise eligible application for meter service installation unless it is accompanied by payment of the applicable capacity fee imposed by the San Diego County Water Authority. These fees are in accordance with the schedule authorized by the San Diego County Water Authority, which may be changed by that agency from time to time. This District is acting only as a collection agent for these fees, which are incorporated into these Rules and Regulations by this reference.

3.14 ABANDONMENT IN PLACE OF PIPELINES AND PIPELINE EASEMENTS

3.14.1 General Policy

A. The process for abandoning ~~When a large diameter~~ pipelines ~~(defined as having a diameter greater than 12 inches)~~ will be evaluated on a case-by-case basis by the Director of Engineering based on a number of factors including, but not limited to, size, material, location, pipeline access, existing/proposed improvements and/or encroachments, environmental constraints, and risk to the District. Depending on the conclusions from that evaluation, options include:

3) ~~C is to be abandoned, it will be filled with a slurry mix and abandoned in place, subject to options available to private property owners as described below.~~ ut and plug the pipeline at the ends with cement or fill the pipeline with a slurry mix or similar material; and maintain District easement rights over the pipeline for access and to prohibit encroachments; or

4) Offer easement removal over a property and transfer ownership of the pipeline via a “Quitclaim Deed and Bill of Sale” document in a form approved by the District; and cut and plug the pipeline with cement at or near the property lines where feasible and considered necessary.

B. The extra cost ~~for of filling an~~ abandoning ~~ed~~ pipelines ~~in association with a main replacement project with slurry mix~~ will be added to the construction cost of the new line ~~that replaces the abandoned line~~. Action by the District and associated costs to pursue any of the above options on previously abandoned mains will be paid for by the District.

3.14.2 Request for Quitclaim of Abandoned Pipeline Easement

A. As a condition of having the District approve a request for a quitclaim of a District pipeline easement that contains an abandoned District pipeline that is made of PVC, steel or concrete, the owner of the parcel in which the pipeline easement and pipeline are located must pay to have any portion of the pipeline owned by the District and remaining in the ground cut and plugged with cement ~~at or near~~ where it crosses the property lines where doing so is feasible and considered necessary according to the Director of Engineering, and

- 1) have the pipeline that is located within the owner’s property removed and execute a standard “Quitclaim Deed” document, or;
- 2) have the pipeline located within the owner’s property filled with a slurry mix; and accept ownership of the pipeline via the “Quitclaim Deed and Bill of Sale” document, or;
- 3) accept ownership of the pipeline via the “Quitclaim Deed and Bill of

Sale” document.

B. If the easement contains a pipeline that is made of asbestos cement (AC) and the owner of the parcel in which the easement and pipeline are located requests a quitclaim of the easement, then, as a condition of the approval of the quitclaim, the owner must pay to have the District’s abandoned pipeline that will remain in the ground cut and plugged with cement where it crosses the property lines and have the abandoned AC pipeline that is located within the owner’s property removed and disposed of in accordance with all applicable laws.

C. All work by the owner and/or owner’s contractor within the District’s easement prior to recording a “Quitclaim Deed” or “Quitclaim Deed and Bill of Sale” document will require a Temporary Encroachment Permit from the District and payment of the associated fee.

3.14.3 Requirements to Remove or Accept Ownership of Abandoned Pipeline

A. New developments, including tenant improvements and residential additional dwelling unit (ADU) construction, with abandoned pipelines within the property are required to either remove the pipeline or accept ownership of the pipeline via the “Bill of Sale” document (for non AC pipe only) as described in Section 3.14.2 above. The District will consider quitclaiming associated easements on a case-by-case basis. All costs will be borne by the developer/owner.

3.14.4 The Board of Directors delegates the General Manager or assigned designee the authority to execute ‘Quitclaim Deed’, ‘Quitclaim Deed and Bill of Sale’, and ‘Bill of Sale’ documents associated with abandoned pipeline removal and transfers of ownership of pipeline to property owners in forms acceptable by General Counsel.

Notification of Intent to Remove Abandoned Pipeline

~~In cases where the District has prior notification that an abandoned pipeline is to be removed, the District will assure that any portion of the pipeline owned by the District and remaining in the ground is either capped or filled with a slurry mix.~~

3.14.4 Financial Responsibility

~~The financial responsibility to abandon, relocate, replace or remove an existing pipeline will be borne by the person requesting/requiring the work to be performed.~~

~~(Adopted 11/7/12: Minute Order Nos. 12-11-109 and 12-11-110)~~



STAFF REPORT

Agenda Item: 10

Board Meeting Date:	January 17, 2024
Prepared By:	Greg Keppler
Reviewed By:	Randy Whitmann
Approved By:	Brett Hodgkiss

SUBJECT: DEODAR RESERVOIR REHABILITATION PROJECT

RECOMMENDATION: Authorize the General Manager to enter into a construction contract for the Deodar Reservoir Rehabilitation project with Pacific Hydrotech Corporation in the amount of \$3,483,076, enter into an Agreement for Professional Services with Ardurra for construction management and inspection services in an amount not-to-exceed \$484,618, and amend the Agreement for Professional Services with Consor for construction related design support services, increasing the total amount not-to-exceed by \$122,365 to \$427,916 (D-2366, DIV NO. 5).

PRIOR BOARD ACTION: On November 17, 2021, the Board authorized a Professional Services Agreement with Consor for the design of the Deodar Reservoir Rehabilitation project in an amount not-to-exceed \$256,323 (currently amended to \$305,551 as described in the detailed report), and on January 18, 2023, the Board approved the project, authorized staff to advertise and solicit bids for the construction, and determined that the project was exempt from the provisions of the California Environmental Quality Act. On April 19, 2023, the Board rejected all bids for the project.

FISCAL IMPACT: Based on the construction bid of \$3,483,076 from Pacific Hydrotech Corporation, the negotiated \$484,618 Agreement for Professional Services with Ardurra for construction management and inspection services, and the \$122,365 amendment to the existing agreement with Consor for construction related design support services, the current total estimated cost to complete the Deodar Reservoir Rehabilitation project is approximately \$4.09 million. The Fiscal Year (FY) 2024 Budget includes \$3.605 million for these expenditures; the remaining \$485,000 will be budgeted in FY 2025.

SUMMARY: Deodar Reservoir, located approximately 900 feet west of Deodar Road, is a 1.3 million gallon, prestressed concrete reservoir with a timber framed and corrugated metal roof. Deodar Reservoir was constructed in 1978 and provides storage for the “Bennett” service area in the cities of Escondido and San Marcos. This rehabilitation project includes the following upgrades and improvements:

- Grading and drainage improvements including regrading and widening the perimeter access road, site drainage channels, and curb and gutter.
- Valve and cathodic protection replacement for existing inlet, outlet, overflow, and drain yard piping.
- Paving including entire access road between the site and Deodar Road.
- Security fencing and gates.
- Aluminum dome roof including stairs and handrails.
- Replace interior overflow pipe and water level gauge.
- Landscaping and irrigation.

The project was originally bid in February of 2023; four bids were received, and the only responsive bid was withdrawn by the bidder due to a clerical error. Due to the stringent timing requirements for taking the reservoir out of service (only during low-demand periods in late fall, winter and early spring), rebidding the project was postponed a year.

DETAILED REPORT: On December 14, 2023, three bids for the Deodar Reservoir Rehabilitation project were received at the District and publicly opened. Bid results are as follows:

Bidder	Total Bid	% of Engineer's Estimate
Engineer's Estimate	\$3,820,880	----
Pacific Hydrotech Corporation	\$3,483,076	91%
Metro Builders & Engineer Group, Ltd.	\$3,561,861	93%
SCW Contracting Corporation	\$4,315,923	113%

Staff has reviewed the apparent lowest bid package from Pacific Hydrotech Corporation and found it to be both responsive and responsible; staff recommends awarding the project to Pacific Hydrotech Corporation. Following Board approval, Pacific Hydrotech Corporation will be notified of the project award and begin to obtain all necessary documents to execute the contract (bonds, insurance, etc.). Construction is expected to begin in spring 2024 and completed by spring 2025.

Staff issued a Request for Proposal to eight firms for construction management and inspection services for the Deodar Reservoir Rehabilitation project and received responsive proposals from Hoch Consulting and Ardurra (NV5, Valley Construction Management, Jacobs, MKN, Tetra Tech and Black & Veatch declined to submit). The District's selection committee ranked each firm based on the consultant's understanding of the project, relevant experience, project approach, scope of work and project team. The committee selected Ardurra as the most qualified and responsive team. District staff has negotiated a scope of work and time and materials not-to-exceed fee of \$484,618 for the project based on the estimated staffing levels required to complete the project. The scope of work includes the following key tasks:

- Pre-construction phase services – pre-construction meeting, contractor construction schedule and schedule of values approval.
- Contract management and administration – progress meetings and report preparation; progress payment, change order, requests for information, shop drawing, and submittal review and processing; schedule tracking and critical path analysis.
- Field services – part-time inspection, documentation, coordination, and notifications for construction, coordination with District operations, materials testing, special inspections and photo/video documentation.

Conсор provided the design services for the Deodar Reservoir Rehabilitation project for a time and materials not-to-exceed fee of \$256,323. After bids were rejected in April 2023, Conсор's agreement was amended to include roof beam testing to confirm the project could be delayed one year (fee increase of \$23,704, from \$256,323 to \$280,027). In September 2023, another amendment was issued for Conсор to assist with prequalifying aluminum dome roof manufacturers, updating the project bid documents, and providing support service during re-bidding (fee increase of \$25,524, from \$280,027 to \$305,551). A third amendment to Conсор's agreement is requested to extend the term through construction completion and include construction support services (e.g., technical review of requests for information, submittals, shop drawings, field observations, etc.) for an additional time and materials not-to-exceed fee of \$122,365 (from \$305,551 to \$427,916).

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA): Staff previously determined the Deodar Reservoir Rehabilitation project to be exempt under Class 2 of the State CEQA Guidelines section 15302 (Replacement or Reconstruction), 14 CCR § 15302(c), because it consists of replacement or reconstruction of an existing utility system and/or facilities involving negligible or no expansion of capacity and there is no potential for the project to cause either a direct or a reasonably foreseeable indirect physical change in the environment.

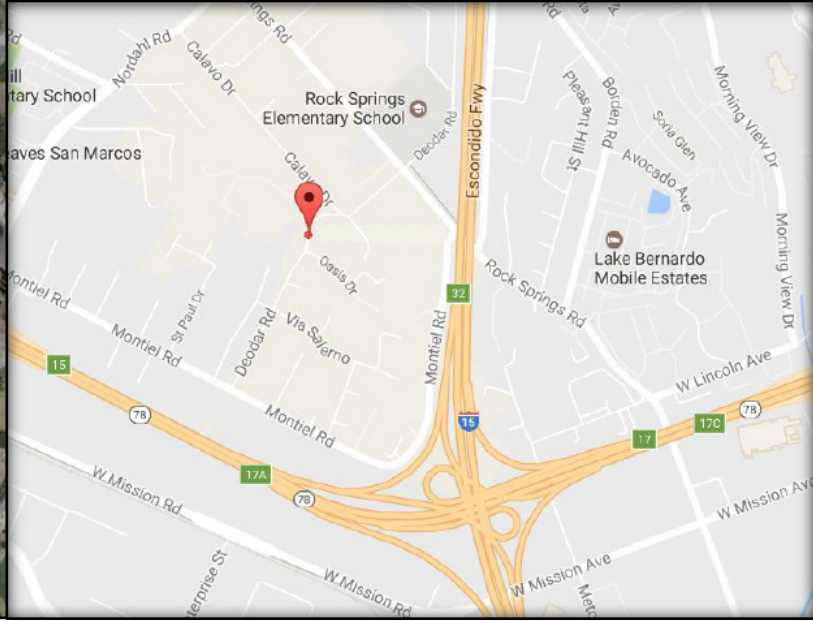
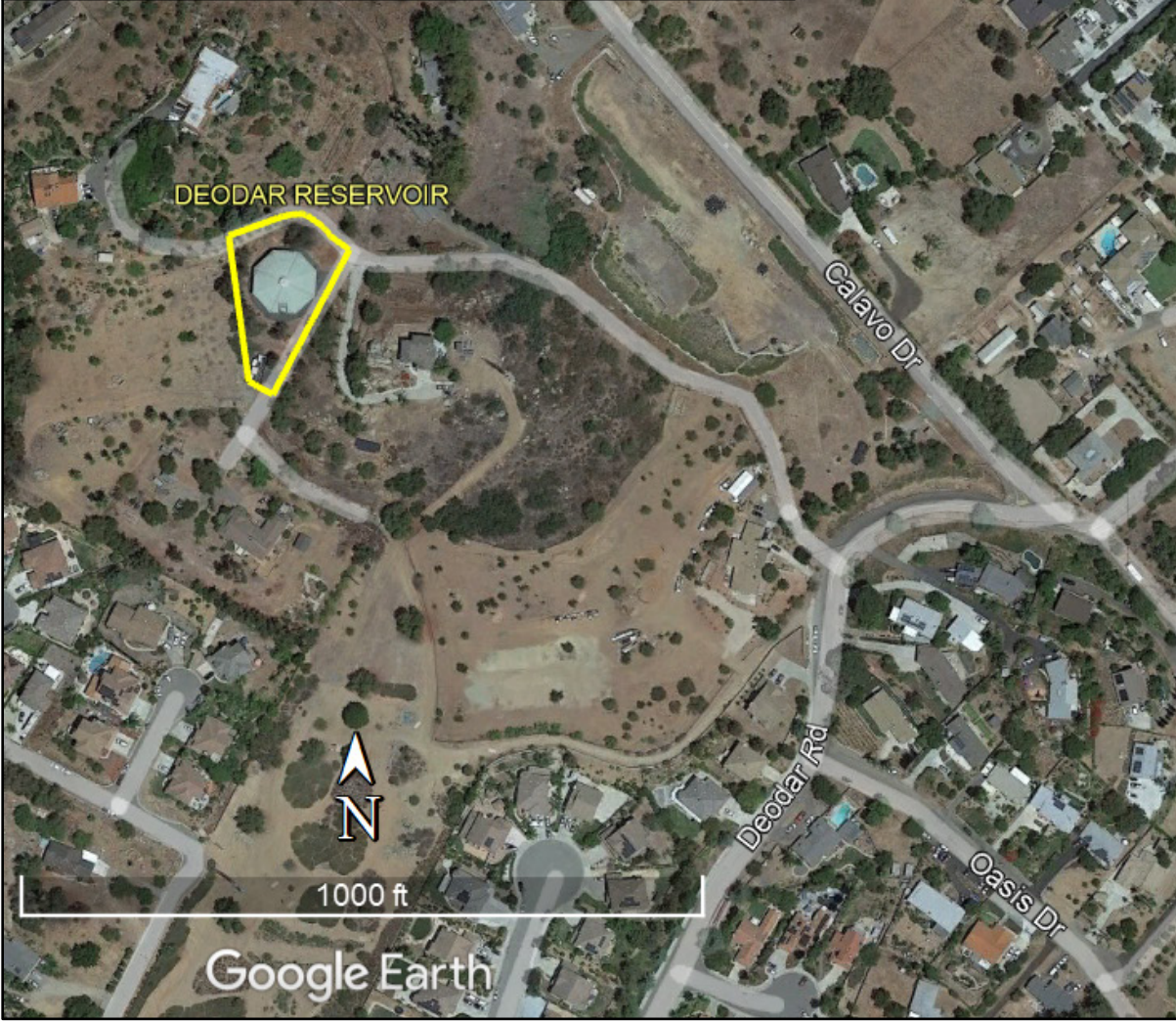
ATTACHMENTS:

- Vicinity Map
- Scope of Work: Ardurra
- Scope of Work: Conсор



DEODAR RESERVOIR

SITE AND VICINITY MAP



SCOPE OF WORK

We have developed the scope of services presented below for use in the Professional Services Agreement. This scope has been developed by utilizing the requested scope of services included in the Request for Proposals provided by the District as well as including items we feel will best suit the project.

1.0 PRE-CONSTRUCTION PHASE SERVICES

1.1 PRE-CONSTRUCTION MEETING

Attend the pre-construction meeting, acting as the District's representatives on the project. Outline the requirements of the Project including schedule, key milestones required as indicated in the construction contract documents, approved materials, quality control, inspections and special inspections, and budget control. It will be emphasized that no contract changes are to be made without the District's prior written consent and that any changes agreed to without the District's knowledge and concurrence will be borne by the Construction Management team and construction Contractor.

2.0 CONSTRUCTION PHASE SERVICES

2.1 REPORTS AND COMMUNICATIONS (DOCUMENT CONTROL)

Maintain field memoranda, transmittals, updated schedules, logs of shop drawings and other submittals, logs of requests for information (RFIs), potential change orders, change orders, progress payment requests, progress meeting reports, compaction reports, daily inspection reports, photo documentation, and any additional relevant project correspondence. Project documentation will be kept digitally on a web-based system that provides the District full administrative control, as well as hard copies, and files will be organized in a logical manner as approved by the District.

2.2 CONSTRUCTION ADMINISTRATION AND MANAGEMENT

It is envisioned construction related administrative and management duties shall include but not be limited to the tasks listed below.

- a) **Construction Progress Meetings:** Attend biweekly construction progress meetings with the District and Contractor. Discuss the schedule, near term activities, clarifications and problems that need resolution, coordination with other sub-contractors, status of potential change orders, disputed work, and safety issues. Review minutes of the meetings with identified action items. Prepare and distribute the minutes to the attendees.
- b) **Project Coordination:** Provide coordination between the District, Contractor, Engineer of Record, and other stakeholders as needed to facilitate the construction process. Verify that the parties have up to date necessary information and documents such as shop drawings, submittals, and plan revisions.
- c) **Construction Schedule and "Look Ahead" Schedule Review:** Meet with the Contractor prior to the overall construction schedule submittal to discuss the contract requirements and review in general the Contractor's intended work plan. Once the overall baseline construction schedule has been received, review and analyze it for contract compliance, viability, and to confirm the Project float has not been inappropriately impacted. Once the overall baseline construction schedule is approved, review it for monthly changes to the baseline schedule. Requests for time submitted by the Contractor shall also be reviewed for merit and appropriate recommendations shall be made to the District. The monthly schedule update analysis shall be to determine effect and appropriateness of schedule revisions to the Critical Path in relation to base contract work, delays caused by the Contractor and work added by change orders. Findings shall be returned to the Contractor and provided to the District. In addition, review monthly look ahead schedules to ascertain immediate and critical upcoming construction activities so all team members, including the District, are aware of any potential impacts or specialty inspection needs.
- d) **Shop Drawing and Submittal Reviews:** Coordinate submittal review and approval and be responsible for logging, processing and monitoring the status of all submittals. Provide cursory review of the Contractor's submittals for general conformance with the contract document requirements prior to sending the submittals to the Engineer of Record for review. Log, track, and monitor shop drawings, calculations, data samples, submittals, and Operation & Maintenance manuals from the Contractor. Shop drawings and submittals that significantly do not meet the specified requirements will be returned to the Contractor with comments for corrections and resubmittal as required.

- e) **Plans and Specifications Interpretation (RFI Processing):** Review and respond to Contractor RFIs of a general nature. Technical RFIs will be submitted to the Engineer of Record for response. Maintain a log of RFIs and ensure that written clarifications are provided to the Contractor in a timely manner. Responses to requests for changes to the design will be submitted to the District's Engineering Manager and the Engineer of Record for response and approval.
- f) **Change Order Requests:** Identify, prepare, log, and monitor Contractor or District initiated claims, changes, extra work, potential change orders, and change orders. Negotiate claims to an agreed conclusion amongst the Contractor, Engineer of Record, and District. Provide written recommendations to the District regarding the resolution of change orders and submit change orders to the District for approval. Prepare a report providing statement of claim, extra work, or change; background leading to the issue; and resolution recommendation for action by the District. Prepare written justification and cost estimates for each change order that require design modifications or clarifications, including revisions to the drawing, details, and specifications. Resolve claims, extra work, and change orders for changes to the work and obtain District approval.
- g) **Progress Payment Review:** Independently prepare drafts of project related invoices, progress payments and submit invoices to the District's Engineering Manager with a recommendation stating the proper amount for payment using the Schedule of Values and actual quantities as a basis to prepare payment requests. Walk the site with the District to confirm any progress payment requests reflect actual work done. Once confirmed, final progress payments may be submitted for processing. Progress payment review shall also include evaluation of the monthly updated construction schedule and review of the project as-builts to verify that the Contractor is up to date. In addition, review of monthly progress payments shall include review of the Contractor's required inspections, testing, and reports as required by the contract documents.

2.3 CONSTRUCTION INSPECTION SERVICES

- a) **Daily Construction Monitoring and Inspection:** Provide inspection to observe and document that the Contractor's work is in compliance with the contract documents. Prepare daily reports of the construction activities including weather conditions, Contractor's equipment and manpower, work performed, materials used, and site visitors. Note any delays or deficiencies in work and the reasons. Prepare daily reports of deviations and non-conformance to specifications and provide a timely response. In addition, perform technical inspection at the job site as required of materials and workmanship, and discuss with the Contractor appropriate revisions to the methods and procedures used in performing the work. Observe and record all material deliveries to the site. Material certificates shall be verified and documented for compliance with plans, specifications, and approved shop drawings. Maintain on a daily basis a set of as-built drawings as verification and redundancy to the Contractor's drawings.

Inspect and ensure the adequacy of the Contractor's storm water Best Management Practices (BMPs) at the site. Although the Project proposes to disturb less than one acre, and therefore does not require coverage under the Construction General Permit, the District requires storm water BMPs to be strictly enforced.

- b) **Materials Testing and Special Inspection:** Be familiar with the construction contract document requirements and review Contractor requests for materials testing or special inspection. Upon review and confirmation that the work is ready, schedule the special inspection and/or materials testing. The following specialty inspection services will be provided by our specialty subconsultants.

Ninyo & Moore

- Geotechnical testing and observation
 - Provide field observation and in-place density testing during earthwork operations.
 - Perform laboratory testing of materials during earthwork operations.
 - Perform laboratory and in-place density testing during AC placement.
- Structural Special Inspection and Testing
 - Provide special inspection during placement of structural concrete.
 - Provide special inspection during field welding and high strength bolting operations.
 - Provide special inspection during the installation of post-installed anchors.

- Provide non-destructive testing during the performance of complete and partial joint penetration welds.
- Sample and test concrete, grout, and reinforcing steel as called for in the project specifications.

A log shall be maintained of site visits and time spent onsite by the special inspector and testing staff to assist in the monthly review of their invoices. A file of all testing and special inspection results shall be maintained on site and in the web-based Project file.

- c) **Photo Documentation:** Take and file construction documentation photographs on a regular basis. Maintain a digital photographic library of significant construction activities. Take additional photographs to document differing site conditions, change order claim items, and any special or unique conditions as they arise.

3.0 POST-CONSTRUCTION PHASE SERVICES

3.1 PROJECT CLOSEOUT

Prepare detailed project punch item lists at closeout of the Project. Upon correction of deficiencies, schedule, coordinate, and conduct a final walk through prior to acceptance of work with the District. Verify work, testing, cleanup and demobilization is complete. Check and submit final payment requests after final walk through. Review and certify that the Contractor's project record drawings are complete and accurate.



January 8, 2024

Greg Keppler, PE, QSD
Engineering Project Manager
Vista Irrigation District
1391 Engineer Street
Vista, CA 92081

**Re: *Deodar Reservoir Rehabilitation
Proposal for Engineering Services During Construction***

Dear Greg:

CONSOR is pleased to submit this proposal for engineering services during construction for the Deodar Reservoir Rehabilitation Project.

Our design team includes John Thayer as the local San Diego County Project Manager, with Taylor Spencer as Project Engineer, Peterson Structural as the Project Structural Engineer, and Group Delta providing Geotechnical support.

Our proposed Scope of Work includes Fee Exhibit A, which is an attachment to this letter proposal.

SCOPE OF WORK

Overview

CONSOR and subconsultant Peterson Structural (PSE) performed the design of the Deodar Reservoir Rehabilitation. The Bid Opening took place in December 2023. The project consists of

replacement of the reservoir roof and various piping, mechanical, site civil, and retaining wall improvements.

Vista Irrigation District (the District) requested that CONSOR prepare a scope and fee for office engineering services including technical review of requests for information, submittals, and shop drawings, along with periodic civil and structural field observations and other related services.

Scope of Work – Tasks

The following is the proposed Scope of Work broken down by tasks:

Task 1: Project Management General Tasks (Meetings, Coordination, Administration)

1.1 Meetings

CONSOR and our subconsultant Peterson Structural will participate in up to 5 virtual meetings and 2 construction site meetings as directed by the District. These meetings do not include the Pre-Construction Conference in Task 2 and the Field Observations in Task 5. Virtual meetings are assumed to be one hour each, and site meetings are assumed to be 4 hours each, including travel time.

1.2 Project Management, Administration, Invoicing, Reporting

Prepare monthly invoices and a brief monthly progress report.

Task 2: Attend Pre-Construction Conference

CONSOR and our subconsultant Peterson Structural will attend the pre-construction conference on-site and answer questions.

Task 3: Answer Requests for Information/Clarification

CONSOR and our subconsultant Peterson Structural will respond to up to 40 Requests for Information/Clarification, including up to 20 Structural Requests and up to 20 Civil/Mechanical/Landscaping/General Construction Requests. It is assumed the District Representative will provide a standard electronic form template for CONSOR and Peterson to use in responding to RFIs.

Task 4: Review Submittals and Shop Drawings

CONSOR and our subconsultant Peterson Structural will review submittals and shop drawings. Submittals and shop drawings will be reviewed by applying pdf-editor comments to a pdf provided by the Third-Party Construction Management Consultant or District Representative. The scope

assumes that the Third-Party CM Consultant will provide document control by managing and distributing submittals and routing comments and re-submittals to the appropriate parties. The scope assumes 8 structural submittals and 15 civil/mechanical/landscaping submittals with an average of three (3) reviews per submittal, for a total not to exceed 23 submittals and 70 reviews. Additional shop drawing reviews above the budget of 23 submittals and 70 reviews can be provided for an additional scope and fee, or these additional reviews can be performed by District staff or the Third-Party CM Consultant.

A preliminary assumed list of structural submittals is as follows.

- S1. Demolition Plan
- S2. Existing Wall Repairs and Mortar
- S3. Concrete Mix Design
- S4. Miscellaneous Metals and Structural Materials
- S5. Reinforcement Details
- S6. Dome Shop Drawings
- S7. Stairs and Passivation Requirements
- S8. Shoring Plan

A preliminary assumed list of civil/mechanical/general submittals is as follows:

- C/M1. Butterfly valves
- C/M2. Asphalt Paving, Base, and Geotextile
- C/M3. Dismantling Joints
- C/M4. Painting and Coating Products
- C/M5. Contractor Schedule
- C/M6. HDPE pipe and appurtenances
- C/M7. Steel pipe and appurtenances
- C/M8. Conduit, electrical enclosures, and electrical appurtenances
- C/M9. Landscaping Planting and Plant Selection
- C/M10. Landscaping Irrigation System and Bubblers

C/M11. Fencing and Gates

C/M12. Pump Station Fence Post Modifications including Gate Posts

C/M13. Cathodic Protection Anodes, Wiring, and Test Stations

C/M14. Duckbill Check Valves

C/M15. Stormwater Appurtenances (Curb, Gutter, Splash Walls)

Task 5 Civil and Structural Field Observations

This task includes field time plus travel time within San Diego County, to make field observations when directed by the District, during special inspections or at key project milestones. The budget assumes 9 site visits by Peterson Structural at 4 hours each, plus 6 hours of internal QA/QC by Peterson, and 8 site visits by Consor at 4 hours each, plus 6 hours of internal QA/QC by Consor. One of the site visits will be the Final Walk-through.

Task 6 Change Order/Claims Review

CONSOR and Peterson Structural will provide up to 16 hours of review and evaluation time (8 hours for CONSOR and 8 hours for Peterson Structural) to review change order correspondence.

Task 7 Resolution of Construction Issues

This task includes 16 hours of Peterson time and 14 hours of Consor time for reviewing and resolving construction issues.

Task 8 Geotechnical Field Review

The Geotechnical Engineer Group Delta will provide field observation and inspection of retaining wall foundation preparation and retaining wall backfill activities. This assumes 5 days (one week total) of on-site presence by the Geotechnical Engineer from Group Delta.

Task 9 Record Drawings

CONSOR and Peterson Structural will prepare record drawings using field red-lines generated by the Contractor. It is assumed that the Contractor will provide the District and the project consultants a single combined set of field redlines in pdf format, shortly after Final Completion, showing all construction changes. The final deliverable for record drawings will be modified contract drawings in a combined pdf with "Record Drawing" initials in the revision block from the Engineers of Work.

Additional Assumptions

It is assumed that the Third-Party CM Consultant procured by the District will coordinate submittals with the Contractor such that submittals are grouped and packaged according to the submittal categories listed in the Task 4 description of this proposal.

Fee Proposal

CONSOR proposes to perform the work for a time-and-materials fee of \$122,365. The breakdown for this fee proposal is shown in the attached Exhibit A.

CONSOR is available to begin work upon the District's written authorization to proceed. If you have any questions about our scope or would like to discuss further, please contact me at 858-354-7856 or john.thayer@consoreng.com.

Thank you for the opportunity to be of service.

Kind regards,



John Thayer, P.E.
Principal Engineer

Attachments:
Exhibit A – Fee Proposal

Exhibit A
Vista Irrigation District
Deodar Reservoir Rehabilitation - Engineering Services During Construction
1/8/2024 Fee Estimate for Engineering Services
CONSOR Engineers

Task	Description						Sub-consultants			Other Costs		Total Project Fee Estimate	
		(J. Thayer) Principal PM \$276	Project Engineer, Senior \$214	Project Engineer, Junior \$198	Admin \$122	Total Consor Fee	Structural (Peterson Structural)	Geotechnical (Group Delta)	Total Subs Fee	Subs Markup @5%	Mileage		
1	Project Management General Tasks												
	1.1 Meetings	13		8		\$5,172	\$3,920		\$3,920	\$196	\$1,000	\$10,288	
	1.2 Project Management, Administration, Invoicing, Reporting	24		4	18	\$9,612			\$0	\$0		\$9,612	
	SUBTOTAL: Task 1	37		12	18	\$14,784	\$3,920	\$0	\$3,920	\$196	\$1,000	\$19,900	
2	Attend Pre-Construction Conference												
		4				\$1,104	\$1,010		\$1,010	\$51	\$0	\$2,165	
3	Answer Requests for Information/Clarification												
		25	5	10		\$9,950	\$5,880		\$5,880	\$294		\$16,124	
4	Review Submittals and Shop Drawings												
		30	10	50		\$20,320	\$9,800		\$9,800	\$490		\$30,610	
5	Civil and Structural Field Observations												
		38				\$10,488	\$10,780		\$10,780	\$539		\$21,807	
6	Change Order/Claims Review												
		6		2		\$2,052	\$2,760		\$2,760	\$138		\$4,950	
7	Resolution of Construction Issues												
		14				\$3,864	\$3,960		\$3,960	\$198		\$8,022	
8	Geotechnical Field Review												
		4				\$1,104		\$9,000	\$9,000	\$450		\$10,554	
9	Record Drawings												
		6	6	20		\$6,900	\$1,270		\$1,270	\$64		\$8,234	
Total - FEE ESTIMATE		TOTALS	164	21	94	18	\$70,566	\$39,380	\$9,000	\$48,380	\$2,419	\$1,000	\$122,365



STAFF REPORT

Agenda Item: 11

Board Meeting Date: January 17, 2024
Prepared By: Randy Whitmann
Approved By: Brett Hodgkiss

SUBJECT: VISTA FLUME REPLACEMENT ALIGNMENT STUDY WORKSHOP

RECOMMENDATION: Select a date in March or April 2024 to hold the continued workshop on the Vista Flume Replacement Alignment Study.

PRIOR BOARD ACTION: On August 24, 2021, the Board participated in the first workshop for the Vista Flume Replacement Alignment Study to review and reach preliminary consensus on the project objectives, 'long-list' of alignment alternatives, evaluation criteria and replacement affordability. On September 20, 2022, the Board participated in the second workshop to review results of the Coarse Screening analysis, identify a 'short-list' of two alternatives for advancement into the Fine Screening analysis and receive an update on project affordability. On December 11, 2023, the Board conducted the third workshop to review results of the Fine Screening analysis, including the recommended preferred alignment to advance to design, local water system predictive yield modeling, climate change, and project affordability. Due to time constraints, project affordability and project next steps were not covered and the Board directed the workshop to be continued in early 2024.

FISCAL IMPACT: None.

SUMMARY: At nearly 100 years old, the Vista Flume (Flume) has exceeded its usable service life, is unsuitable for reuse and should be retired. A Water Supply Planning Study (WSPS) was completed in March 2020 and found that replacement of the Flume was the least costly water supply option for the District. The Flume Replacement Alignment Study (Study) began in February 2021 and is designed to support a decision by the District as to the preferred replacement alignment for the Flume. The Study will review many factors that weigh in the comparison of alternative alignments, and the selection of a preferred alignment will be guided by a risk versus cost evaluation. Alternatives will be ranked and screened based on a set of key criteria including project affordability and implementation, schedule, constructability, community impacts, land ownership, environmental, permitting, system hydraulics, and operations and maintenance.

DETAILED REPORT: The purpose of the continuation of the third workshop for the Study is to present the remaining material not covered at the December 11, 2023 workshop, including finishing the project affordability analysis, next steps and to provide the following additional information requested by the Board:

- General impacts of the "To Flume" and "Not to Flume" projects on customer rates
- Historical release data from Lake Henshaw
- Projected San Diego County Water Authority rates for raw and treated water
- Easement requirements for the recommended alignment alternative
- Cost of water and yield comparisons with other local water projects

The Board requested that the continuation of the Study workshop be scheduled in early 2024. Board members are asked to bring their calendars and be prepared to select a date to hold the workshop in March or April 2024.

ATTACHMENT: Calendar

MARCH 2024

S	M	T	W	T	F	S
					1	2
3	4	5	6 <i>Board meeting</i>	7	8	9
10	11	12	13	14	15	16
17	18	19	20 <i>Board meeting</i>	21	22	23
24	25	26	27	28	29	30
31						

Possible dates for a workshop/meeting

 Unavailable

APRIL 2024

S	M	T	W	T	F	S
	1	2	3 <i>Board meeting</i>	4	5	6
7	8	9	10	11	12	13
14	15	16	17 <i>Board meeting</i>	18	19	20
21	22	23	24	25	26	27
28	29	30				

Possible dates for a workshop/meeting

 Unavailable



Agenda Item: 12

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

SUMMARY: Informational report by staff and directors concerning the San Diego County Water Authority. No action will be required.



STAFF REPORT

Agenda Item: 13.A

Board Meeting Date: January 17, 2024
Prepared By: Ranae Ogilvie
Approved By: Brett Hodgkiss

SUBJECT: REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS

SUMMARY: Directors will present brief reports on meetings and events attended since the last Board meeting.



STAFF REPORT

Agenda Item: 13.B

Board Meeting Date: January 17, 2024
Prepared By: Ramae Ogilvie
Approved By: Brett Hodgkiss

SUBJECT: SCHEDULE OF UPCOMING MEETINGS AND EVENTS

SUMMARY: The following is a listing of upcoming meetings and events. Requests to attend any of the following events should be made during this agenda item.

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
1 *	State of the Community Luncheon <i>Jan. 22, 2024; 11:00 a.m.-1:00 p.m.; Morris B. Vance Community Room</i> <i>Reservation deadline: Open until sold out.</i>	MacKenzie (R) Sanchez (R) Kuchinsky (R) Vásquez (R) Miller (R)
2	Southern California Water Coalition Quarterly Event <i>Jan. 26, 2024; Noon-2:00 p.m.; Mission Inn Hotel, Riverside</i> <i>Registration deadline: None</i>	
3 *	Vista Chamber Government Affairs <i>Feb. 1, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
4	Urban Water Institute’s Spring Water Conference <i>Feb. 21-23, 2024; Palm Springs Hilton</i> <i>Early Bird Registration deadline: Closed; Cancellation deadline: 1/21/24</i>	Vásquez (R, H)
5	Groundwater Resources Association: The Future of Water <i>Feb. 23, 2024; Sacramento, CA</i> <i>Early Bird Registration deadline: 2/7/24; Cancellation deadline: 1/23/24</i>	MacKenzie (T)
6 *	Vista Chamber Government Affairs <i>Mar. 7, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
7 *	Vista Chamber Government Affairs <i>Apr. 4, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
8	ACWA Symposium <i>Apr. 10, 2024; Sacramento, CA</i> <i>Early Bird Registration deadline: TBD; Cancellation deadline: TBD</i>	MacKenzie
9	Southern California Water Coalition Quarterly Event <i>Apr. 19, 2024; Noon-2:00 p.m.; Wilson Creek Winery, Temecula</i> <i>Registration deadline: None</i>	
10 *	Vista Chamber Government Affairs <i>May 2, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
11	Hoover Dam Tour (MWD) <i>May 2-4, 2024; Registration deadline: TBD</i>	Kuchinsky
12	ACWA Spring Conference <i>May 7-9, 2024; Sacramento</i> <i>Registration deadline: TBD</i>	MacKenzie Sanchez Kuchinsky (T)
13	Special Districts Legislative Days (CSDA) <i>May 21-22, 2024; Sheraton Grand Sacramento Hotel; Sacramento</i> <i>Registration deadline: TBD</i>	MacKenzie

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
14 *	Vista Chamber Government Affairs <i>Jun. 6, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
15	Diamond Valley Lake Tour (MWD, Hosted by Director Miller) <i>June 7, 2024; Diamond Valley Lake (1-day tour)</i> <i>Registration deadline: TBD</i>	Kuchinsky MacKenzie
16 *	Vista Chamber Government Affairs <i>Jul. 4, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
17 *	Vista Chamber Government Affairs <i>Aug. 1, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
18 *	Vista Chamber Government Affairs <i>Sept. 5, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
19	CSDA Annual Conference <i>Sept. 9-12, 2024; Indian Wells</i> <i>Registration deadline: TBD; Cancellation deadline: TBD</i>	
20 *	Vista Chamber Government Affairs <i>Oct. 3, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
21	Western Groundwater Congress: A Sustainable Adventure (Groundwater Resources Association of California) <i>Oct. 7-9, 2024; Tahoe</i> <i>Registration deadline: TBD; Cancellation deadline: TBD</i>	
22 *	Vista Chamber Government Affairs <i>Nov. 7, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
23	ACWA Fall Conference <i>Dec. 3-5, 2024; Palm Desert</i> <i>Registration deadline: TBD; Cancellation deadline: TBD</i>	
24 *	Vista Chamber Government Affairs <i>Dec. 5, 2024; 12:00 p.m. – 1:30 p.m.; The Film Hub, Vista</i> <i>Reservation deadline: TBD</i>	
25	Colorado River Water Users Association Conference <i>Dec. 4-6, 2024; Paris, Las Vegas</i> <i>Registration deadline: TBD; Cancellation deadline: TBD</i>	

* Non-per diem meeting except when serving as an officer of the organization

The following abbreviations indicate arrangements that have been made by staff:

R=Registration; **H**=Hotel; **A**=Airline; **S**=Shuttle; **C**=Car; **T**=Tentative; **◊**=Attendee to Self-Register



Agenda Item: 14

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

SUMMARY: This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming Board meetings and/or identify press release opportunities.

Staff-generated list of tentative items for future agendas:

- H.R. La Bounty Award recipients recognition (February)
- Board of Directors' Compensation
- Leak Adjustment Policy
- Communication and Engagement Plan



Agenda Item: 15

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Ranae Ogilvie

SUBJECT: COMMENTS BY DIRECTORS

SUMMARY: This item is placed on the agenda to enable individual Board members to convey information to the Board and the public not requiring discussion or action.



Agenda Item: 16

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: COMMENTS BY GENERAL COUNSEL

SUMMARY: Informational report by the General Counsel on items not requiring discussion or action.



Agenda Item: 17

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: COMMENTS BY GENERAL MANAGER

SUMMARY: Informational report by the General Manager on items not requiring discussion or action.



Agenda Item: 18

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: CLOSED SESSION WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

SUMMARY: Significant exposure to litigation pursuant to Government Code section 54956.9(d)(2)

Number of cases: 5



Agenda Item: 19

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: CLOSED SESSION TO CONDUCT PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GENERAL MANAGER

SUMMARY: Performance evaluation of public employee pursuant to Government Code section 54957.



Agenda Item: 20

STAFF REPORT

Board Meeting Date: January 17, 2024
Prepared By: Brett Hodgkiss

SUBJECT: GENERAL MANAGER COMPENSATION

RECOMMENDATION: Review the compensation of the General Manager and take action as appropriate.