

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

June 22, 2016

An Adjourned Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, June 22, 2016, 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, Dorey, Reznicek, and MacKenzie.

Directors absent: None.

Staff present: Eldon Boone, General Manager; Marian Schmidt, Assistant Secretary of the Board; Brett Hodgkiss, Assistant General Manager; Brian Smith, Director of Engineering; Frank Wolinski, Operations and Field Services Manager; Sherry Thorpe, Safety & Risk Manager; Marlene Kelleher, Finance Manager; Randy Whitmann, Engineering Project Manager; Steve Wuerth, System Controls Supervisor; and Ben Parks, Water Quality Operator III. General Counsel Joel Kuperberg was also present.

Other attendees: VID Special Counsel John Carter.

**3. PLEDGE OF ALLEGIANCE**

Director Reznicek led the pledge of allegiance.

**4. APPROVAL OF AGENDA**

16-06-58	<i>Upon motion by Director MacKenzie, seconded by Director Dorey and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors approved the agenda as presented.</i>
----------	--

**5. PUBLIC COMMENT TIME**

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

**6. CONSENT CALENDAR**

Director Miller asked about purchasing gasoline powered versus diesel trucks. Operations and Field Services Manager Frank Wolinski explained that the District was not realizing the benefits of a diesel powered truck (e.g. longevity, fuel efficiency, etc.) because of how the vehicle is used; furthermore, purchasing a gasoline powered truck allows the District to avoid additional upfront costs and California Air Resources Board requirements associated with a diesel powered vehicle.

16-06-59 *Upon motion by Director Miller, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors approved the Consent Calendar, including Resolution No. 16-15 approving disbursements.*

A. District vehicle purchase

See staff report attached hereto. Staff recommended and the Board authorized the purchase of two medium duty trucks from North County Ford.

B. Minutes of the Fiscal Policy Committee meeting on May 17, 2016

The Board noted and filed the Minutes of the Fiscal Policy Committee meeting on May 17, 2016 which were provided for informational purposes.

C. Minutes of Board of Directors meeting on June 1, 2016

The minutes of June 1, 2016 were approved as presented.

D. Resolution ratifying check disbursements

**RESOLUTION NO. 16-15**

**BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 53304 through 53473 drawn on Union Bank totaling \$809,051.17.**

**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 22<sup>nd</sup> day of June 2016.**

\*\*\*\*\*

**7. SAFETY AWARDS PROGRAM**

See staff report attached hereto.

Mr. Boone stated that two District employees had received ACWA Joint Powers Insurance Authority (JPIA) H.R. LaBounty Safety Awards. Mr. Boone said that the employees were present and prepared to present their award winning submissions. Mr. Boone introduced Safety & Risk Manager Sherry Thorpe who provided an overview of the H.R. LaBounty Safety Program and introduced each of the award recipients. Ben Parks and Steve Wuerth each presented their award winning ideas.

Director Dorey, the District's representative to ACWA JPIA, presented the awards to Messrs Parks and Wuerth. The Board commended the award recipients for their efforts.

The award recipients and Ms. Thorpe left the meeting at this time.

**8. 2015 URBAN WATER MANAGEMENT PLAN**

See staff report attached hereto.

Mr. Boone informed the Board that the Urban Water Management Planning Act requires public agencies to prepare an Urban Water Management Plan every 5 years and introduced Assistant General Manager Brett Hodgkiss to present the District's 2015 Urban Water Management Plan (Plan).

Mr. Hodgkiss provided a brief overview of the Plan and stated that the contents of the Plan revolve around supply and demand projections over a 20-year planning horizon. He also mentioned that the Plan describes the reliability of water supplies during average, single-dry and multiple-dry water year conditions and incorporates interim 2015 and 2020 water use targets as required by SBX7-7. Mr. Hodgkiss stated that the District is in compliance with SBX7-7 requirements, meeting its reduction requirements for 2015 as well as 2020.

Mr. Hodgkiss stated that the draft Plan was made available for public review at the District's office and on its web site on June 1. He said that a public hearing notice was duly posted and published in the newspaper on June 14 and June 19 and that no comments had been received from the public. Mr. Hodgkiss noted that comments had been received from Director Dorey regarding how groundwater was addressed in the Plan and that staff had proposed amendments (as noted in an attachment to the staff report) to address Director Dorey's comments. President Vásquez commented on Section 4.5 related to water use for lower income households and requested clarifications regarding how water quality issues and climate change were being addressed in the Plan. Mr. Hodgkiss provided clarifications as needed.

There being no further comments by Directors, President Vásquez opened a public hearing on the 2015 Urban Water Management Plan. No comments were received in writing or verbally from the public regarding the draft 2015 Urban Water Management Plan. President Vásquez closed the public hearing to receive public comment relative to the VID 2015 Urban Water Management Plan and compliance with SBX7-7 at 9:44 a.m.

16-06-60 *Upon motion by Director Dorey, seconded by Director Miller, the Board of Directors adopted Resolution 16-16 adopting the 2015 Urban Water Management Plan, by the following roll-call vote:*

*AYES: Directors Miller, Dorey, Reznicek, MacKenzie, and Vásquez*  
*NOES: None*  
*ABSTAIN: None*  
*ABSENT: None*

*A copy of Resolution 16-16 is on file in the official Resolution Book of the District.*

## **9. FISCAL YEAR 2017 BUDGET**

See staff report attached hereto.

Mr. Boone informed the Board that the Fiscal Policy Committee discussed the budget during their May 17 meeting. He provided the Board with details on key items in the budget, noting that revenue is up slightly due to the automatic pass-through of rate increases from the Water Authority. Mr. Boone stated that approximately \$1.9 million will be used from reserves to fund capital budget projects, such as the HP Reservoir Rehabilitation project and the Main Replacement Program. He noted that the rehabilitated reservoir will have nearly the same life span as a new one. Mr. Boone explained that the capital budget for the Main Replacement Program has been increased in an effort to accelerate the replacement of pipe in areas with the highest frequency of leaks.

Director MacKenzie mentioned that the cost of the new telephone system is located in different sections of the budget and asked for clarification. Mr. Boone explained that the total estimated cost of the new telephone system is \$70,000; \$15,000 for consulting, \$35,000 for system hardware and \$20,000 for the handsets.

16-06-61 *Upon motion by Director Miller, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors adopted the Fiscal Year 2017 Budget.*

## 10. SELECTION OF FIRM FOR AUDITING SERVICES

See staff report attached hereto.

Finance Manager Marlene Kelleher reported the Request for Proposal (RFP) was sent to twelve accounting firms and five submitted proposals. She stated that White Nelson Dieh Evans LLP was ranked the highest out of the top three firms, noting that they were the only firm that included the preparation of management letter as part of their proposal; this document has been included as part of the audit process at the request of the Board. Ms. Kelleher also noted the firm's extensive experience working with the requirements of GASB 68, which would be very helpful to the District.

Director MacKenzie inquired if the firm offers ongoing assistance throughout the year. Ms. Kelleher replied that they offer training at no cost, if needed. She also stated that the firm's proposal includes 20 hours of consulting in addition to the audit work.

16-06-62 *Upon motion by Director MacKenzie, seconded by Director Reznicek and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors authorized the General Manager to enter into a contract with White Nelson Diehl Evans LLP for three years of auditing services, with the option to extend on a year-by-year basis for two additional years.*

## 11. RELOCATION OF A PORTION OF THE VISTA FLUME

See staff report attached hereto.

Mr. Boone provided an update on the Shea Homes (Shea) Hidden Valley Estates development that impacts the District's flume. Both parties found that it would be beneficial to relocate that portion of the flume into underground pipe through the development.

Engineering Project Manager Randy Whitmann updated the Board that the easement document has been recorded and filed with the County. He informed the Board that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) because the pipe is less than a mile long and will be located in a public right-of-way. Mr. Whitmann stated that Shea has hired Cass Construction for their underground utilities. He said that Cass has experience installing HDPE pipe and the capacity to perform the Flume relocation work.

Mr. Whitmann stated the District will get a cost estimate from Cass to perform that work (based on the approved plans) and compare it to the engineer's estimate. He stated that there should be cost savings related to mobilization and coordination because Cass is already on site. However, if the estimate from Cass is higher than the engineer's estimate, the District will solicit bids for the project.



Director Miller asked for confirmation that staff will talk to Cass, get their estimate and compare it to the engineer's estimate; if Cass's estimate is lower than the engineer's estimate, the District would contract with them. Mr. Whitmann confirmed Mr. Miller's comment. He also stated that the project is estimated to cost between \$1.4 and \$2.0 million. Staff will provide to the Board a final cost estimate once it is complete.

Director MacKenzie stated that in reading the Flume Relocation Reimbursement Agreement, Shea is also being permitted to provide in kind services not just dollars. Mr. Whitmann confirmed that there is a provision that allows Shea to pay for materials in lieu of contributing dollars; the purchase of materials will count as part Shea's financial contribution to the project.

16-06-63	<i>Upon motion by Director Miller, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors took the following actions: Approved the Vista Flume Relocation Project and the Flume Relocation Reimbursement Agreement with Shea Homes Limited Partnership; determined that the Vista Flume Relocation Project is exempt from the provisions of the California Environmental Quality Act and directed staff to file the Notice of Exemption with the County Clerk; and authorized staff to negotiate a construction contract amount from a qualified licensed contractor (LN-2015-003, APN 224-100-57, 58, 82 &amp; 83).</i>
----------	--

Special Counsel John Carter arrived during the above discussion.

A brief break was taken from 10:17 a.m. to 10:28 a.m.

At this time the Board requested to address Items #20 & #21.

## **20. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL**

President Vásquez adjourned the meeting to closed session at 10:30 a.m. for a conference with legal counsel per Paragraph (1) of subdivision (d) of Government Code section 54956.9 to discuss the following pending litigation:

### **A. San Luis Rey Indian Water Rights Litigation (Settlement)**

The meeting reconvened in open session at 11:30 a.m. President Vásquez declared that no reportable action had been taken.

At this time Ms. Kelleher, Mr. Wolinski, and Mr. Fisher were present in the audience.

## **21. LEGAL SERVICES AGREEMENT WITH WILMERHALE**

See staff report attached hereto.

Mr. Boone advised the Board that the District entered into an agreement with Wilmerhale on June 5, 2012. He stated that the agreement before the Board for ratification and approval supplements the engagement letter and covers the period January 1, 2016 to June 30, 2017. Mr. Boone also let the Board know that the District had entered into two other supplement agreements covering December 1, 2013 to July 31, 2014 and January 1, 2015 to December 31, 2015

The Board discussed the District's pro-rata share of the fees under the new (fourth) agreement what would happen if Wilmerhale didn't earn their success fees by June 30, 2017. Mr. Boone clarified the pro-rata share under the new agreement (42% - San Luis Rey Indian Water Authority, 29% - City of Escondido and 29% - Vista Irrigation District) and explained that at the conclusion of this engagement, with all success fees earned, all parties will have effectively paid the historical split of 50% - 25% - 25%. He also stated that if Wilmerhale doesn't earn their other success fees by June 30, 2017, the District will have an outstanding amount due for prior legal services; an additional agreement would be needed in order for the District to pay its pro-rata share of the balance due.

16-06-64 *Upon motion by Director Miller, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Reznicek, and MacKenzie), the Board of Directors ratified and approved the Attorney and Professional Services Agreement with Wilmer Cutler Pickering Hale and Dorr LLP for the period of January 1, 2016 to June 30, 2017.*

John Carter left the meeting after this item and the Board continued with Agenda Item #12.

## **12. WATER SUPPLY RESPONSE PROGRAM LEVEL CHANGE**

See staff report attached hereto.

Mr. Boone provided an overview of the changes in the State's emergency regulations, noting the move away from mandated conservation standards to a supply based approach. He advised the Board that the Water Authority and its member agencies were taking a regional approach to self-certify water supply sufficiency. Mr. Boone explained that the calculations show that the region's combined water supplies would be sufficient to meet demands even after three additional years of drought; based on this calculation, the region's conservation standard would be zero.

Mr. Boone stated that the District is currently at Level 2 of its Water Supply Response Program; a Level 2 condition may be declared under certain supply conditions that require a demand reduction. Currently, no conditions exist that require the District to remain at Level 2 which limits landscape watering to two assigned days per week and 10 minutes per station per assigned day. He stated that a return to Level 1 would remove the restriction regarding assigned water days and irrigation run times; however, customers would still not be allowed to water during parts of the day.

Mr. Boone stated this agenda item is for the Board to consider adopting Resolution No. 16-17 declaring an end to Level 2 of the Water Supply Response Program, automatically returning the District to Level 1. He said that a notice will be mailed to customers letting them know that the assigned watering day and irrigation system run time restrictions have been lifted but other prohibitions (e.g. no watering during specified hours, no washing down paved surfaces, etc.) remain in place. The notice will also ask customers to continue to use water wisely. Mr. Boone informed the Board that notification of the end of Level 2 will also be provided in a news release and on the web site. Additionally, staff plans to use fliers in the lobby, telephone on-hold message and other outreach methods to inform customers of the change in level and applicable water-use efficiency practices.

Director Miller announced that the Water Authority is establishing a new long-term drought awareness initiative. Director MacKenzie requested that the notice being mailed to customers be clear about what they can and cannot do. Mr. Hodgkiss indicated that the notice will be similar to the one that the District mailed when it went into Level 2; the notice listed all the prohibitions that were in place under that level. He also said that the notice will thank the customers for their conservation efforts.

Mr. Boone mentioned that the State Board will be developing long-term water conservation regulations this fall. General Counsel Joel Kuperberg clarified that the State has imposed water use restrictions that will remain in place no matter how much water is available.

Mr. Hodgkiss stated that staff has not received any negative comments from customers related to lifting water use restrictions; customers understand the process the District has to go through to declare an end to Level 2.

16-06-65 *Upon motion by Director Miller, seconded by Director Reznicek, the Board of Directors adopted Resolution 16-17 declaring an end to Level 2 of the Water Supply Response Program by the following roll-call vote:*

*AYES: Directors Miller, Dorey, Reznicek, MacKenzie, and Vásquez  
NOES: None  
ABSTAIN: None  
ABSENT: None*

*A copy of Resolution 16-17 is on file in the official Resolution Book of the District.*

Director Reznicek left the meeting after this item.

### 13. QUARTERLY BOARD EXPENSE REPORT

See staff report attached hereto.

Mr. Boone reported that at the May 11<sup>th</sup> Board meeting, the General Manager mentioned that staff had suggested eliminating the manually compiled Quarterly Board Expense Report and replacing it with computer generated reports that provide similar information.

Ms. Kelleher reported to the Board that the AB 1542 report referenced in the staff report is produced out of the District's financial system and that preparation of information for the report takes staff approximately ten minutes a month, or about 2 hours per year. She noted the Cash Disbursement Report, produced through the District's financial system, is similar to check register showing amounts, dates, payees, etc. and mirrors the information that is contained in the AB 1542. The third report is the Quarterly Board Expense Report which details items that are paid to or on behalf of Board members such as per diems, health and pension benefits as well as travel and training expenses. This report is not generated out of the District's financial system; the report is compiled manually from multiple sources, including payroll and human resources records, and credit card information. It is estimated that it takes staff approximately 60 hours every quarter or about 240 hours per year to produce this report.

Mr. Boone stated that the Board will be given a copy of the AB 1542 Report once a year.

16-06-66 *Upon motion by Director MacKenzie, seconded by Director Dorey and unanimously carried (4 ayes: Miller, Vásquez, Dorey, and MacKenzie; 1 absent: Reznicek), the Board of Directors elected to eliminate the Quarterly Board Expense Report.*

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

See staff report attached hereto.

Director Miller reported that no San Diego County Water Authority (Water Authority) Board meeting was held since the District's last Board meeting.

Director Miller mentioned that ACWA requested a letter be sent from the District regarding SB 1298 (Hertzberg) and asked staff if the letter had been submitted. Mr. Boone advised the Board that a letter had been submitted by the District.

Director Miller mentioned that the Water Authority refunded bonds issued in 2008 and 2010 to yield a \$63.2 million in savings on a present-value basis over the life of the refinanced bonds. He also announced that the new Chair of the Water Authority Board of Directors is Mark Muir from the San Dieguito Water District.

Director Miller let the Board know that Frank Belock, Deputy General Manager at the Water Authority, is retiring at the end of the month and that a successor has not been named.

Director Miller mentioned that there is talk of eliminating the Small Contractors Outreach and Opportunities Program (SCOOP) Committee which he serves on due to lack of progress with their capital improvement plan.

**15. REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS, AND AUTHORIZATION FOR DIRECTOR ATTENDANCE AT UPCOMING MEETINGS AND EVENTS**

See staff report attached hereto.

Director MacKenzie attended the CSDA Legislative Committee meeting; the Committee discussed various bills. She voiced her concerns about AB 2835 (Cooper), which would require public employers to provide time for recognized employee organizations to make a presentation to newly hired employees during orientation. Mr. Kuperberg stated that if the bill becomes law, staff will look into it to determine whether it requires changes to the Memorandum of Understanding (MOU) and/or District procedures.

Director Dorey reported that he attended the Vista Historical Society annual meeting and Hall of Fame Induction. He stated that past VID Board members, Thomas J. Adams and Paul Campo (along with his wife, Dorothy) were inducted into the Hall of Fame. Director Dorey also attended the Council of Water Utilities (COWU) stating the presentation was regarding Padre Dam revamping their employee system to improve morale. He informed the Board that San Luis Rey Watershed Council will be using a room at the District's offices to conduct interview for a Watershed Council Coordinator.

President Vásquez reported that he attended the COWU meeting. He noted that the District already has in place everything discussed in Padre Dam's presentation.

Director MacKenzie asked for approval to participate in the Legislative Round-Up Webinar on August 11, and approval to attend the Colorado River Water Users Association Annual Conference (CRWUA) December 14-16 in Las Vegas.

President Vásquez, and Directors Dorey and MacKenzie requested to attend COWU on July 19 in Poway.

16-06-67 *Upon motion by Director Miller, seconded by Director MacKenzie and unanimously carried (4 ayes: Miller, Vásquez, Dorey, and MacKenzie; 1 absent: Reznicek)), the Board of Directors authorized the following attendances: President Vásquez, Director Dorey, and Director MacKenzie to attend COWU on July 19 in Poway; Director MacKenzie to participate in the Legislative Round-Up Webinar on August 11, and the CRWUA Conference, December 14-16 in Las Vegas.*

**16. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES**

See staff report attached hereto.

The Board requested an agenda item to consider changing the Board of Directors meeting date in December due to a conflict with the (CRWUA) annual conference.

The Board requested an agenda item to consider an agreement with HDR, Inc. for the preparation of the District's Master Plan.

**17. COMMENTS BY DIRECTORS**

Director Dorey commented on a warning notification he received from California ISO regarding a Flex Alert for Southern California on June 20 due to high temperatures in the region. He found their site was very difficult to obtain information from and credited the District for providing its customers a user friendly website.

President Vásquez commented on the intake study that is underway for a desalination facility at Camp Pendleton. He also stated that he read an article in the newspaper that water use reductions brought energy savings.

**18. COMMENTS BY GENERAL COUNSEL**

Mr. Kuperberg provided an update to the Board on an eminent domain lawsuit that San Diego Association of Governments (SANDAG) filed some time ago against the District in order obtain trail and parkway easements for a regional bike path that would cross over some of the District's easements. He reported that SANDAG has redesigned the project and that the regional bike path will no longer be located on District easements.

**19. COMMENTS BY GENERAL MANAGER**

Mr. Boone updated the Board on the Flint, Michigan lead and copper monitoring issue. He stated that the California State Water Resources Control Board (State Board) is requiring additional lead and copper sampling when water agencies obtain/receive a new source of water, such as desalinated seawater. Mr. Boone explained that because the District is receiving a small amount of desalinated seawater water into its system additional sampling would be required. He also stated that Mr. Wolinski requested that the State Board grant a waiver from conducting the required sampling because of the small volume of desalinated seawater the District is receiving; the State Board reduced the number of samples that needed to be taken from fifty to eight. The District has completed its sampling and there were no reportable lead or copper levels.

Mr. Boone provided an update on the District's web site and let the Board know that it is anticipated that the site would go live with the new website at [www.vidwater.org](http://www.vidwater.org) on June 28. The domain name (@vidwater.org) on staff e-mail addresses is still in the testing period and is anticipated to

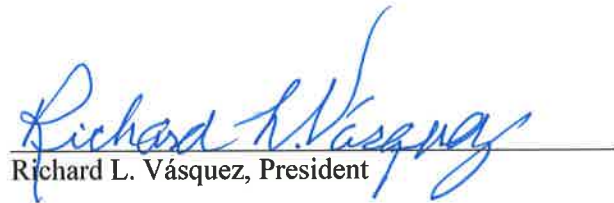
be rolled out in July. The current website address ([www.vid-h2o.org](http://www.vid-h2o.org)) will automatically reroute to the new website address.

Mr. Boone informed the Board that the Council of Water Utilities voted him in as Treasurer. He also reported that Lake Henshaw is currently nine percent full at 4,600 acre feet and the target is to get the lake down to 2,500 acre feet by October.

Mr. Boone informed the Board that he would be out of the office the week of June 27 and for six days following the July 20 Board meeting.

## 22. ADJOURNMENT

There being no further business to come before the Board, at 12:34 p.m., President Vásquez adjourned the meeting.

  
Richard L. Vásquez, President

ATTEST:

  
Marian Schmidt, Assistant Secretary  
Board of Directors  
VISTA IRRIGATION DISTRICT



## STAFF REPORT

Agenda Item: 6.A

**Board Meeting Date:** June 22, 2016  
**Prepared By:** Frank Wolinski  
**Reviewed By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

SUBJECT: DISTRICT VEHICLE PURCHASE

RECOMMENDATION: Authorize the purchase of two medium duty trucks from North County Ford.

PRIOR BOARD ACTION: The Board approved the replacement of the Vehicle # 23 (described below) as part of the 2016 budget in the amount of \$36,000.

FISCAL IMPACT: \$91,744.

SUMMARY: The District solicited bids for two (2) 2017 Ford F-550 6.8L V10 trucks. District trucks being replaced are:

- 1) Vehicle # 23, 1998 Chevy C-3500 Flatbed. Scheduled for replacement in 2016.
- 2) Vehicle # 68, 1999 Ford F-550 Flatbed. Due to a recent cylinder head repair, and given the age, mileage and the potential for future repair costs for this vehicle, staff is recommending replacement of this vehicle at this time.

DETAILED REPORT: Bids were solicited from twelve (12) truck dealers for two Ford F-550 gasoline powered flatbed trucks. The District received bids from North County Ford and Encinitas Ford (see summary below). Staff recommends that the District award the bid to North County Ford.

<b>Dealer</b>	<b>Amount</b>
North County Ford	\$91,744
Encinitas Ford	\$93,069

ATTACHMENTS: None.



# Cash Disbursement Report

Payment Dates 05/19/2016 - 06/08/2016

Payment Number	Payment Date	Vendor	Description	Amount
53304	05/26/2016	Airgas USA LLC	Oxygen & Acetylene	428.75
53305	05/26/2016	ARC Ergonomics	Chair	726.30
	05/26/2016		Chair Repair	90.00
53306	05/26/2016	Azteca Systems, Inc	CityWorks Software License Renewal 6/15/16-6/14/17	16,000.00
53307	05/26/2016	Big Drip Plumbing	Meter Tie Backs	2,750.00
53308	05/26/2016	Blue Shield of CA Life & Health	Vision Insurance 06/2016 - Cobra	14.24
	05/26/2016		Vision Insurance 06/2016 - Employees	1,652.40
	05/26/2016		Vision Insurance 06/2016 - M Miller	14.24
	05/26/2016		Vision Insurance 06/2016 - R Vasquez	14.24
	05/26/2016		Vision Insurance 06/2016 - R Reznicek	22.54
	05/26/2016		Vision Insurance 06/2016 - J MacKenzie	14.24
	05/26/2016		Vision Insurance 06/2016 - P Dorey	14.24
53309	05/26/2016	Brett Hodgkiss	Reimbursement for Retirement Gift	399.99
53310	05/26/2016	Brewer Crane & Rigging	Crane Service- Station 12	525.00
53311	05/26/2016	Brithinee Electric	Motor Refurbishment - Station 12, Pump 1	3,456.57
53312	05/26/2016	California Special Districts Association	Administrative Salary & Benefits Survey Report	167.75
53313	05/26/2016	Cecilia's Safety Service Inc	Traffic Control - Tower Dr	2,298.00
	05/26/2016		Traffic Control - Buena Creek Rd	976.50
	05/26/2016		Traffic Control - Tower Dr	4,868.00
	05/26/2016		Traffic Control - Buena Creek Rd	2,079.00
53314	05/26/2016	Chamberlain Prop Mgmt, Inc	Customer Refund - Closing	124.85
53315	05/26/2016	Department of Forestry & Fire Protection	Tamarisk Removal & Weed Abatement	913.92
53316	05/26/2016	Diamond Environmental Services	Portable Restroom Service	233.42
53317	05/26/2016	EDCO Waste & Recycling Services Inc	40 Yd Dumpster @ VID	563.23
53318	05/26/2016	Electrical Sales Inc	Connection Bolts (15)	52.38
	05/26/2016		Brass Connection Bolts (40)	118.49
53319	05/26/2016	Escondido Metal Supply	Pipe for Flume Gate Repairs	207.84
53320	05/26/2016	Evoqua Water Technologies LLC	DI Bottle Exchange	238.98
53321	05/26/2016	Coast Fitness Repair Shop	Treadmill, Television	3,116.30
53322	05/26/2016	D.H. Maintenance Services	Janitorial Service 05/2016	1,850.00
53323	05/26/2016	GLC-(CA) Vista LLC	Solar Use 04/2016	6,406.10
53324	05/26/2016	Glennie's Office Products Inc	Office Supplies	113.55
53325	05/26/2016	Hawthorne Machinery Co	Stabilizer Hydraulic Tube-Connector, Seals - B21	50.61
	05/26/2016		Bucket Bits & Pins	105.90



Payment Number	Payment Date	Vendor	Description	Amount
	05/26/2016		Fuel Gauge - L5	43.09
53326	05/26/2016	HD Supply Waterworks	Adapter 6" Cast Iron POxFL	423.16
53327	05/26/2016	InfoSend Inc	Data Processing/Mailing Service 04/2016	7,418.29
53328	05/26/2016	Interstate Battery of San Diego Inc	Battery & Core - M3	147.51
	05/26/2016		Battery Core	(24.00)
53329	05/26/2016	Iron Mountain Records Management	Offsite Data Storage	220.32
53330	05/26/2016	Jeanie E Herrera	Customer Refund - Closing	117.63
53331	05/26/2016	Jo MacKenzie	CSDA Legislative Days	435.15
53332	05/26/2016	John Arden	Customer Refund - Closing	107.58
53333	05/26/2016	Kimball Midwest	Particulate Respirator	247.54
53334	05/26/2016	Lawnmowers Plus Inc	Fuel Pumps, Air Filters	45.94
53335	05/26/2016	Leon Perrault Trucking & Materials	Material & Trucking 04/2016	13,677.75
53336	05/26/2016	Lighthouse Inc	Strobe Lamp Brackets (4) - Shop	50.65
53337	05/26/2016	Lightning Messenger Express	Messenger Svc 05/06/16	43.50
53338	05/26/2016	Marlene Kelleher	Reimburse for Employment Ads (2)	695.00
53339	05/26/2016	Moodys	Dump Fees (3)	450.00
53340	05/26/2016	Mutual of Omaha	LTD/STD/Life Insurance 03/2016	6,059.03
	05/26/2016		LTD/STD/Life Insurance 06/2016	6,175.83
53341	05/26/2016	NAPA Auto Parts	Dash Mat - Truck 62	54.20
	05/26/2016		Metal Markers (2) - Shop	14.08
	05/26/2016		Tarp, Marvel Oil	(18.45)
	05/26/2016		Rolling Jack for 4 Post Lift	1,247.20
	05/26/2016		Rolling Jack for 4 Post Lift	2,494.42
	05/26/2016		Challenger 4 Post Vehicle Lift with Rolling Jacks	4,989.92
53342	05/26/2016	North County Auto Parts	Horn - L5	31.84
	05/26/2016		Oil Filer, Oil, Brake Cleaner	83.37
	05/26/2016		Turn Rotors - Truck 35	74.00
	05/26/2016		Brake Pads & Shoes, - Truck 35	224.44
	05/26/2016		Brake Hardware - Truck 35	18.80
53343	05/26/2016	North County Industrial Park	Association Dues 05/2016 & 06/2016 - Headquarter	1,846.53
53344	05/26/2016		Association Dues 05/2016 & 06/2016 - Vacant Lot	538.44
53345	05/26/2016	Oswaldo Del Castillo	Customer Refund - Closing	311.78
53346	05/26/2016	Pacific Pipeline Supply	Gaskets - Station 10 Valve Replacements	256.86
53347	05/26/2016	Pacific Safety Center	Training (2)	250.00
53348	05/26/2016	Rutan & Tucker LLP	Legal 04/2016	5,256.00
	05/26/2016		Legal 04/2016	384.00
	05/26/2016		Legal 04/2016	1,824.00
	05/26/2016		Legal 04/2016	28.00
	05/26/2016		Legal 04/2016	96.00
53349	05/26/2016	San Diego Union-Tribune LLC	Advertising - RFP for Reservoir Stairs	171.78

Payment Number	Payment Date	Vendor	Description	Amount
53350	05/26/2016	Shred-it USA LLC	Shredding Service	86.11
53351	05/26/2016	Southern Counties Lubricants, LLC	Fuel 05/01/2016 - 05/13/2016	4,691.43
53352	05/26/2016	SR17 Vista Portfolio LLC	Refund Lateral Inspection	812.00
53353	05/26/2016	WorkPartners Occupational Health Specialists	Vaccine & DOT Physical	185.00
53354	05/26/2016	Tyler Technologies Inc	Maintenance 06/01/16-05/31/17	14,788.00
53355	05/26/2016	UniFirst Corporation	Uniform Service	416.66
53356	05/26/2016	Vista Fence Company Inc	Hinges	60.00
53357	05/26/2016	Vista Firestone Brake & Smog	Tires & Mounting (2), Tie End Rods	713.43
	05/26/2016		Tires & Alignment (4) - Truck 35	468.57
53358	05/26/2016	Vista Printing	Printing - Business Cards	189.88
53359	05/26/2016	Vortex Industries Inc	Rear Gate Repair	396.00
53360	06/01/2016	Adco Underground Services	Potholing Services - Buena Creek	1,515.00
53361	06/01/2016	Andrea Garcia	Cake for Retirement	100.00
53362	06/01/2016	Anthony Malizia	Reimburse for Vehicle Damage	674.76
53363	06/01/2016	California Account Service	Claim Collection Service	500.00
53364	06/01/2016	California Crane Safety Consulting	Inspect & Certification of #64 Crane - Henshaw	680.00
53365	06/01/2016	Cecilia's Safety Service Inc	Traffic Control - Tower Dr	4,576.00
	06/01/2016		Traffic Control - Buena Creek Rd	2,047.50
	06/01/2016		Traffic Control - Elevado Rd	1,071.00
	06/01/2016		Traffic Control - Mapleleaf Dr	409.50
	06/01/2016		Traffic Control - Richland Dr	1,217.00
	06/01/2016		Traffic Control - Calavo Dr	1,217.00
53366	06/01/2016	City Of Escondido	Escondido Water Treatment Plant 03/2016 - 04/2016	267,750.00
53367	06/01/2016	Coast Equipment Rentals	Mini Excavator Rental	1,075.20
53368	06/01/2016	ComsatAV	Installation of Direct TV	368.00
53369	06/01/2016	County of San Diego	ROW Permit - Buena Creek Rd	126.00
	06/01/2016		ROW Permit - Greenbush Lane	315.40
53370	06/01/2016	CustomCameraCollection	Disposable Cameras (70)	351.41
53371	06/01/2016	DIRECTV	Direct TV Service	75.62
53372	06/01/2016	Electrical Sales Inc	Connection Bolts (85)	296.83
	06/01/2016		Cable	231.38
53373	06/01/2016	Ergo Works Inc	Ergo Supplies	62.70
53374	06/01/2016	Escondido Metal Supply	Steel Angle	9.29
53375	06/01/2016	Ferguson Waterworks	Gate Valve (3)	6,021.75
	06/01/2016		8X4 Tee	173.17
	06/01/2016		60 Lb Concrete Mix (8)	32.55
53376	06/01/2016	Foxit Corporation	Foxit iFilter Server Software & Maintenance	755.10
53377	06/01/2016	Fredricks Electric Inc	Electrical Repairs	819.70
53378	06/01/2016	Glennie's Office Products Inc	Office Supplies	157.80
	06/01/2016		Office Supplies	217.32

Payment Number	Payment Date	Vendor	Description	Amount
	06/01/2016		Office Supplies	390.59
	06/01/2016		Office Supplies	55.60
53379	06/01/2016	Gopal Govindarajulu	Customer Refund - Closing	132.38
53380	06/01/2016	Grainger	Meter Valve Packing Material	27.27
53381	06/01/2016	HD Supply Waterworks	Supplies for Job D2296	1,739.71
	06/01/2016		Gate Valve 8" POxFL R/W C900	781.20
	06/01/2016		Adapter 6" Cast Iron POxFL (10)	846.30
	06/01/2016		2" PVC Lateral	24.46
53382	06/01/2016	Horton Knox Carter & Foote LLP	Legal 04/2016	25,837.50
53383	06/01/2016	Howard Dyson	Customer Refund - Closing	21.77
53384	06/01/2016	InfoSend Inc	Support & Storage 04/2016	1,020.19
53385	06/01/2016	Infrastructure Engineering Corporation	Hidden Valley Flume Relocation 04/2016	1,638.75
53386	06/01/2016	James E & Shirley Sebring	Customer Refund - Closing	67.57
53387	06/01/2016	Kelly Paper	Door Hangers	209.49
53388	06/01/2016	Laura Guerrero	Customer Refund - Overpayment	1,361.40
53389	06/01/2016	Miramar Truck & Body Equipment	Flatbed End Rail, Pockets, Flooring	133.20
53390	06/01/2016	Moodys	Dump Fees (3)	450.00
	06/01/2016		Dump Fees (3)	450.00
	06/01/2016		Dump Fee	150.00
	06/01/2016		Dump Fee	150.00
	06/01/2016		Dump Fees (4)	600.00
	06/01/2016		Dump Fees (2)	300.00
	06/01/2016		Dump Fees (2)	300.00
	06/01/2016		Dump Fees (2)	300.00
53391	06/01/2016	NAPA Auto Parts	Filters, Armorall, Mystery Oil, Tarp	81.44
53392	06/01/2016	North County Auto Parts	Socket - Truck 1	9.66
53393	06/01/2016	Pacific Pipeline Supply	Steel Couplings (10)	87.13
	06/01/2016		Gate Valve	1,514.55
53394	06/01/2016	Packard Government Affairs	San Luis Rey Indian Water Settlement 04/2016	5,761.88
53395	06/01/2016	Ramco Petroleum	Fuel 04/2016	1,410.88
53396	06/01/2016	Raymond Handling Solutions Inc	Electric Forklift Service - F3	98.00
53397	06/01/2016	RC Auto & Smog	A/C Steering Gear Replaced - Truck 1	866.48
	06/01/2016		A/C Diagnose/Replace Diode - Truck 51	397.04
	06/01/2016		A/C Repair - Truck 51	315.85
53398	06/01/2016	San Diego Gas & Electric	Electric 05/2016 - WCRH	32.50
53399	06/01/2016	San Diego Residential Properties Inc	Customer Refund - Closing	58.36
53400	06/01/2016	Sherry Thorpe	Refreshments for Training Classes	13.08
	06/01/2016		Napkins for Events	23.25
	06/01/2016		Safety Manual & Safety Tip Card	19.80
53401	06/01/2016	SignArt	Decals - Shop & Truck 5	129.76

Payment Number	Payment Date	Vendor	Description	Amount
53402	06/01/2016	Statewide Traffic Safety and Signs, Inc	Traffic Safety Items	878.37
53403	06/01/2016	Steve Frey	Tuition Reimbursement	139.00
53404	06/01/2016	TS Industrial Supply	Striping Paint (84)	338.23
53405	06/01/2016	UniFirst Corporation	Uniform Service	329.84
53406	06/01/2016	Verizon Wireless	Aircards 05/13/16-06/12/16	76.02
53407	06/01/2016	Vista Firestone Brake & Smog	Tires & Mounting (3) - Truck 66	717.54
53408	06/01/2016	Vulcan Materials Company and Affiliates	Cold Mix	1,997.78
53409	06/01/2016	William Lucidi Trust	Customer Refund - Overpayment	28.98
53410	06/08/2016	ABABA Bolt	Bolts for Valve Installations	227.09
	06/08/2016		Hardware & Supplies	66.55
53411	06/08/2016	ACWA/JPIA	Medical & Dental Insurance 07/2016 - Cobra	69.09
	06/08/2016		Medical & Dental Insurance 07/2016 - Cobra	627.44
	06/08/2016		Medical & Dental Insurance 07/2016 - Employees	139,664.60
	06/08/2016		Medical & Dental Insurance 07/2016 - Retirees	36,432.56
	06/08/2016		Medical & Dental Insurance 07/2016 - J MacKenzie	1,554.56
	06/08/2016		Medical & Dental Insurance 07/2016 - P Dorey	1,314.08
	06/08/2016		Medical & Dental Insurance 07/2016 - R Reznicek	2,119.43
	06/08/2016		Medical & Dental Insurance 07/2016 - R Vasquez	1,314.08
	06/08/2016		Medical & Dental Insurance 07/2016 - M Miller	1,554.56
53412	06/08/2016	Allied Electronics Inc	SCADA Terminal Blocks (88)	137.15
53413	06/08/2016	AT&T	20 Mbps Internet Service 05/19/16-06/18/16	1,062.10
53414	06/08/2016		Web Security 05/2016	66.00
53415	06/08/2016		Calnet3 04/13/16-05/12/16	971.06
53416	06/08/2016	Boot World Inc	Footwear Program (2)	340.12
53417	06/08/2016	Brett Hodgkiss	Reimbursement for Retirement Gift	379.74
53418	06/08/2016	Capital One Commercial	TV Mounting Hardware	43.39
	06/08/2016		Warehouse Supplies	832.78
	06/08/2016		Warehouse Supplies	271.80
	06/08/2016		Training Supplies	191.28
	06/08/2016		All Hands & CPR Training Refreshments	33.26
	06/08/2016		All Hands & Respirator Training Refreshments	45.67
	06/08/2016		Television	472.79
53419	06/08/2016	CI Solutions	ID Cards	1,370.45
53420	06/08/2016	Cecilia's Safety Service Inc	Traffic Control - Gold Dr	185.00
	06/08/2016		Traffic Control - Tower Dr	3,405.50
	06/08/2016		Traffic Control - Buena Creek Rd	2,414.00
	06/08/2016		Traffic Control - Calavo Dr	787.50
	06/08/2016		Traffic Control - Deodor	2,394.00
	06/08/2016		Traffic Control - N Santa Fe	630.00
	06/08/2016		Traffic Control - Mar Vista Dr	315.00

Payment Number	Payment Date	Vendor	Description	Amount
53421	06/08/2016	Christopher Craghead	Footwear Program	113.39
53422	06/08/2016	City of Vista	Permits (13)	8,710.00
53423	06/08/2016	Coast Equipment Rentals	Trencher Rental	282.24
53424	06/08/2016	Crozier's Flowers	Flowers	103.62
53425	06/08/2016	Department of Forestry & Fire Protection	Weed/Brush Abatement - Flume Roads	1,370.88
53426	06/08/2016	Diamond Environmental Services	Portable Restroom Service	89.73
	06/08/2016		Stationary & Portable Restroom Service	190.72
53427	06/08/2016	Dick Miller Inc	Customer Refund - Closing	1,108.73
53428	06/08/2016	Digital Deployment, Inc	Website Design/Development	9,240.00
53429	06/08/2016	EDCO Waste & Recycling Services Inc	Trash/Recycle @ VID 05/2016	204.21
	06/08/2016		40 Yd Dumpster @ VID	360.15
53430	06/08/2016	El Camino Rental	Concrete	159.50
53431	06/08/2016	Electrical Sales Inc	Brass Split Bolts (60)	177.73
53432	06/08/2016	Ewing Irrigation Products Inc	Wet R Dry Cement (21)	288.28
53433	06/08/2016	Fastenal	Flat Washers - Shop	23.28
53434	06/08/2016	Ferguson Waterworks	12" Gaskets (6)	91.14
	06/08/2016		Gate Valve 6" POxFL R/W C900 (6)	3,847.41
	06/08/2016		Gate Valve 8" POxFL R/W C900 (4)	4,053.56
	06/08/2016		Gate Valve 4" RW Cast Iron Flange (6)	2,864.40
	06/08/2016		Gate Valve 6" R/S Cast Iron Flange (12)	7,668.78
	06/08/2016		2" PVC S80 Threaded Plugs (25)	72.97
	06/08/2016		1" Brass Tees (25)	187.98
53435	06/08/2016	Glennie's Office Products Inc	Office Supplies	200.81
	06/08/2016		Office Supplies	7.99
	06/08/2016		Office Supplies	50.89
53436	06/08/2016	Hawthorne Machinery Co	Washers, Hydraulic Hose, Cutter Pins	78.47
	06/08/2016		Hydraulic Hose	102.17
53437	06/08/2016	HD Supply Waterworks	Brass Elbows (20)	85.17
	06/08/2016		Tarping Saddle	1,200.96
53438	06/08/2016	JB Safety Services Inc	Confine Space Training (2)	300.00
53439	06/08/2016	Jobs Available	Employment Advertisement	585.00
53440	06/08/2016	Joe's Paving	Patch Paving - 5/13 & 5/18	17,110.05
	06/08/2016		Road Repair - Sunrise Dr	6,875.00
53441	06/08/2016	Lawnmowers Plus Inc	Cement Saw	56.53
	06/08/2016		Sharpen Chains	8.50
53442	06/08/2016	Lightning Messenger Express	Messenger Service 05/27/2016	43.50
53443	06/08/2016	Lisa Soto	Framing Cost - Retirement Resolution	195.47
	06/08/2016		Framing Cost - CSDA Award	176.48
53444	06/08/2016	Major League Pest/Gemini Pest Control	Bee Removal Services (9)	765.00
53445	06/08/2016	Moodys	Dump Fees (2)	300.00

Payment Number	Payment Date	Vendor	Description	Amount
	06/08/2016		Dump Fees (3)	450.00
	06/08/2016		Dump Fees (2)	300.00
	06/08/2016		Dump Fees (5)	750.00
	06/08/2016		Dump Fees (5)	750.00
53446	06/08/2016	MSDS Online. Inc	Management of the MSDS Program	3,061.75
53447	06/08/2016	MWI Plumbers Supply	PVC Lateral Pipe	69.21
53448	06/08/2016	NAPA Auto Parts	Transmission Filter	33.27
53449	06/08/2016	North County Auto Parts	Filters, Starting Fluid, Antifreeze, Gloves, Oil	465.93
	06/08/2016		Stop Switch - Truck 57	11.33
	06/08/2016		Filters & Oil - Henshaw Stock	143.79
	06/08/2016		Transmission Filter - L5	8.17
53450	06/08/2016	North County Lawnmower Inc	Weed Wacker	464.35
	06/08/2016		Weed Wacker	464.35
	06/08/2016		Weed Wacker Supplies	85.24
53451	06/08/2016	One Source Distributors	Legend Plates (18)	201.52
	06/08/2016		Safety Harness	170.30
53452	06/08/2016	O'Reilly Auto Parts	Vehicle Air Fresheners	16.24
53453	06/08/2016	Pacific Pipeline Supply	Fiber Poles	428.58
53454	06/08/2016	Pacific Safety Center	Training (2)	1,699.00
53455	06/08/2016	PaperDirect Inc	Office Supplies	55.97
53456	06/08/2016	Patricia Origlieri	Refund Meter Deposit	302.46
53457	06/08/2016	Benetrac	Employee Benefits Tracking 06/2016	400.00
53458	06/08/2016	Pool & Electrical Products Inc	Chlorine	15.82
53459	06/08/2016	Prima Supply	Manitowoc Ice Maker	2,071.70
53460	06/08/2016	RDO Water LLC	Ant Poison	139.38
53461	06/08/2016	Richard Gangloff	Backflow Exam - Renewal	180.00
53462	06/08/2016	San Diego Gas & Electric	Electric 05/2016 - T&D	70.48
	06/08/2016		Electric 05/2016 - Reservoirs	43.11
53463	06/08/2016		Gas 05/2016	434.88
	06/08/2016		Electrical Transmission 05/2016	1,653.26
53464	06/08/2016	San Diego Union-Tribune LLC	Employment Advertisement	1,685.00
53465	06/08/2016	SoftwareOne Inc	Microsoft Enterprise Agreement - Licensing Order	41,860.30
53466	06/08/2016	Southern Counties Lubricants, LLC	Engine Oil (125 Gallons) - Shop	1,083.64
53467	06/08/2016	Trucdao Hoang	Customer Refund - Closing	606.31
53468	06/08/2016	TS Industrial Supply	Shop Supplies	423.83
	06/08/2016		Cutting Wheel	169.26
	06/08/2016		Impact Socket - Shop	25.92
	06/08/2016		Mud Pump Line Strainer - Shop	14.44
	06/08/2016		Broom 24" Push	150.20
	06/08/2016		Mud Pump, Hose Clamps - Shop	31.79

Payment Number	Payment Date	Vendor	Description	Amount
53469	06/08/2016	Underground Service Alert of Southern California	DigAlert New Tickets 05/2016 (191)	286.50
53470	06/08/2016	UniFirst Corporation	Uniform Service	329.84
53471	06/08/2016	Verizon Wireless	Cell Phone Service 04/16/16-05/15/16	1,248.59
	06/08/2016		SCADA Remote Access	242.54
53472	06/08/2016	Vista Firestone Brake & Smog	Tire & Mounting - Truck 36	195.86
53473	06/08/2016	Vista Lock & Safe Co	Keys	28.13
<b>Grand Total:</b>				<b>809,051.17</b>



## STAFF REPORT

Agenda Item: 7

<b>Board Meeting Date:</b>	<b>June 22, 2016</b>
<b>Prepared By:</b>	<b>Sherry Thorpe</b>
<b>Reviewed By:</b>	<b>Brett Hodgkiss</b>
<b>Approved By:</b>	<b>Eldon Boone</b>

SUBJECT: SAFETY AWARDS PROGRAM

RECOMMENDATION: Receive information regarding the safety awards program and recognize the employees that received awards.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: The semi-annual H. R. LaBounty Safety Awards sponsored by the Association of California Water Agencies Joint Powers Insurance Authority (JPIA) were presented at the 2016 Spring Conference in Monterey. Vista Irrigation District employees received two awards for their efforts in promoting safety at the District and protecting District assets.

DETAILED REPORT: The purpose of the H. R. LaBounty Safety Awards Program is to offer JPIA members an opportunity to promote safe work behavior and reward employees whose actions have contributed toward reducing the potential for liability, property or workers' compensation losses. Additionally, the actions and ideas identified through the nomination process provide valuable lessons and examples that other agencies can benefit from. At the Spring Conference, there were a total of 15 member agencies that submitted nominations representing a total of 35 individual safety ideas. The District submitted two nominations for consideration by the JPIA. Both of the nominations submitted were recognized and awarded by the JPIA.

The employees that were recognized are as follows:

**Ben Parks (Water Quality Operator III) and Steve Wuerth (System Controls Supervisor)**

**Award: \$100 each**

In 2014, the District incorporated new specifications for 2" blow-off assemblies and manual air release assemblies. These new specifications require a larger, 12" valve lid as opposed to standard 8" lids. Ben Parks recognized that these larger lids pose a potential trip hazard for pedestrians when blow-off valves must remain open (lids off) to continually release water from mains during shutdowns due to leaking isolation valves. Ben worked with Steve Wuerth to devise a perforated lid that covers the valve well, yet releases an adequate amount of water from the well. This slotted lid will prevent a pedestrian from stepping into an open hole and prevents possible tire/rim damage to small vehicles as well. Steve designed a pattern in AutoCAD and had the perforations water jet cut to maintain the integrity of the temporary cast iron lid versus torch cutting.

**Steve Wuerth (System Controls Supervisor)**

**Award: \$125**

During routine maintenance Steve noted that the switch gear at three of the District's pump stations were fatigued and/or needed to be upgraded. At two stations, the previously installed soft-start motor starters were aged and key components were no longer available from the manufacturer. The remaining pump station had an outdated motor starter system.



Steve incorporated enhanced overload relays on each motor control system that locally displays in real time key electrical operating parameters such as: line voltages, line currents, voltage and current imbalances and ground faults. These parameters, along with other fault conditions were also integrated in the District's SCADA system to be monitored remotely. Additionally, emergency stop switches were also incorporated into each motor panel as an added safety feature. Operations personnel can now monitor key electrical parameters without having to be in direct contact with exposed electrical components, thus minimizing the potential for serious shock, electrocution, and arc flash/blast hazards.

ATTACHMENTS:

- Photographs of perforated valve covers.
- Photographs of enhanced overload relays with emergency stop switches.

## Valve Lid Cover





# Motor Saver Upgrade

Before



After Upgrades



Display



SCADA Screen

Station 10 Pump 3 Motor Data

Motor Run Time (hours)	12363	Voltage L1 to L2 (V)	479.0	A Phase Current (Amp)	0.0
Average Voltage (V)	480.0	Voltage L2 to L3 (V)	480.0	B Phase Current (Amp)	0.0
Average Current (Amp)	0.0	Voltage L3 to L1 (V)	481.0	C Phase Current (Amp)	0.0
		Voltage Unbalance	0.0	Current Unbalance	0.0

<input type="checkbox"/> Phase Rotation	<input type="checkbox"/> Contact Closed	<input checked="" type="checkbox"/> Comm Ok
<input checked="" type="checkbox"/> Reverse Phase	<input type="checkbox"/> Ground Fault	<input type="checkbox"/> Current Unbalance
<input type="checkbox"/> Voltage Single Phase	<input type="checkbox"/> Global Warning	<input type="checkbox"/> Voltage Unbalance
<input type="checkbox"/> Current Single Phase	<input type="checkbox"/> Low Voltage	<input type="checkbox"/> Undercurrent
<input type="checkbox"/> High Power	<input type="checkbox"/> High Voltage	<input type="checkbox"/> Overcurrent
<input type="checkbox"/> Low Power	<input type="checkbox"/> Low Control Voltage	



**STAFF REPORT**

**Board Meeting Date:** June 22, 2016  
**Prepared By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

**SUBJECT:** 2015 URBAN WATER MANAGEMENT PLAN

**RECOMMENDATION:** That the Board:

- 1) Conduct a public hearing to receive public comment relative to the Vista Irrigation District's 2015 Urban Water Management Plan (UWMP); and
- 2) Consider adopting Resolution No. 16-XX adopting the 2015 UWMP.

**PRIOR BOARD ACTION:** The Board approved the first Urban Water Management Plan (UWMP) in 1985 and has approved an update to the UWMP every five years since that date. At its meeting on June 28, 2011, the Board adopted Method 3 for the purposes of Water Code section 10608.20(b), approved the implementation plan for complying with SBX 7-7 and adopted the 2010 UWMP.

**FISCAL IMPACT:** There is no fiscal impact associated with the preparation of the UWMP. Information related to the fiscal impact of implementing specific components of the UWMP is contained in the body of the document.

**SUMMARY:** The Urban Water Management Planning Act (Act) requires that “every urban water supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually to prepare and adopt, in accordance with prescribed requirements, an urban water management plan.” The UWMP must be adopted and submitted to the California Department of Water Resources (DWR) by July 1, 2016. An urban water supplier must submit an UWMP prepared pursuant to the Act in order to be eligible to receive grant funding or drought assistance from the State.

**DETAILED REPORT:** The Act requires urban water suppliers to quantify and describe water demand and water supplies over a 20-year planning horizon, and describe how the supplier will address any shortfalls. UWMPs must describe the supplier’s service area and population; identify existing and planned water sources available to the supplier over a 20-year planning horizon; describe the reliability of water supplies during average, single-dry and multiple-dry water year scenarios; provide water use history and future demand projections; describe potential water supply projects and programs; describe demand management measures; provide a water contingency analysis; and provide information on the use or potential use of recycled water. Water suppliers must also coordinate the preparation of their plans with other appropriate agencies in the area. Additionally, SBX 7-7 requires urban water suppliers to incorporate interim 2015 and 2020 water use targets as well as a discussion regarding the implementation of policies and programs to assist the supplier in meeting the water use targets and the potential economic impacts of implementing said policies and programs into their 2015 UWMPs.

The District adopted Method 3 (95% of the 2020 hydrologic region target) for the purpose of calculating its water use target for 2020. The District’s baseline water use number (calculated using data from the San Diego County Water Authority and the San Diego Association of Governments) is 175 gallons per capita per day (GPCD). The 2020 target using Method 3 is 142 GPCD, requiring an 18 percent reduction (rather than a 20 percent reduction) from the baseline daily per capita water use. The 2015 interim target is 158 GPCD; the District’s per capita water use for fiscal year 2015 was 125 GPCD, which meets its reduction requirements for 2015 as well as 2020.

In an effort to continue to meet its water use reduction goals, the District plans to implement the water conservation programs and policies presented in Chapter 9, Demand Management Measures, of its UWMP. Over the next five years, the District will periodically assess trends in per capita water use and evaluate its programs/policies to ensure the attainment of its 2020 target.

The draft UWMP was distributed to the Board and made available for public review at the District's office located at 1391 Engineer Street in Vista on June 1, 2016. It was also made available for public review on the District web site. In accordance with State law, the District distributed copies of its draft UWMP (on CD) to the cities and county located within the district's service area for public review on June 1, 2016.

Sections 10642 and 10608.26 of the California Water Code require that a public hearing be held prior to adoption of the UWMP. The notice of public hearing on June 22, 2016 at 9:00 AM to receive public comment relative to the Vista Irrigation District's 2015 Urban Water Management Plan was duly posted and published in a newspaper of general circulation in the District's service area on June 14 and June 19, 2016.

As of the date this report was prepared, the District had not received any comments from the public concerning the UWMP. Attached are proposed amendments to the draft UWMP based on questions and comments received from the Board and staff. Any comments received after the publication of the agenda will be provided at the Board meeting for discussion purposes. The final document will be amended, as necessary, to incorporate comments received at the public hearing from all interested parties as well as VID staff and Board members.

ATTACHMENTS:

- Notice of Public Hearing
- Draft 2015 Urban Water Management Plan
- Proposed Amendments to the Draft 2015 Urban Water Management Plan
- Resolution No. 16-XX



1391 Engineer Street • Vista, California 92081-8840  
Phone (760) 597-3100 • Fax: (760) 598-8757  
[www.vid-h2o.org](http://www.vid-h2o.org)

**Board of Directors**

Richard L. Vásquez, *President*  
Paul E. Dorey  
Jo MacKenzie  
Marty Miller  
Randy L. Reznicek

**Administrative Staff**

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

**NOTICE OF PUBLIC HEARING**

In accordance with Sections 10642 and 10608.26 of the California Water Code, notice is hereby given that the Vista Irrigation District (VID) will hold a public hearing to consider and adopt the 2015 Urban Water Management Plan (Plan). Copies of the Plan, which includes SBX 7-7 compliance documentation, are available for public review at the following location:

VISTA IRRIGATION DISTRICT  
1391 Engineer Street  
Vista, California 92081-8840

The public hearing will be held at 9:00 AM, or as soon thereafter as the matter may be heard, on Wednesday, June 22, 2016 at the above noted location.

VID encourages the active involvement of the diverse social, cultural, and economic elements of the population within its service area. For further information concerning the Plan, contact Brett Hodgkiss at the Vista Irrigation District or telephone (760) 597-3162. Written comments will be received at the above address until 9:00 AM on June 22, 2016.

A handwritten signature in blue ink that reads "Lisa R. Soto".

\_\_\_\_\_  
Lisa R. Soto, Secretary  
Board of Directors  
VISTA IRRIGATION DISTRICT



# The San Diego Union-Tribune

**Bill To:**

Vista Irrigation District - CU00467333  
1391 Engineer Street  
Vista, CA 92081

This space is for the County Clerk's Filing Stamp

**PROOF OF PUBLICATION  
(2015.5 C.C.P.)**

**STATE OF ILLINOIS  
County of Cook**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of

---

**Proof of Publication of**

---

**See Attached**

**The San Diego Union Tribune**

Formerly known as the North County Times and UT North County and which newspaper has been adjudicated as a newspaper of general circulation by the Superior Court of the County San Diego, State of California, for the City of Oceanside and the City of Escondido, Court Decree numbers 172171, 171349, for the County of San Diego that the notice of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of the said newspaper and not in any supplement thereof on the following dates, to-wit:

Jun 13, 2016; Jun 19, 2016

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Chicago, Illinois on this  
20th day of June, 2016



---

Erin Julian  
Legal Advertising

# The San Diego Union-Tribune

## **NOTICE OF PUBLIC HEARING**

In accordance with Sections 10642 and 10608.26 of the California Water Code, notice is hereby given that the Vista Irrigation District (VID) will hold a public hearing to consider and adopt the 2015 Urban Water Management Plan (Plan). Copies of the Plan, which includes SBX 7-7 compliance documentation, are available for public review at the following location:

VISTA IRRIGATION  
DISTRICT  
1391 Engineer Street  
Vista, California  
92081-8840

The public hearing will be held at 9:00 AM, or as soon thereafter as the matter may be heard, on Wednesday, June 22, 2016 at the above noted location.

VID encourages the active involvement of the diverse social, cultural, and economic elements of the population within its service area. For further information concerning the Plan, contact Brett Hodgkiss at the Vista Irrigation District or telephone (760) 597-3162. Written comments will be received at the above address until 9:00 AM on June 22, 2016.

/s/Lisa R. Soto, Secretary  
Board of Directors  
VISTA IRRIGATION  
DISTRICT



To view the Urban Water Management Plan, please follow this link:

<https://dkyr77p2vmump.cloudfront.net/2a5fef8d-c634-4992-b92c-7bf4094d5d73/8a51732d-dbf6-4ccb-8222-88ab80bdfb81/Draft%202015%20UWMP%20Report.pdf>

# DRAFT 2015 URBAN WATER MANAGEMENT PLAN

## Proposed Amendments

### 5.2 2015 COMPLIANCE DAILY PER CAPITA WATER USE

VID's actual GPCD for 2015 is 125, which is 32 GPCD under its 2015 Interim Target. As shown in Table 5-5, VID achieved its targeted reduction for 2015 and is in compliance with SBX 7-7.

TABLE 5-5: 2015 COMPLIANCE

Year	Gross Water Use (AF)	Population	GPCD
2015	<del>17,833</del> 127,699	<del>17,833</del> 127,699	125
	2015 Interim Target		158

...

### 6.2 GROUNDWATER

In low run-off years, VID may [supplement its local water production by pumping](#) ~~produce up to 18,000 AF of~~ groundwater from the Warner Basin aquifer. This water is pumped into Lake Henshaw for storage and subsequent delivery to VID and the City of Escondido. Because the pumped groundwater is stored in an open reservoir where it blends with surface run-off, it is reported [to the State](#) as surface water production. [Water stored in Lake Henshaw, including pumped groundwater, is subject to evaporative and other storage losses.](#) Approximately one-half of the [remaining](#) groundwater production is distributed for VID use, while the other half is distributed to the City of Escondido by contract. The wellfield is comprised of 16 wells with groundwater levels ranging from 150 to 350 feet below surface, depending on hydrology and pumping history. The water quality is within the standards set for acceptable drinking water by the federal government and State Water Resources Control Board.

...

#### 6.2.4 Historical Groundwater Pumping

VID studies indicate that it has about 150,000 AF of usable storage. Since 1960, the District's median groundwater production has been 7,728 AF/YR. The last five years of total groundwater production is summarized in Table 6-5. The amount of groundwater projected to be pumped during the period covered by the 2015 Plan is shown in Table 6-6. [As discussed in Section 6.2, only a portion of the groundwater pumped by VID is available to augment VID's water supply, and this projected available groundwater is included in the projections of local surface water supply presented in Table 6-7.](#)

RESOLUTION NO. 16-XX

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VISTA IRRIGATION DISTRICT  
ADOPTING THE 2015 URBAN WATER MANAGEMENT PLAN

WHEREAS, the California Urban Water Management Planning Act (Act), Water Code section 10610 et seq., mandates that every urban water supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually, prepare and update an Urban Water Management Plan (UWMP) at least once every five years in years ending in five and zero, subject to Water Code Section 10621, which requires urban water suppliers to adopt their 2015 urban water management plans by July 1, 2016; and

WHEREAS, the Vista Irrigation District (District) is an urban water supplier for the purposes of the Act, and approved and adopted its most recent UWMP on June 28, 2011, and submitted its 2010 UWMP to the California Department of Water Resources (DWR); and

WHEREAS, Senate Bill 7 of the Seventh Extraordinary Session (SBX 7-7), Water Code section 10608 et seq., established requirements for urban retail water suppliers to prepare urban water use targets in accordance with the goals of SBX 7-7 to reduce statewide per capita water use by ten (10) percent by 2015 and twenty (20) percent by 2020; and

WHEREAS, the District is an “urban retail water supplier” for the purposes of SBX 7-7 because it directly provides potable municipal water to more than 3,000 end users; and

WHEREAS, in accordance with the requirements of the Act and SBX 7-7, the District has prepared its 2015 UWMP and has undertaken certain coordination, notice, public involvement, public comment, and other procedures in relation to its 2015 UWMP; and

WHEREAS, as authorized by Water Code section 10620(e) of the Act, the District has prepared its 2015 UWMP with its own staff, and in consultation with other governmental agencies, and has utilized and relied upon the DWR Guidebook to Assist Urban Water Suppliers to Prepare a 2015 UWMP (March 2016) and the DWR Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use (March 2016) in preparing its 2015 UWMP; and

WHEREAS, in accordance with Water Code section 10621, the District notified cities and the county within which the District provides water supplies that it was reviewing and considering amendments to its UWMP on March 17, 2016; and

WHEREAS, the draft 2015 UWMP was made available for public review on the District’s web site and at its office located at 1391 Engineer Street in Vista during normal business hours and was distributed to cities and the county within which the District provides water supplies on June 1, 2016; and

WHEREAS, in accordance with applicable law, including Water Code sections 10608.26 and 10642 and Government Code section 6066, a notice of public hearing regarding the District’s 2015 UWMP was published in a newspaper of general circulation within its service area on June 13, 2016 and June 19, 2016; and

WHEREAS, in accordance with applicable law, a public hearing was held on June 22, 2016 at 9:00 AM, or soon thereafter, in the District’s Board Room at 1391 Engineer Street, Vista, CA 92081, in order to receive public comment relative to the 2015 UWMP; and

WHEREAS, pursuant to said public hearing on the 2015 UWMP, the District encouraged the active involvement of diverse social, cultural and economic elements of the population within its service area with regard to the preparation of the UWMP, and considered the testimony and evidence presented at that public hearing.

NOW, THEREFORE, the Board of Directors of the Vista Irrigation District does resolve as follows:

1. The District hereby adopts the 2015 Urban Water Management Plan as presented to the Board by District staff, which Plan incorporates 2015 and 2020 water use targets as well as a discussion regarding the implementation of policies and programs to assist the District in meeting the water use targets and the potential economic impacts of implementing said policies and programs.
2. The General Manager is hereby authorized and directed to include a copy of this Resolution in the District's 2015 Urban Water Management Plan and, in accordance with Water Code section 10644(a), to file the 2015 Urban Water Management Plan with the California Department of Water Resources, the California State Library, and any city or county within which the District provides water supplies within thirty (30) days of the adoption of this Resolution.
3. The General Manager is hereby authorized and directed, in accordance with Water Code section 10645, to make the 2015 Urban Water Management Plan available for public review during normal business hours not later than thirty (30) days after filing a copy of the plan with the California Department of Water Resources.
4. The General Manager is hereby authorized and directed, in accordance with Water Code section 10635(b), to provide that portion of the 2015 Urban Water Management Plan prepared pursuant to Water Code section 10635(a) to any city or county within which the District provides water supplies not later than sixty (60) days after filing a copy with the California Department of Water Resources.
5. The General Manager is hereby authorized and directed to implement the components of the 2015 Urban Water Management Plan in accordance with the Urban Water Management Planning Act and SBX 7-7, including, but not limited to, the District's water conservation programs and its water shortage contingency plan.

PASSED AND ADOPTED, by the Board of Directors of the Vista Irrigation District on this 22nd day of June, 2016, by the following roll call vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

---

Richard Vásquez, President  
Board of Directors

ATTEST:

---

Lisa R. Soto, Secretary  
Board of Directors  
VISTA IRRIGATION DISTRICT



**FISCAL POLICY  
COMMITTEE REPORT**

**Agenda Item: 9**

**Board Meeting Date: June 22, 2016  
Prepared By: Dirs. Vásquez & Miller**

SUBJECT: FISCAL YEAR 2017 BUDGET

RECOMMENDATION: Adopt Fiscal Year 2017 Budget.

PRIOR COMMITTEE ACTION:

5/17/16 Reviewed and approved the draft Budget for adoption.

FISCAL IMPACT: The draft Budget projects revenues of \$47,017,500, operating expenses of \$39,674,500 and capital outlay of \$9,233,300. Capital outlay is nearly \$7 million higher than in the previous year's budget due to infrastructure improvement projects. As a result, nearly \$2 million of the District's reserves will be used to fund the fiscal year 2017 Budget.

SUMMARY: The draft Budget projects 15,100 acre feet of water sales and 11,259 acre feet of water purchases. Local water production from Lake Henshaw is budgeted at a 10-year rolling average of 4,641 acre feet.

The draft Budget includes a service charge increase effective July 1, 2016, which is a result of the "Smooth Water Rate Adjustment" approved by the Board on June 15, 2005 and reaffirmed after a public hearing conducted on October 9, 2013. The increase represents a one percent increase (\$0.98 monthly) on the typical residential customer bill.

DETAILED REPORT: See draft Fiscal Year 2017 Budget.

ATTACHMENTS: Draft Budget – Fiscal Year 2017  
Future Unbudgeted Projects – Fiscal Year 2017



---

**BUDGET**  
**Fiscal Year 2017**  
**July 1, 2016 to June 30, 2017**

---



VISTA IRRIGATION DISTRICT

**Table of Contents**

---

	<i>Page</i>
BUDGET OVERVIEW .....	1
Budget Summary .....	2
REVENUE BUDGET.....	3
Revenue Account Descriptions.....	4
Revenue Budget Detail .....	6
OPERATING BUDGET.....	7
Operating Account Descriptions.....	9
Operating Budget Detail .....	17
CAPITAL BUDGET .....	21
Capital Budget Detail.....	22
ORGANIZATIONAL PROFILE	
Organization Charts .....	37
Division/Department Mission Statements and Descriptions .....	44

## **Budget Overview**



# **Vista Irrigation District BUDGET OVERVIEW Fiscal Year 2017**

The Vista Irrigation District's (District) 2017 Budget represents a financial plan for the next fiscal year (July 1, 2016 through June 30, 2017). This financial plan includes the cost of purchasing imported water and other costs that are essential to support the continued investment in infrastructure maintenance and repair.

The 2017 Budget projects revenues of \$47,017,500, which includes \$28,158,000 (approximately 60%) from Water Sales. Based upon the most recent conservation trends, it is projected that the District will sell 15,100 acre feet of water in fiscal year 2017.

Operating expenses for fiscal year 2017 are projected to be \$39,674,500, which includes \$16,282,500 of Purchased Water Costs. Purchased Water represents 41% of the Operating Budget. Purchased water is the amount paid directly to the water wholesaler, the San Diego County Water Authority (CWA), to provide water to the District. The 2017 Budget estimates that the District will need to purchase 11,259 acre feet of water from the CWA. The Budget also estimates that the District will produce 4,641 acre feet of water from its local water source, Lake Henshaw. The local water production estimate is based upon a 10-year rolling average of historical production.

The Capital Budget for fiscal year 2017 is \$9,233,300. Of this total, approximately 96% has been designated for the Mainline Replacement Program, and other necessary water-related and infrastructure improvement projects.

## **Budget Summary**

## Vista Irrigation District BUDGET SUMMARY Fiscal Year 2017

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Percentage Change</u>
<b>Source of Funds</b>			
Revenue Budget	\$ 44,355,500	\$ 47,017,500	6.0%
Reserves	-	1,890,300	-
	<u>\$ 44,355,500</u>	<u>\$ 48,907,800</u>	
<b>Use of Funds</b>			
Operating Budget	\$ 38,566,925	\$ 39,674,500	2.9%
Capital Budget	2,454,500	9,233,300	276.2%
Reserves	3,334,075	-	-
	<u>\$ 44,355,500</u>	<u>\$ 48,907,800</u>	

## **Revenue Budget**

# Vista Irrigation District

## REVENUE BUDGET

### Fiscal Year 2017

	<b>2014 Actual</b>	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>Six Months Ended 12/31/2015 Actual</b>	<b>2017 Budget</b>
<b>WATER REVENUES</b>					
Water Sales	\$ 31,910,487	\$ 29,177,217	\$ 25,958,000	\$ 13,220,131	\$ 28,158,000
Service Charges/Fees	14,948,156	15,419,283	15,988,000	7,920,501	16,168,000
	<u>46,858,643</u>	<u>44,596,500</u>	<u>41,946,000</u>	<u>21,140,632</u>	<u>44,326,000</u>
<b>OTHER REVENUES</b>					
Other Services	454,842	428,667	400,500	491,702	500,500
System Fees	667,311	853,041	800,000	354,252	950,000
Property Rentals	705,845	738,767	693,000	362,340	691,000
Property Taxes	443,255	381,843	461,000	153,016	400,000
Investment Income	45,451	63,423	55,000	29,802	150,000
Federal & State Assistance	-	42,810	-	-	-
	<u>2,316,704</u>	<u>2,508,551</u>	<u>2,409,500</u>	<u>1,391,112</u>	<u>2,691,500</u>
<b>TOTAL REVENUE BUDGET</b>	<b><u>\$ 49,175,347</u></b>	<b><u>\$ 47,105,051</u></b>	<b><u>\$ 44,355,500</u></b>	<b><u>\$ 22,531,744</u></b>	<b><u>\$ 47,017,500</u></b>
<b>WATER SALES (ACRE FEET)</b>	<u>19,128</u>	<u>17,117</u>	<u>14,833</u>	<u>7,623</u>	<u>15,100</u>

## **Revenue Account Descriptions**

## REVENUE ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Water Sales</u></b>				
Account Number: 60xx	\$31,910,487	\$29,177,217	\$25,958,000	\$28,158,000

This account group includes revenue from water sales to agricultural, commercial, industrial, single and multi-family residential, mobile home park and government entities. The District projects to sell 15,100 acre feet of water which is based upon recent history including voluntary and mandatory conservation goals. The budget includes the 1/1/16 rate increase from the San Diego County Water Authority, however, it assumes no future rate increases on water sales. The 2017 budget is calculated based upon the following current water usage rates:

- ◆ Tier 1: \$4.04 per Hundred Cubic Fee (Unit)
- ◆ Tier 2: \$4.58 per Hundred Cubic Fee (Unit)

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Service Charges/Fees</u></b>				
Account Number: 605x	\$14,948,156	\$15,419,283	\$15,988,000	\$16,168,000

This account group contains revenue from readiness-to-serve fees, infrastructure access charges (IAC), other fees and penalties. The IAC fee is a pass-through charge that the District collects for the San Diego County Water Authority (CWA). The increase in this account group reflects the 1/1/16 IAC fee increase from the CWA and the District's fiscal year 2017 service charge increase effective 7/1/16. This service charge increase is a result of the "Smooth Water Rate Adjustment" adopted by the Board under Minute Order 05-06-49 and reaffirmed after a public hearing conducted on October 9, 2013.

Meter Size	FY 2014	FY 2015	FY 2016	FY 2017
5/8"	\$ 24.89	\$ 25.51	\$ 26.42	\$ 27.17
3/4"	32.85	33.67	34.87	35.85
1"	48.53	49.74	51.51	52.96
1½"	88.11	90.30	93.51	96.15
2"	135.40	138.77	143.70	147.76
3"	261.60	268.12	277.64	285.48
4"	403.47	413.52	428.21	440.30
6"	955.53	979.33	1,014.12	1,042.74
8"	1,271.13	1,302.79	1,349.07	1,387.15
10"	1,902.09	1,949.47	2,018.72	2,075.70

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Other Services</u></b>				
Account Number: 61xx	\$454,842	\$428,667	\$400,500	\$500,500

This account group includes revenue from miscellaneous non-construction fees and the installation of water meters, fire hydrants, fire services and service changes.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>System Fees</u></b>				
Account Number: 62xx	\$667,311	\$853,041	\$800,000	\$950,000

This account group includes capacity fees, connection fees, annexation and detachment fees. The increase in the 2017 Budget in this account group reflects increased construction activity within the District and is based upon current fiscal year revenues collected.

## REVENUE ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Property Rentals</u></b>				
Account Number: 6301	\$705,845	\$738,767	\$693,000	\$691,000

This account group includes income to the District from the following lease agreements:

Hein Hettinga Cattle	\$ 163,000
Department of Defense- Navy	148,100
My Country Club	80,000
Crown Castle/T-Mobile- Cabrillo Circle	45,400
T-Mobile/Omnipoint- Lupine Hills	45,400
Crown Castle GT Co.	38,700
Cingular Wireless - AT&T	38,100
Lake Henshaw Resort	36,500
Verizon Wireless	19,200
Sprint	18,800
Crown Castle - Vista Towers	17,400
Mendenhall Cattle Company	13,900
Puerta La Cruz	11,800
Sempra Energy	11,690
Charles Chester Taylor	1,650
Noli Seeds	1,000
Vallecitos Water District	360
	\$ 691,000

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Property Taxes</u></b>				
Account Number: 8001	\$443,255	\$381,843	\$461,000	\$400,000

This account group contains various property taxes that the District receives by State Code.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Investment Income</u></b>				
Account Number: 81xx	\$45,451	\$63,423	\$55,000	\$150,000

This account group includes interest income and gains and losses on investments.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Federal &amp; State Assistance</u></b>				
Account Number: 8301	\$64,015	\$0	\$0	\$0

This account group contains funds received from Federal or State governments for various grants.



## **Revenue Budget Detail**

## REVENUE BUDGET DETAIL

Account	Description	Six Months Ended			2017 Budget
		2015 Actual	2016 Budget	December 31, 2015 Actual	
<b>Water Sales</b>					
6001	Single Family	\$ 14,628,009	\$ 13,298,000	\$ 6,473,565	\$ 13,782,000
6002	Multi Family	4,858,782	3,734,000	2,327,265	4,956,000
6003	Irrigation	3,377,886	3,466,000	1,432,578	3,051,000
6004	Commercial	2,124,435	1,692,000	981,044	2,089,000
6005	Agricultural	1,646,475	1,464,000	916,035	1,950,000
6006	Government	766,433	871,000	240,579	513,000
6007	Industrial	1,085,510	866,000	500,807	1,066,000
6008	Mobile Home	655,162	503,000	322,541	688,000
6009	Contract Water	29,841	58,000	23,482	58,000
6010	Unmetered	4,684	6,000	2,235	5,000
		<u>29,177,217</u>	<u>25,958,000</u>	<u>13,220,131</u>	<u>28,158,000</u>
<b>Service Charges/Fees</b>					
6051	Ready To Serve Fees	13,627,352	14,200,000	6,998,917	14,400,000
6052	Infrastructure Access Charge	1,165,096	1,163,000	583,886	1,168,000
6053	Penalties/Fees	626,835	625,000	337,698	600,000
		<u>15,419,283</u>	<u>15,988,000</u>	<u>7,920,501</u>	<u>16,168,000</u>
<b>Other Services</b>					
6101	Construction Services	198,380	200,000	144,103	250,000
6102	Jobs Gain/(Loss)	(345)	-	17,000	-
6103	Non Construction Services	230,632	200,500	330,599	250,500
		<u>428,667</u>	<u>400,500</u>	<u>491,702</u>	<u>500,500</u>
<b>System Fees</b>					
6201	Capacity Fees	750,359	800,000	278,937	800,000
6202	Connection Fees	102,682	-	75,315	150,000
		<u>853,041</u>	<u>800,000</u>	<u>354,252</u>	<u>950,000</u>
<b>Property Rentals</b>					
6301	Property Rentals	738,767	693,000	362,340	691,000
		<u>738,767</u>	<u>693,000</u>	<u>362,340</u>	<u>691,000</u>
<b>Property Taxes</b>					
8001	Property Taxes	381,843	461,000	153,016	400,000
		<u>381,843</u>	<u>461,000</u>	<u>153,016</u>	<u>400,000</u>
<b>Investment Income</b>					
8101	Interest Income	34,665	35,000	19,721	100,000
8102	Investment Gain/Loss	28,758	20,000	10,081	50,000
		<u>63,423</u>	<u>55,000</u>	<u>29,802</u>	<u>150,000</u>
<b>Federal &amp; State Assistance</b>					
8301	Federal & State Assistance	42,810	-	-	-
		<u>42,810</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenue Budget</b>		<u>\$ 47,105,051</u>	<u>\$ 44,355,500</u>	<u>\$ 22,531,744</u>	<u>\$ 47,017,500</u>

# **Operating Budget**

**Vista Irrigation District  
OPERATING BUDGET  
Fiscal Year 2017**

	<b>2014 Actual</b>	<b>2015 Actual</b>	<b>2016 Budget</b>	<b>Six Months Ended 12/31/2015 Actual</b>	<b>2017 Budget</b>
<b>PURCHASED WATER</b>					
Variable CWA Charges	\$ 16,550,949	\$ 14,220,993	\$ 9,567,000	\$ 6,133,979	\$ 9,960,000
Fixed CWA Charges	4,814,562	5,024,916	5,168,000	2,520,567	6,332,000
Agricultural Rebates	(13,577)	(10,423)	(13,100)	(4,768)	(9,500)
	<u>21,351,934</u>	<u>19,235,486</u>	<u>14,721,900</u>	<u>8,649,778</u>	<u>16,282,500</u>
<b>WAGES</b>	7,647,174	7,730,237	8,133,000	3,764,453	8,046,000
<b>BENEFITS &amp; TAXES</b>	4,379,556	4,568,364	5,015,800	2,946,364	5,106,800
<b>OFFICE &amp; GENERAL</b>					
Fees & Permits	104,662	130,380	136,340	70,837	147,200
Postage	81,279	87,067	80,800	35,601	75,800
Computer Hardware	19,979	45,712	15,500	5,160	34,500
Computer Software	5,378	4,483	18,500	2,715	8,900
Travel	36,937	34,051	38,300	24,834	41,000
Training	30,618	35,386	48,500	28,721	48,000
Dues & Subscriptions	45,569	45,275	50,700	5,659	49,000
Employment Related Expense	48,981	50,811	58,910	31,662	59,200
Office Supplies	33,565	35,661	30,200	13,358	31,000
Printing	13,008	13,713	15,300	3,208	12,700
Award/Contributions	24,740	4,971	7,000	3,500	6,700
	<u>444,716</u>	<u>487,510</u>	<u>500,050</u>	<u>225,255</u>	<u>514,000</u>
<b>DEPRECIATION</b>	3,222,382	3,363,263	3,475,000	1,279,435	2,652,000
<b>CONTRACTUAL SERVICES</b>	3,932,249	3,827,299	4,349,480	1,704,917	4,582,500
<b>SUPPLIES</b>	1,369,388	1,309,636	1,248,795	726,546	1,157,000
<b>POWER</b>	603,100	662,164	669,800	335,851	679,600
<b>PROFESSIONAL FEES</b>					
Audit	11,525	27,575	20,000	12,975	20,000
Legal	506,564	560,126	510,000	270,051	495,000
Consultants	116,712	70,915	220,000	63,072	465,000
	<u>634,801</u>	<u>658,616</u>	<u>750,000</u>	<u>346,098</u>	<u>980,000</u>
<b>INSURANCE</b>	476,889	489,750	402,000	263,495	517,000
<b>COMMUNICATIONS</b>	57,814	55,126	61,100	24,973	56,100
<b>UNCOLLECTIBLE ACCOUNTS</b>	60,389	1,690	62,000	14,519	31,000
<b>BURDEN ALLOCATION</b>	(947,821)	(945,126)	(900,000)	(659,594)	(1,000,000)

**Vista Irrigation District  
OPERATING BUDGET  
Fiscal Year 2017**

	<u>2014 Actual</u>	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>Six Months Ended 12/31/2015 Actual</u>	<u>2017 Budget</u>
<b>LOSS/(GAIN) ON ASSETS</b>	3,819	(30,557)	-	18,198	-
<b>LEGAL SETTLEMENT</b>	94,732	55,173	78,000	66,228	70,000
<b>TOTAL OPERATING BUDGET</b>	<u><b>\$ 43,331,122</b></u>	<u><b>\$ 41,468,631</b></u>	<u><b>\$ 38,566,925</b></u>	<u><b>\$ 19,706,516</b></u>	<u><b>\$ 39,674,500</b></u>
 <b>WATER SOURCES (ACRE FEET):</b>					
Water Purchases	18,439	16,215	11,059	6,963	11,259
Local Water	1,695	1,618	4,596	1,063	4,641
	<u>20,134</u>	<u>17,833</u>	<u>15,655</u>	<u>8,026</u>	<u>15,900</u>

## **Operating Account Descriptions**

## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <u>Variable CWA Charges</u>				
Account Number: 7001	\$16,550,949	\$14,220,993	\$9,567,000	\$9,960,000

This account group includes the variable cost of treated and untreated water purchased from the San Diego County Water Authority (CWA) including transportation charges. The budget assumes that local water production will equal 4,641 acre feet, which is based upon a 10-year rolling average production of local water. The remaining 11,259 acre feet of water needed will be purchased from CWA. The budget does not reflect any future rate increases from CWA and it assumes no penalties from CWA for exceeding any imposed water purchase allocation.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <u>Fixed CWA Charges</u>				
Account Number: 7002	\$4,814,562	\$5,024,916	\$5,168,000	\$6,332,000

This account group includes fixed charges from San Diego County Water Authority (CWA) related to water purchases. The budget does not reflect any future rate changes from CWA. The fixed charges are as follows:

Storage Charge - CWA	\$ 2,304,000
Infrastructure Access Charge - CWA	1,168,000
Supply Reliability Charge - CWA	897,000
Customer Service Charge - CWA	878,000
Readiness-to-Serve Charge, net - MWD	751,000
Capacity Reservation Charge - MWD	334,000
	\$ 6,332,000

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <u>Agricultural Rebates</u>				
Account Number: 7003	(\$13,577)	(\$10,423)	(\$13,100)	(\$9,500)

This account group includes rebates received from the San Diego County Water Authority (CWA) for the Special Agricultural Water Rate (SAWR) Program.

## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b>Wages</b>				
Account Number: 71xx	\$7,647,174	\$7,730,237	\$8,133,000	\$8,046,000

This account group consists of compensation for labor. This account group includes the following labor costs:

General	\$ 6,687,467
Vacation	753,072
Holiday	389,460
Sick Leave	199,723
Other Leave	16,278
	\$ 8,046,000

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b>Benefits &amp; Taxes</b>				
Account Number: 72xx	4,379,556	\$4,568,364	\$5,015,800	\$5,106,800

This account group consists of budgeted fringe benefits and taxes. The increase in the budget is primarily due to higher rates for PERS.

Public Employees Retirement System (PERS)	\$ 1,822,000
Health Insurances (Medical, Dental & Vision)	1,794,000
FICA & Medicare	580,000
Retiree Medical Insurance (GASB 45)	460,000
Worker's Compensation	240,000
Deferred Compensation Plan Matching (457 Plan)	95,000
Life and Disability Insurance	75,000
Uniforms (Clothing and Boots)	30,000
Unemployment Insurance	5,000
Tuition Reimbursement	3,000
EAP Counseling	2,800
	\$ 5,106,800



## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Fees &amp; Permits</u></b> Account Number: 7301	\$104,662	\$130,380	\$136,340	\$147,200

This account group includes \$52,000 of water-related costs and \$95,200 of non water-related costs. The water-related costs primarily include \$38,500 to the State Water Resources Control Board and to County Health Services for various permits, \$11,500 to the Department of Water Resources for dam fees, etc. The non water-related costs primarily include \$26,000 for LAFCO fees, \$38,000 for excavation permits, \$15,000 for District headquarters association dues, \$5,000 for sewer fees, etc.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Postage</u></b> Account Number: 7302	\$81,279	\$87,067	\$80,800	\$75,800

This account group includes postage for water bills and all other District mailings.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Computer Hardware</u></b> Account Number: 7303	\$19,979	\$45,712	\$15,500	\$34,500

This account group consists of computer hardware such as servers, desktop and laptop computers, inkjet and laser printers, scanners, monitors, etc. The increase in the budget is mainly due to the cost of handsets for the new phone system.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Computer Software</u></b> Account Number: 7304	\$5,378	\$4,483	\$18,500	\$8,900

This account group consists of various Network and Desktop software.

## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Travel</u></b>				
Account Number: 7305	\$36,937	\$34,051	\$38,300	\$41,000

This account group includes travel expenses related to attending conferences, meetings, training and other District business. The travel budget is organized by the following divisions:

Board of Directors	\$ 25,000
General Manager Division	7,000
Administration	5,200
Field Services and Water Resources Division	3,700
Engineering Division	100
	\$ 41,000

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Training</u></b>				
Account Number: 7306	\$30,618	\$35,386	\$48,500	\$48,000

This account group includes the cost of training and seminars. The largest components of the 2017 training budget include: \$15,000 for various Safety Cal/OSHA required trainings, \$12,000 for training for the Board, \$5,000 for Electrical training and other water related training, \$3,000 for various management development and employee training workshops, \$1,000 for Engineering classes, and etc.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Dues &amp; Subscriptions</u></b>				
Account Number: 7307	\$45,569	\$45,275	\$50,700	\$49,000

This account group covers dues for memberships to professional associations such as AWWA and ACWA, subscriptions to industry periodicals and the purchase of books.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Employment Related Expense</u></b>				
Account Number: 7308	\$48,981	\$50,811	\$58,910	\$59,200

This account group contains costs for first aid/physicals, advertising job openings, water treatment operator certificate fees, annual picnic, professional license fees, background checks, employment testing, benefits fair, employee appreciation event, safety service incentive program, etc.

## OPERATING ACCOUNT DESCRIPTIONS

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Budget</u>	<u>2017</u> <u>Budget</u>
Account Group: <b><u>Office Supplies and Furniture</u></b> Account Number: 7309	\$33,565	\$35,661	\$30,200	\$31,000

This account group includes items such as pens, pencils, clips, folders, binders, labels, tablets, calculators, copier/fax/printer supplies, paper, computer supplies, and non-capitalized office furniture.

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Budget</u>	<u>2017</u> <u>Budget</u>
Account Group: <b><u>Printing</u></b> Account Number: 7310	\$13,008	\$13,713	\$15,300	\$12,700

This account group includes the cost of printing water bills and notices, letterhead, business cards, map books, old drawing restorations, the water quality report and other special printing.

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Budget</u>	<u>2017</u> <u>Budget</u>
Account Group: <b><u>Awards/Contributions</u></b> Account Number: 7311	\$24,740	\$4,971	\$7,000	\$6,700

This account group includes contributions to the San Diego County Department of Education for a mobile science lab and District funded student scholarships.

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>	<u>2016</u> <u>Budget</u>	<u>2017</u> <u>Budget</u>
Account Group: <b><u>Depreciation</u></b> Account Number: 7401	\$3,222,382	\$3,363,263	\$3,475,000	\$2,652,000

This account group reflects the current year usage of existing capital assets. These funds are used to replenish construction reserves, which pay for infrastructure replacement. The decrease in the budget is due to District increasing the life expectancy of most assets, thus reducing depreciation.

## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Contractual Services</u></b>				
Account Number: 75xx				
	\$3,932,249	\$3,827,299	\$4,349,480	\$4,582,500

The increase in the budget is primarily due to upcoming Flume repairs and anticipated increase in the cost of treatment of raw water at the Escondido Treatment Plant. This account group includes contractual services for the following:

Escondido Treatment Plant	\$ 2,000,000
Weese Treatment Plant	660,000
Escondido Canal	360,000
Flume	355,000
General	350,200
Transmission and Distribution Systems	329,300
Buildings and Grounds	251,800
Well Field	110,000
Garage	51,500
Reservoirs	40,400
Dam	21,500
Fire Hydrants/Fire Services	20,000
SCADA	12,300
Pump Stations	10,500
Water Quality	10,000
	\$ 4,582,500

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Supplies</u></b>				
Account Number: 76xx				
	\$1,369,388	\$1,309,636	\$1,248,795	\$1,157,000

The decrease in the budget is primarily due to a decrease in the Conservation Programs. This account group includes supplies for the following:

Transmission and Distribution Systems	\$ 491,500
Fuel	152,000
General	128,800
Garage	116,000
Fire Hydrants/Fire Services	95,000
SCADA	37,000
Buildings and Grounds	29,500
Well Field	24,500
Treatment Plant	17,000
Water Quality	15,300
Dam	14,000
Pump Stations	11,800
Ditches	9,000
Flume	7,000
Conservation Programs	5,100
Reservoirs	3,500
	\$ 1,157,000

## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b>Power</b>				
Account Number: 77xx	\$603,100	\$662,164	\$669,800	\$679,600

This account group includes:

Well Field	\$	400,000		
Pump Stations		150,000		
Main Office		120,800		
Transmission and Distribution Systems		4,600		
Water Treatment		2,200		
Reservoirs		2,000		
				\$ 679,600

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b>Audit</b>				
Account Number: 7721	\$11,525	\$27,575	\$20,000	\$20,000

This account group includes auditing services performed by a Certified Public Accounting firm.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b>Legal</b>				
Account Numbers: 7722 & 7723	\$506,564	\$560,126	\$510,000	\$495,000

This account group includes general legal services and legal services in connection with the Indian lawsuit.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b>Consultants</b>				
Account Numbers: 7724 & 7725	\$116,712	\$70,915	\$220,000	\$465,000

This account group includes:

Master Plan / Facilities Study	\$	350,000		
San Pasqual Undergrounding Environmental		50,000		
Dam Stability Analysis		20,000		
Phone System		15,000		
Recycled Water Coalition		10,000		
Surveying Services		10,000		
Environmental Services		5,000		
Henshaw Calculations		5,000		
				\$ 465,000

## OPERATING ACCOUNT DESCRIPTIONS

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Insurance</u></b> Account Number: 7731	\$476,889	\$489,750	\$402,000	\$517,000

This account group includes liability, property and dam insurance from the Joint Powers Insurance Authority (JPIA). The increase in the budget is due to increasing number of liability claims due to water related damage claims.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Communications</u></b> Account Number: 7741	\$57,814	\$55,126	\$61,100	\$56,100

This account group includes the costs of: telephone service, SCADA/telemetry communication service, radio system, Internet service, cellular phones and pagers. The decrease in the budget is primarily due to the reduction of the state contract for telephone and internet services.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Uncollectible Accounts</u></b> Account Number: 7751	\$60,389	\$1,690	\$62,000	\$31,000

This account group represents bills that cannot be collected by the District or its collection agencies and are therefore written off. The budget is based upon the most recent trend analysis. The budget includes \$15,000 for uncollectible water bills and \$16,000 for uncollectible damage to District property.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Burden Allocation</u></b> Account Number: 7799	(\$947,821)	(\$945,126)	(\$900,000)	(\$1,000,000)

The District allocates overhead burden costs to pipeline installation jobs, inspection jobs, fixed fee jobs, damage claims and other small jobs. The overhead burden costs include use of equipment, warehousing, management salaries, benefits, and other overhead expenses. This account group is a reduction (by allocation) of expenses. The change in the budget is primarily due to an increase in emphasis on pipeline replacement.

	2014 Actual	2015 Actual	2016 Budget	2017 Budget
Account Group: <b><u>Legal Settlement</u></b> Account Number: 8501	-	\$55,173	\$78,000	\$70,000

This account group represents an inflation adjustment on the proposed Indian settlement financial obligation.

## **Operating Budget Detail**

## OPERATING BUDGET DETAIL

Account	Description	2015 Actual	2016 Budget	Six Months Ended December 31, 2015 Actual	2017 Budget
<b>Variable CWA Charges</b>					
7001	Purchased Water-CWA Variable	\$ 14,220,993	\$ 9,567,000	\$ 6,133,979	\$ 9,960,000
		14,220,993	9,567,000	6,133,979	9,960,000
<b>Fixed CWA Charges</b>					
7002	Purchased Water-CWA Fixed	5,024,916	5,168,000	2,520,567	6,332,000
		5,024,916	5,168,000	2,520,567	6,332,000
<b>Agricultural Rebates</b>					
7003	Purchased Water-Ag. Rebate	(10,423)	(13,100)	(4,768)	(9,500)
		(10,423)	(13,100)	(4,768)	(9,500)
<b>Wages</b>					
7101	Wages-General	6,426,285	6,742,959	3,172,421	6,687,467
7102	Vacation	721,532	766,511	331,480	753,072
7103	Sick Leave	195,639	210,926	79,497	199,723
7104	Holiday	373,754	393,883	172,160	389,460
7105	Other Leave	13,027	18,721	8,895	16,278
		7,730,237	8,133,000	3,764,453	8,046,000
<b>Benefits &amp; Taxes</b>					
7201	Health Insurance	1,659,067	1,790,000	876,294	1,794,000
7202	PERS	1,589,850	1,800,000	1,362,453	1,822,000
7203	FICA & Medicare	576,752	580,000	286,655	580,000
7204	Retiree Health Insurance	316,284	415,000	215,649	460,000
7205	Workers Compensation	233,014	230,000	119,773	240,000
7206	457 Plan Matching	95,255	95,000	35,142	95,000
7207	Life & Disability Insurance	59,098	65,000	31,383	75,000
7208	Uniforms/Boots	27,659	30,000	13,676	30,000
7209	Unemployment Insurance	7,199	6,000	1,841	5,000
7210	EAP Counseling	2,401	2,800	2,401	2,800
7211	Tuition Reimbursement	1,785	2,000	1,097	3,000
		4,568,364	5,015,800	2,946,364	5,106,800



## OPERATING BUDGET DETAIL

<u>Account</u>	<u>Description</u>	<u>2015 Actual</u>	<u>2016 Budget</u>	<u>Six Months Ended December 31, 2015 Actual</u>	<u>2017 Budget</u>
<b>Fees &amp; Permits</b>					
7301	Fees & Permits	130,380	136,340	70,837	147,200
		<u>130,380</u>	<u>136,340</u>	<u>70,837</u>	<u>147,200</u>
<b>Postage</b>					
7302	Postage	87,067	80,800	35,601	75,800
		<u>87,067</u>	<u>80,800</u>	<u>35,601</u>	<u>75,800</u>
<b>Computer Hardware</b>					
7303	Computer Hardware	45,712	15,500	5,160	34,500
		<u>45,712</u>	<u>15,500</u>	<u>5,160</u>	<u>34,500</u>
<b>Computer Software</b>					
7304	Computer Software	4,483	18,500	2,715	8,900
		<u>4,483</u>	<u>18,500</u>	<u>2,715</u>	<u>8,900</u>
<b>Travel</b>					
7305	Travel	34,051	38,300	24,834	41,000
		<u>34,051</u>	<u>38,300</u>	<u>24,834</u>	<u>41,000</u>
<b>Training</b>					
7306	Training	35,386	48,500	28,721	48,000
		<u>35,386</u>	<u>48,500</u>	<u>28,721</u>	<u>48,000</u>
<b>Dues &amp; Subscriptions</b>					
7307	Dues & Subscriptions	45,275	50,700	5,659	49,000
		<u>45,275</u>	<u>50,700</u>	<u>5,659</u>	<u>49,000</u>
<b>Employment Related Expense</b>					
7308	Employment Related Expense	50,811	58,910	31,662	59,200
		<u>50,811</u>	<u>58,910</u>	<u>31,662</u>	<u>59,200</u>
<b>Office Supplies</b>					
7309	Office Supplies	35,661	30,200	13,358	31,000
		<u>35,661</u>	<u>30,200</u>	<u>13,358</u>	<u>31,000</u>
<b>Printing</b>					
7310	Printing	13,713	15,300	3,208	12,700
		<u>13,713</u>	<u>15,300</u>	<u>3,208</u>	<u>12,700</u>
<b>Contributions</b>					
7311	Contributions	4,971	7,000	3,500	6,700
		<u>4,971</u>	<u>7,000</u>	<u>3,500</u>	<u>6,700</u>
<b>Depreciation</b>					
7401	Depreciation	3,363,263	3,475,000	1,279,435	2,652,000
		<u>3,363,263</u>	<u>3,475,000</u>	<u>1,279,435</u>	<u>2,652,000</u>

## OPERATING BUDGET DETAIL

Account	Description	2015 Actual	2016 Budget	Six Months Ended December 31, 2015 Actual	2017 Budget
<b>Contractual Services</b>					
7501	Services-General	308,529	362,730	156,063	350,200
7502	Services-Buildings & Grounds	121,284	219,000	82,690	251,800
7503	Services-Garage	41,562	57,500	32,216	51,500
7504	Services-T & D Systems	392,805	324,650	138,212	329,300
7505	Services-FireHyd/Fire Services	20,804	20,000	10,404	20,000
7506	Services-Reservoirs	2,518	130,400	251	40,400
7507	Services-SCADA	6,500	19,700	19,575	12,300
7508	Services-Pump Stations	34,550	63,500	-	10,500
7509	Services-Water Qual	8,744	12,000	4,485	10,000
7510	Services-Treatment Plant	9,837	-	-	-
7511	Services-Flume	4,097	5,000	2,285	355,000
7512	Services-Dam	7,773	11,000	-	21,500
7513	Services-Ditches	800	-	600	-
7514	Services-Well Field	31,354	110,000	48,805	110,000
7515	Services-Escondido Canal	358,409	350,000	175,957	360,000
7516	Services-Escondido Plant	1,786,546	1,874,000	648,789	2,000,000
7517	Services-Weese Plant	687,380	790,000	335,997	660,000
7520	Temporary Agencies	3,807	-	48,588	-
		3,827,299	4,349,480	1,704,917	4,582,500
<b>Supplies</b>					
7601	Supplies-General	177,851	149,500	79,161	128,800
7602	Supplies-Buildings & Grounds	23,298	26,000	13,966	29,500
7603	Supplies-Garage	100,399	116,000	64,559	116,000
7604	Supplies-T & D Systems	596,527	472,000	303,138	491,500
7605	Supplies-FireHyd/Fire Services	101,318	85,000	45,681	95,000
7606	Supplies-Reservoirs	2,003	3,500	4,508	3,500
7607	Supplies-SCADA	20,717	24,750	18,603	37,000
7608	Supplies-Pump Stations	16,112	28,000	29,011	11,800
7609	Supplies-Water Qual	20,014	10,545	11,411	15,300
7610	Supplies-Water Treatment	9,510	16,500	5,370	17,000
7611	Supplies-Flume	5,037	7,000	38,086	7,000
7612	Supplies-Dam	1,283	1,000	-	14,000
7613	Supplies-Ditches	5,058	13,000	-	9,000
7614	Supplies-Well Field	68,417	43,000	43,853	24,500
7615	Fuel	145,481	153,000	67,020	152,000
7616	Conservation Programs	2,172	100,000	2,188	5,100
7697	Inventory Adjustments	15,488	-	-	-
7698	Trade Discounts	(1,049)	-	(9)	-
		1,309,636	1,248,795	726,546	1,157,000

## OPERATING BUDGET DETAIL

Account	Description	2015 Actual	2016 Budget	Six Months Ended December 31, 2015 Actual	2017 Budget
<b>Power</b>					
7701	Power-Buildings/Grounds	117,796	121,000	66,912	120,800
7702	Power-T & D Systems	3,920	4,600	1,926	4,600
7703	Power-Reservoirs	2,116	2,000	1,017	2,000
7704	Power-Pump Station	133,523	140,000	74,165	150,000
7705	Power-Water Treatment	1,620	2,200	822	2,200
7706	Power-Well Field	403,189	400,000	191,009	400,000
		<u>662,164</u>	<u>669,800</u>	<u>335,851</u>	<u>679,600</u>
<b>Audit</b>					
7721	Audit	27,575	20,000	12,975	20,000
		<u>27,575</u>	<u>20,000</u>	<u>12,975</u>	<u>20,000</u>
<b>Legal</b>					
7722	Legal-General	230,648	180,000	62,866	181,000
7723	Legal-Water Rights	329,478	330,000	207,185	314,000
		<u>560,126</u>	<u>510,000</u>	<u>270,051</u>	<u>495,000</u>
<b>Consultants</b>					
7724	Consultants-General	44,490	170,000	35,648	415,000
7725	Consultants-Water Rights	26,425	50,000	27,424	50,000
		<u>70,915</u>	<u>220,000</u>	<u>63,072</u>	<u>465,000</u>
<b>Insurance</b>					
7731	Insurance	489,750	402,000	263,495	517,000
		<u>489,750</u>	<u>402,000</u>	<u>263,495</u>	<u>517,000</u>
<b>Communications</b>					
7741	Communications	55,126	61,100	24,973	56,100
		<u>55,126</u>	<u>61,100</u>	<u>24,973</u>	<u>56,100</u>
<b>Uncollectible Accounts</b>					
7751	Uncollectible Accounts	1,690	62,000	14,519	31,000
		<u>1,690</u>	<u>62,000</u>	<u>14,519</u>	<u>31,000</u>
<b>Burden Allocation</b>					
7799	Burden Allocation	(945,126)	(900,000)	(659,594)	(1,000,000)
		<u>(945,126)</u>	<u>(900,000)</u>	<u>(659,594)</u>	<u>(1,000,000)</u>
<b>Loss/(Gain) on Assets</b>					
8401	Asset Disposal Net Book Value	54	-	30,511	-
8402	Asset Disposal Proceeds	(30,611)	-	(12,313)	-
		<u>(30,557)</u>	<u>-</u>	<u>18,198</u>	<u>-</u>
<b>Legal Settlement</b>					
8501	Legal Settlement	55,173	78,000	66,228	70,000
		<u>55,173</u>	<u>78,000</u>	<u>66,228</u>	<u>70,000</u>
<b>Total Operating Budget</b>		<u>\$ 41,468,631</u>	<u>\$ 38,566,925</u>	<u>\$ 19,706,516</u>	<u>\$ 39,674,500</u>

## **Capital Budget**

# Vista Irrigation District CAPITAL BUDGET Fiscal Year 2017

	<b>Budget Item #</b>	<b>2017 Budget</b>
<b>ENGINEERING:</b>		
HP Reservoir Rehabilitation		\$ 3,000,000
FY 2017 Main Replacement Program		2,500,000
Flume Relocation		800,000
AB Line Replacement	11-04	600,000
Paseo Santa Fe Project - Ocean View to Terrace Drive	16-05	280,000
		7,180,000
<b>FIELD SERVICES:</b>		
Vehicles (6)		250,000
Shoring System		30,000
Brush Chipper		25,000
		305,000
<b>FINANCE:</b>		
Phone System		35,000
Data Switch		28,000
Server		15,800
		78,800
<b>OPERATIONS:</b>		
Hydraulic Butterfly Valve and Seismic Actuator		48,000
Altitude and Seismic Valve Actuators		14,000
Backflow Management Software		7,500
		69,500
<b>WATER RESOURCES:</b>		
On-Site Chlorine Generation System	11-12	1,600,000
<b>TOTAL CAPITAL BUDGET</b>		<b>\$ 9,233,300</b>

## **Capital Budget Detail**

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	HP Reservoir Rehabilitation	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Design and construction of repairs needed to HP Reservoir.	
<b>Reason for Request:</b>	HP Reservoir is a 5 million gallon pre-stressed concrete reservoir constructed in 1962. Recently, exterior concrete spalling was found near the base of the tank, exposing pre-stressing wires with signs of corrosion. Rehabilitation efforts may require removal and replacement of the pre-stressing wires. Other improvements that will be evaluated will include seismic retrofit, rehabilitation/replacement of the roof, and upgrade of inlet/outlet piping.	
<b>Asset Being Replaced (If Applicable):</b>	Asset No. 2207, Original Cost: \$210,284, Net Book Value: \$5,609	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2014 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2015 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2016 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$3,000,000"/>	<input type="text" value="\$3,000,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$3,000,000"/>	<input type="text" value="\$3,000,000"/>

**Requesting Department:** Engineering

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	FY 2017 Main Replacement Program	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	On going program to replace various pipelines throughout the District	
<b>Reason for Request:</b>	The goal of the main replacement program is to replace pipelines before they reach the end of their useful lives and become a maintenance liability or pipelines that need to be replaced due to street realignments and/or improvements. Therefore, replacement of mains is an ongoing project based on analysis of leak history, age and type of pipe material, input from District Field Crews, liability reduction, operational benefit, water quality problem reduction, future street improvement projects and other pertinent factors.	
<b>Asset Being Replaced (If Applicable):</b>	Various pipelines throughout the distribution system	

<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:			
<b>FY 2017 Budget:</b>	<b>\$1,000,000</b>	<b>\$1,500,000</b>	<b>\$2,500,000</b>
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	<b>\$1,000,000</b>	<b>\$1,500,000</b>	<b>\$2,500,000</b>

**Requesting Department:** Engineering

**Budget Item Number:** \_\_\_\_\_



# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	Flume Relocation - Little Tunnel, Baumgartner Bench and Baumgartner Siphon	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Construction of approximately 4,000 feet of 36-inch and 42-inch underground piping to replace sections of the Vista Flume known as Little Tunnel, Baumgartner Bench and Baumgartner siphon.	
<b>Reason for Request:</b>	Shea Homes is developing a 179 lot residential subdivision known as Canyon Grove Estates, adjacent to a portion of the Vista Flume. The District and Shea Homes have determined that relocation of the Flume to an underground pipeline through the project is a preferred option and have agreed to share the relocation costs. Shea Homes will pay for the first \$800,000 of the project costs and the District will pay the next \$600,000. Project costs beyond \$1.4 million will be shared equally between the parties. Current estimated construction costs for relocation of the Flume range between \$1.4 to 2.0 million.	
<b>Asset Being Replaced (If Applicable):</b>	Partial disposal of Asset No. 1103, Original Cost: \$37,947, Net Book Value: \$0 Partial disposal of Asset No. 1104, Original Cost: \$117,235, Net Book Value: \$7,121	

<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:			
<b>FY 2017 Budget:</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$800,000</b>
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$800,000</b>

**Requesting Department:** Engineering

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	AB Line Replacement	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Design of replacement and/or rehabilitation options for the 14" AB line approximately 2,000 feet upstream and downstream of the AB Regulator located at Esplendido Avenue near Companero Drive. Upgrades and/or relocation of the AB regulator will also be evaluated.	
<b>Reason for Request:</b>	The AB Line is an older steel pipeline that has experienced breaks and is in need of replacement and/or rehabilitation. The alignment of the AB line is partially in District easements through hilly and hard to access locations. Rehabilitation options of slip-lining, cured in place pipe, close-fit pipe will be explored along with replacement alignment options.	
<b>Asset Being Replaced (If Applicable):</b>	Approximately 4,000' of 14" NP steel pipeline (AB Line), Asset No. 1036, Original Cost: \$6,000, Net Book Value: \$0	

<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2011 Budget:	<input type="text"/>	<input type="text" value="\$100,000"/>	<input type="text" value="\$100,000"/>
FY 2014 Budget:	<input type="text" value="\$250,000"/>	<input type="text" value="\$150,000"/>	<input type="text" value="\$400,000"/>
<b>FY 2017 Budget:</b>	<input type="text"/>	<input type="text" value="\$600,000"/>	<input type="text" value="\$600,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$250,000"/>	<input type="text" value="\$850,000"/>	<input type="text" value="\$1,100,000"/>

**Requesting Department:** Engineering

**Budget Item Number:** 11-04

# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	Paseo Santa Fe Street Improvements - Ocean View Drive to Terrace Drive	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Design and installation of approximately 800 feet of 18" in South Santa Fe Drive from Ocean View Drive to Terrace Drive	
<b>Reason for Request:</b>	The City of Vista is planning improvements to a portion of South Santa Fe Drive as part of their Downtown Redevelopment plans. Replacement of the existing mains and upsizing of the mains is identified in the District's Master Plan .	
<b>Asset Being Replaced (If Applicable):</b>	Asset No. 1036, 300' of 4" pipe installed in 1954, Original Cost: \$1,410, Net Book Value: \$0 Asset No. 1036, 775' of 10" pipe installed in 1955, Original Cost: \$4,768, Net Book Value: \$0 Asset No. 1203, 135' of 4" pipe installed in 1967, Original Cost: \$750, Net Book Value: \$0	

<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:	\$5,000	\$15,000	\$20,000
<b>FY 2017 Budget:</b>	\$15,000	\$265,000	\$280,000
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	\$20,000	\$280,000	\$300,000

**Requesting Department:** Engineering

**Budget Item Number:** 16-05

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	Vehicles (6)	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	1 - Water Truck, Class 7, 2000 gallon (\$85,000) 1 - Cargo Van, Class 2 (\$38,000) 2 - Full Size Truck w/ Utility Bed, Class 2 (\$35,000 each) 1 - Mini Pickup Truck, Class 1 (\$22,000) 1 - SUV, Class 2 (\$35,000)	
<b>Reason for Request:</b>	The current water truck, vehicle No. 25 was purchased used in 2004 and currently has over 110,000 miles. Vehicle No. 58 has a history of mechanical issues and has signs of excessive engine wear. Vehicle No. 42, No. 60, No. 16 and No. 53 each have over 110,000 miles and either leak oil, have worn suspension or chassis issues. Vehicle No. 80 has worn suspension.	
<b>Asset Being Replaced (If Applicable):</b>	Asset No. 2942, Vehicle No. 25, 1979 Chevy Water Truck, Original Cost: \$16,000, Net Book Value: \$0 Asset No. 2579, Vehicle No. 58, 1999 Chevy C-3500, Original Cost: \$20,425, Net Book Value: \$0 Asset No. 2879, Vehicle No. 42, 2003 Ford F-250, Original Cost: \$20,960, Net Book Value: \$0 Asset No. 2998, Vehicle No. 60, 2006 Ford F-250, Original Cost: \$23,998, Net Book Value: \$0 Asset No. 2981, Vehicle No. 16, 2006 Chevy Colorado, Original Cost: \$14,643, Net Book Value: \$0 Asset No. 2572, Vehicle No. 53, 1999 Chevy C-1500, Original Cost: \$24,175, Net Book Value: \$0 Asset No. 2619, Vehicle No. 80, 2000 Ford Explorer, Original Cost: \$21,650, Net Book Value: \$0	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:			
<b>FY 2017 Budget:</b>	\$0	\$250,000	\$250,000
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$250,000</b>

**Requesting Department:** Field Services

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	Shoring System	<input checked="" type="checkbox"/> New Item <input type="checkbox"/> Replacement
<b>Description:</b>	Modular aluminum trench shield system	
<b>Reason for Request:</b>	<p>The District's existing shoring system was purchased in 1990 and is a single configuration box system and is only capable of working 6 feet deep. Some of the District's distribution and transmission mains are buried much deeper than 6 feet and other shoring systems have to be rented to facilitate work or repair. In emergency circumstances this practice is impractical and thus can delay repair and extend water main outages. New modular shoring systems have multiple configurations and capable of working in depths greater than 15 feet.</p>	
<b>Asset Being Replaced (If Applicable):</b>		

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2014 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2015 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2016 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$30,000"/>	<input type="text" value="\$30,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$30,000"/>	<input type="text" value="\$30,000"/>

**Requesting Department:** Field Services

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	Brush Chipper	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Trailer mounted, 35-horsepower gasoline driven brush chipper with 9" x 14" feed opening.	
<b>Reason for Request:</b>	The District's existing brush chipper was purchased in 1999 and has reached its maximum useful life. The powertrain of the current chipper can no longer process branches and material at the rated capacity of the unit.	
<b>Asset Being Replaced (If Applicable):</b>	Asset # 2578, Vermeer Brush Chipper, Original Cost: \$10,128.50, Net Book Value: \$0	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2014 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2015 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2016 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$25,000"/>	<input type="text" value="\$25,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$25,000"/>	<input type="text" value="\$25,000"/>

**Requesting Department:** Field Services

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	Phone System	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Phone and Voicemail system	
<b>Reason for Request:</b>	The current phone system is approaching 20 years of age and any hardware failures at this point run the risk of being unfixable due to the fact that parts are not available on the market which could result in catastrophic failure of the system with no real plan for a timely resolution.	
<b>Asset Being Replaced (If Applicable):</b>	Asset No. 2499, Original Cost: \$53,232, Net Book Value: \$0	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:			
<b>FY 2017 Budget:</b>	\$0	\$35,000	\$35,000
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$35,000</b>

**Requesting Department:** Finance

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	Data Switch	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	A data switch that uplinks District network data or all systems (servers and workstations).	
<b>Reason for Request:</b>	The data switch is past its reliable life and is out of support.	
<b>Asset Being Replaced (If Applicable):</b>	Asset No. 3142, Original Cost: \$27,402, Net Book Value: \$0	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:			
<b>FY 2017 Budget:</b>	\$0	\$28,000	\$28,000
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	\$0	\$28,000	\$28,000

**Requesting Department:** Finance

**Budget Item Number:** \_\_\_\_\_



# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	Server	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Main onsite backup server that will host 30 days worth of backups while simultaneously streaming older backups to cloud based storage for disaster recovery purposes.	
<b>Reason for Request:</b>	Current backup and disaster recovery solution involves multiple pieces of hardware and software and requires a significant amount of time to maintain. This solution will streamline the process while reducing costs.	
<b>Asset Being Replaced (If Applicable):</b>	Asset No. 1391, Original Cost: \$5,043, Net Book Value: \$0	

<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2013 Budget:			
FY 2014 Budget:			
FY 2015 Budget:			
FY 2016 Budget:			
<b>FY 2017 Budget:</b>	\$0	\$15,800	\$15,800
FY 2018 and thereafter:			
<b>Total Projected Amount:</b>	\$0	\$15,800	\$15,800

**Requesting Department:** Finance

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	Hydraulic Butterfly Valve and Seismic Actuator	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	18" hydraulic butterfly valve and seismic actuator at Lupine Hills reservoir	
<b>Reason for Request:</b>	The existing 18" hydraulic butterfly valve has been in service for close to 30 years. The actuator cylinder, seals, and mechanical components are fatigued and are no longer available from the manufacturer. The seismic actuator has been in service over 20 years and is antiquated by design and modern control standards.	
<b>Asset Being Replaced (If Applicable):</b>	Partial disposal of Asset No. 2228, Original Cost: \$4,500, Net Book Value: \$0 Asset No. 2231, Original Cost: \$12,749, Net Book Value: \$0	

<b>Cost Estimate (Whole Dollars only)</b>			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2014 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2015 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2016 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$17,000"/>	<input type="text" value="\$31,000"/>	<input type="text" value="\$48,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$17,000"/>	<input type="text" value="\$31,000"/>	<input type="text" value="\$48,000"/>

**Requesting Department:** Operations

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	Altitude Valve and Seismic Valve Actuators	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	Altitude valve and seismic valve control actuators at "H" reservoir	
<b>Reason for Request:</b>	The altitude valve and seismic valve actuators have been in service for close to 20 years. Over recent years both units have had electro-mechanical issues and both are antiquated by design and modern control standards.	
<b>Asset Being Replaced (If Applicable):</b>	Partial disposal of Asset No. 2544, Original Cost: \$13,000, Net book value: \$0	

<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2013 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2014 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2015 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2016 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$14,000"/>	<input type="text" value="\$14,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$14,000"/>	<input type="text" value="\$14,000"/>

**Requesting Department:** Operations

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

Project or Equipment Information		
<b>Title:</b>	Backflow Management Software	<input checked="" type="checkbox"/> New Item <input type="checkbox"/> Replacement
<b>Description:</b>	Backflow management software that has comprehensive data management features for customer, backflow assembly and test result information	
<b>Reason for Request:</b>	Backflow management software is currently a component of the District's utility billing software, DataStream. Tyler Technologies is planned to replace DataStream during fiscal year 2017. Migrating to a stand alone backflow management software more suited to the business function will automate more administrative processes and will have greater end user capability.	
<b>Asset Being Replaced (If Applicable):</b>		

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
FY 2013 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2014 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2015 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2016 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$7,500"/>	<input type="text" value="\$7,500"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$7,500"/>	<input type="text" value="\$7,500"/>

**Requesting Department:** Operations

**Budget Item Number:** \_\_\_\_\_

# Capital Budget Request

<b>Project or Equipment Information</b>		
<b>Title:</b>	On-Site Chlorine Generation System	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
<b>Description:</b>	<p>The City of Escondido is replacing their gaseous chlorine storage and disinfection facilities with a system to generate hypochlorite solution on-site, and to perform significant electrical system upgrades at the Escondido-Vista Water Treatment Plant (EVWTP). The District owns 20-percent interest in the capital assets of the EVWTP and pays for 20-percent of all capital related expenses.</p>	
<b>Reason for Request:</b>	<p>While gaseous chlorine disinfection is effective and cost efficient, the potential for an uncontrolled release of gaseous chlorine represents a significant public safety concern. In addition, there are very few suppliers of bulk chlorine gas in the San Diego County raising concerns about the competitiveness of bulk chlorine gas supply bids. The City of Escondido is mitigating this concern by replacing their bulk gaseous chlorine storage and disinfection facilities with on-site chlorine generation. Electrical system upgrades are also being made to include and replace the antiquated motor control centers and procure new and larger emergency power generators.</p>	
<b>Asset Being Replaced (If Applicable):</b>	<p>Partial disposal of Asset No. 1099, Original Cost: \$329,101, Net Book Value: \$0            Partial disposal of Asset No. 1100, Original Cost: \$17,736, Net Book Value: \$0            Partial disposal of Asset No. 1101, Original Cost: \$32,633, Net Book Value: \$0            Partial disposal of Asset No. 2613, Original Cost: \$353,591, Net Book Value: \$128,285            Partial disposal of Asset No. 2689, Original Cost: \$31,082, Net Book Value: \$12,804            Partial disposal of Asset No. 2936, Original Cost: \$20,824, Net Book Value: \$9,255</p>	

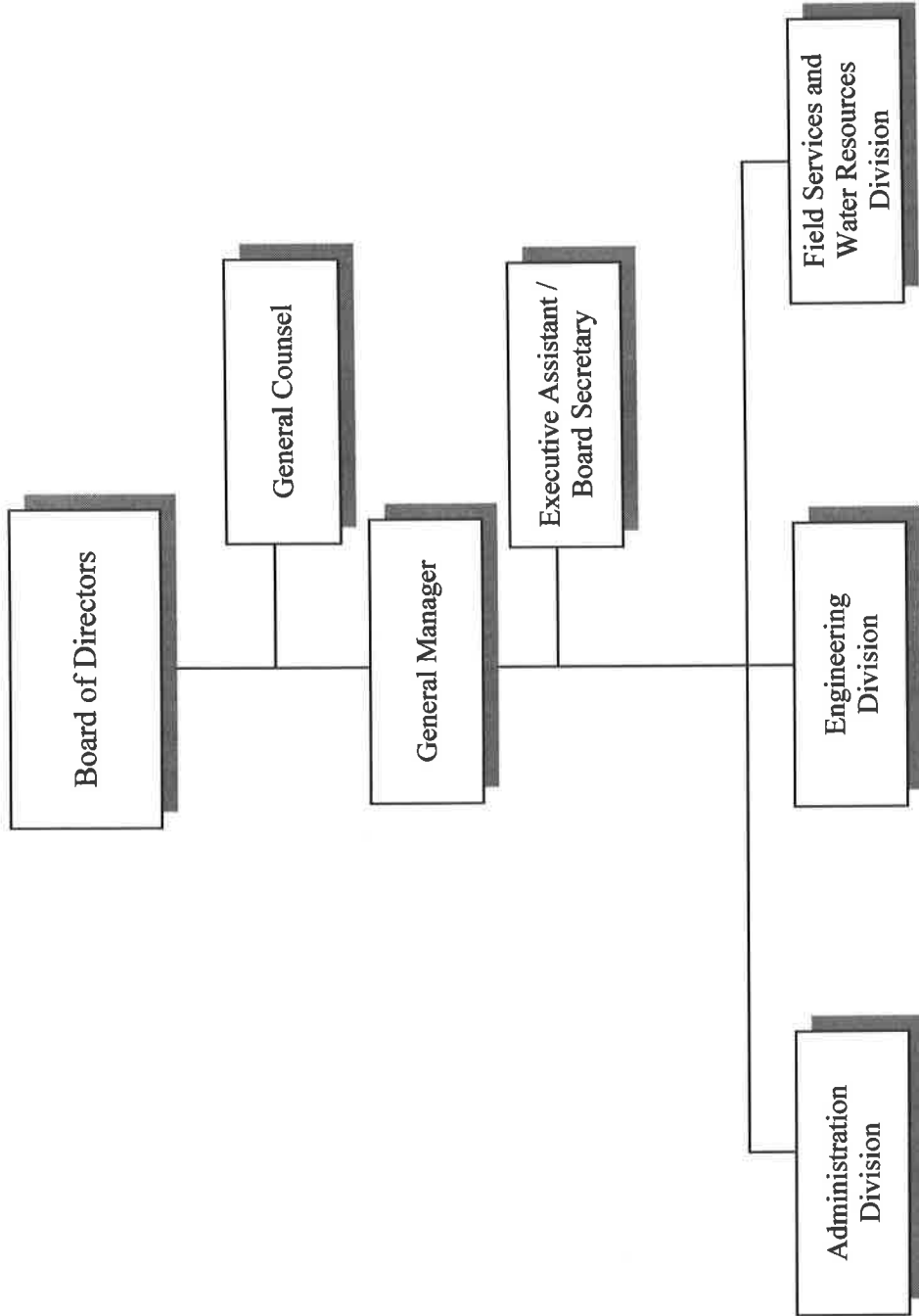
<b>Cost Estimate (Whole Dollars only)</b>			
	<b>District Labor &amp; Fringe</b>	<b>Outside Purchases</b>	<b>Total</b>
FY 2011 Budget:	<input type="text" value="\$0"/>	<input type="text" value="\$350,000"/>	<input type="text" value="\$350,000"/>
FY 2015 Budget:	<input type="text" value="\$0"/>	<input type="text" value="\$1,400,000"/>	<input type="text" value="\$1,400,000"/>
<b>FY 2017 Budget:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$1,600,000"/>	<input type="text" value="\$1,600,000"/>
FY 2018 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total Projected Amount:</b>	<input type="text" value="\$0"/>	<input type="text" value="\$3,350,000"/>	<input type="text" value="\$3,350,000"/>

**Requesting Department:** Water Resources

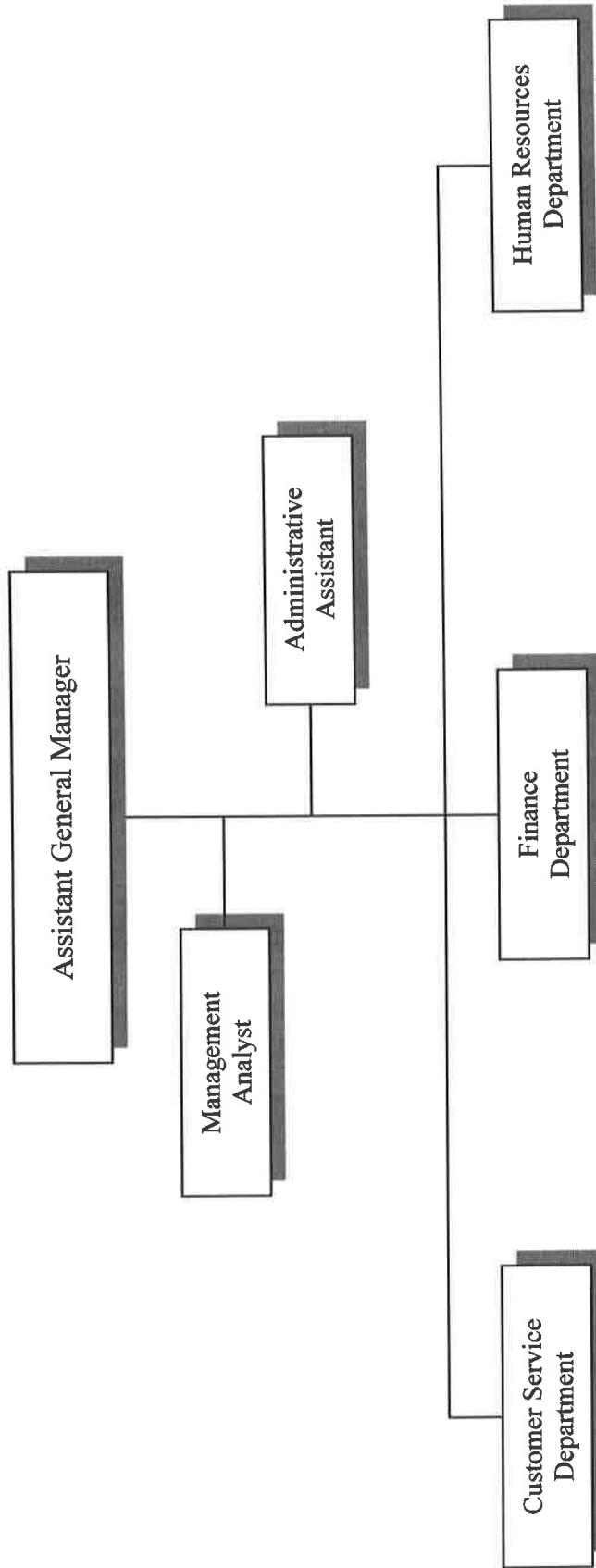
**Budget Item Number:** 11-12

## **Organization Charts**

# VID Divisions and Organization

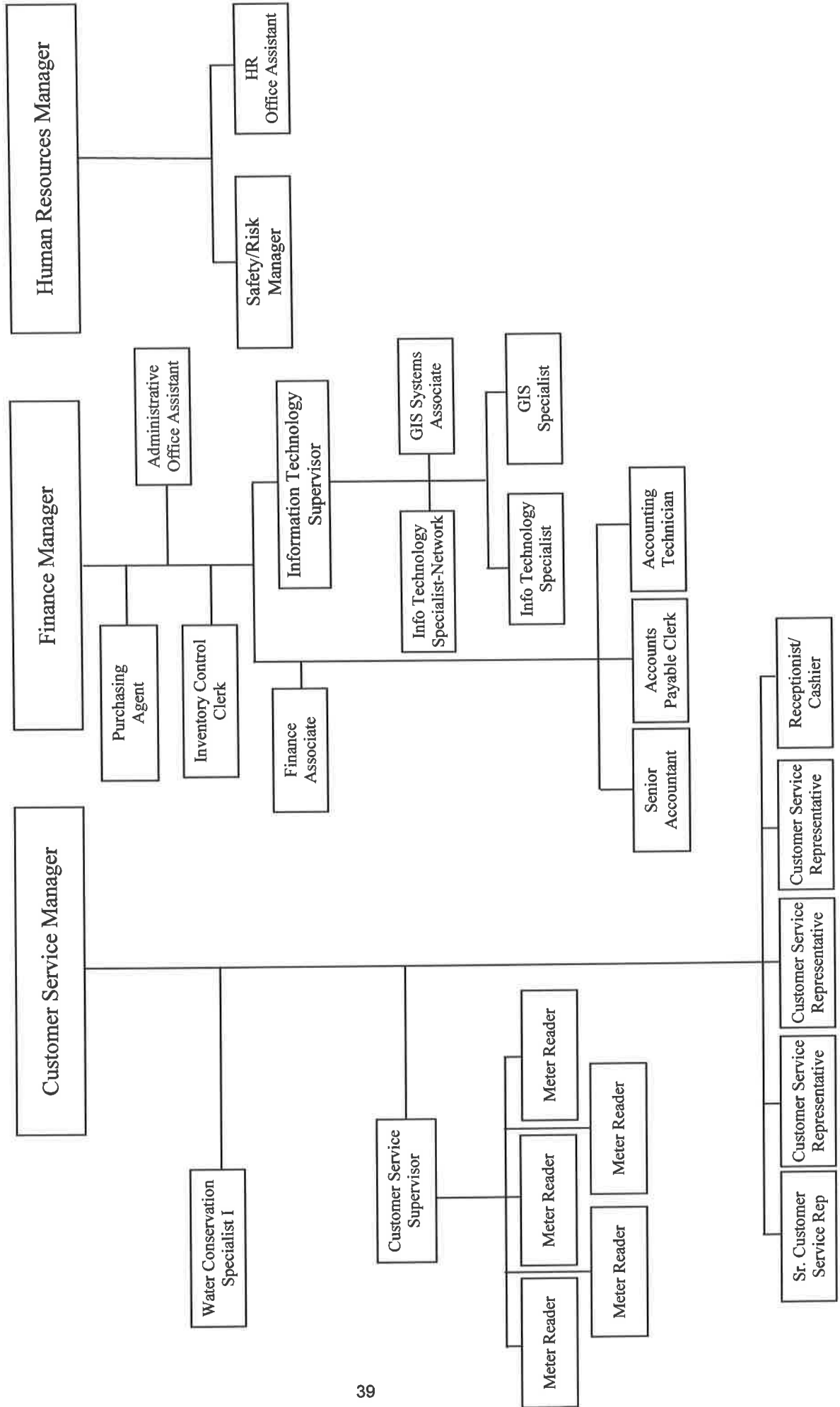


# Administration Division

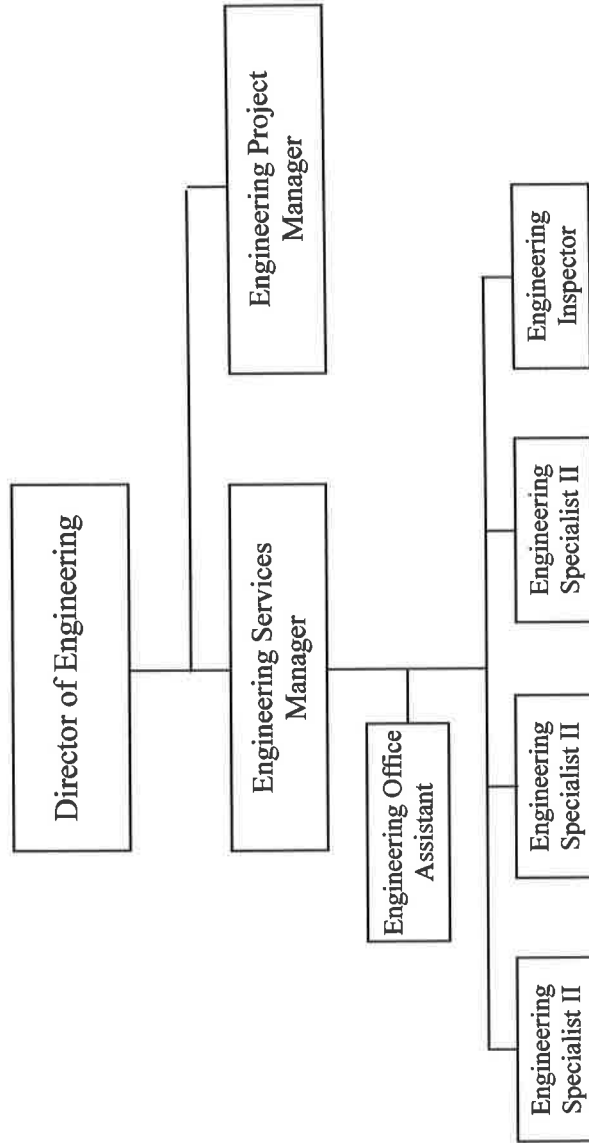




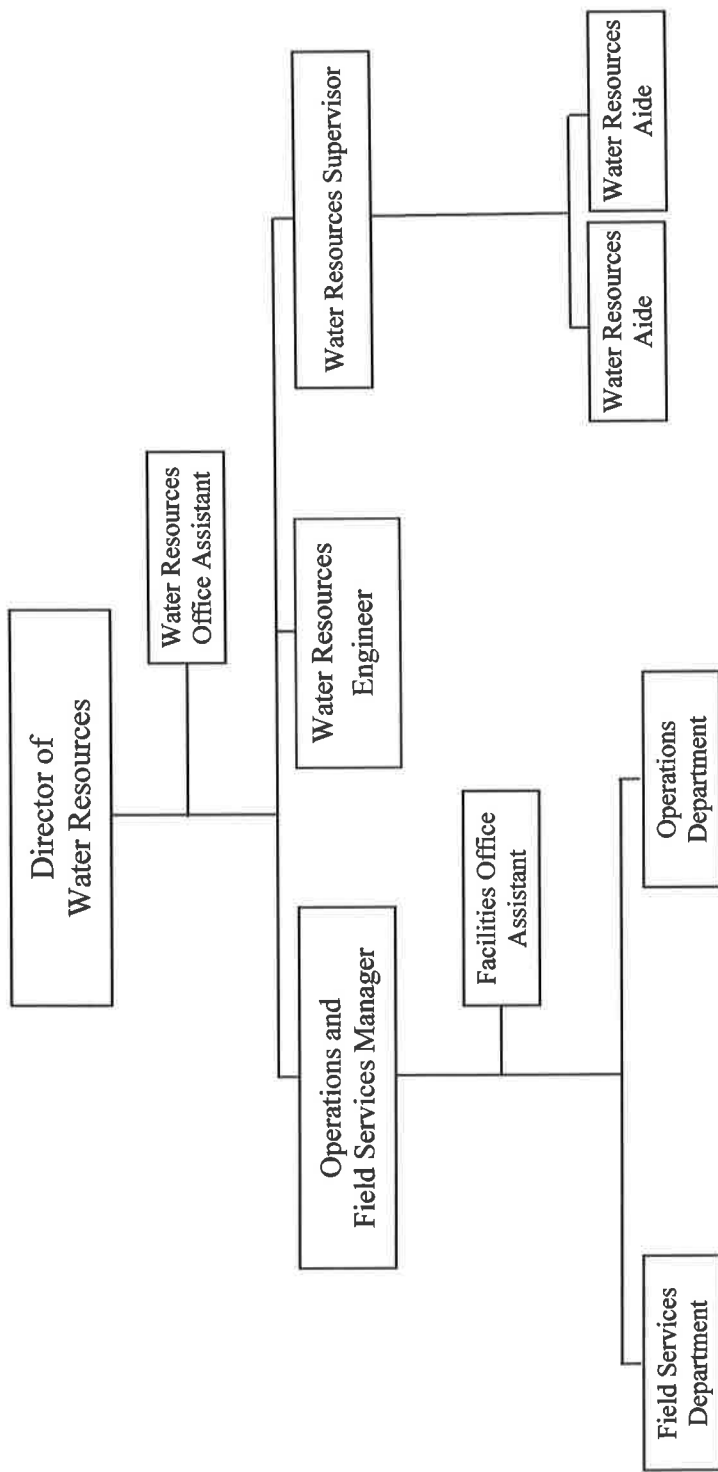
# Customer Service, Finance, and Human Resources Departments



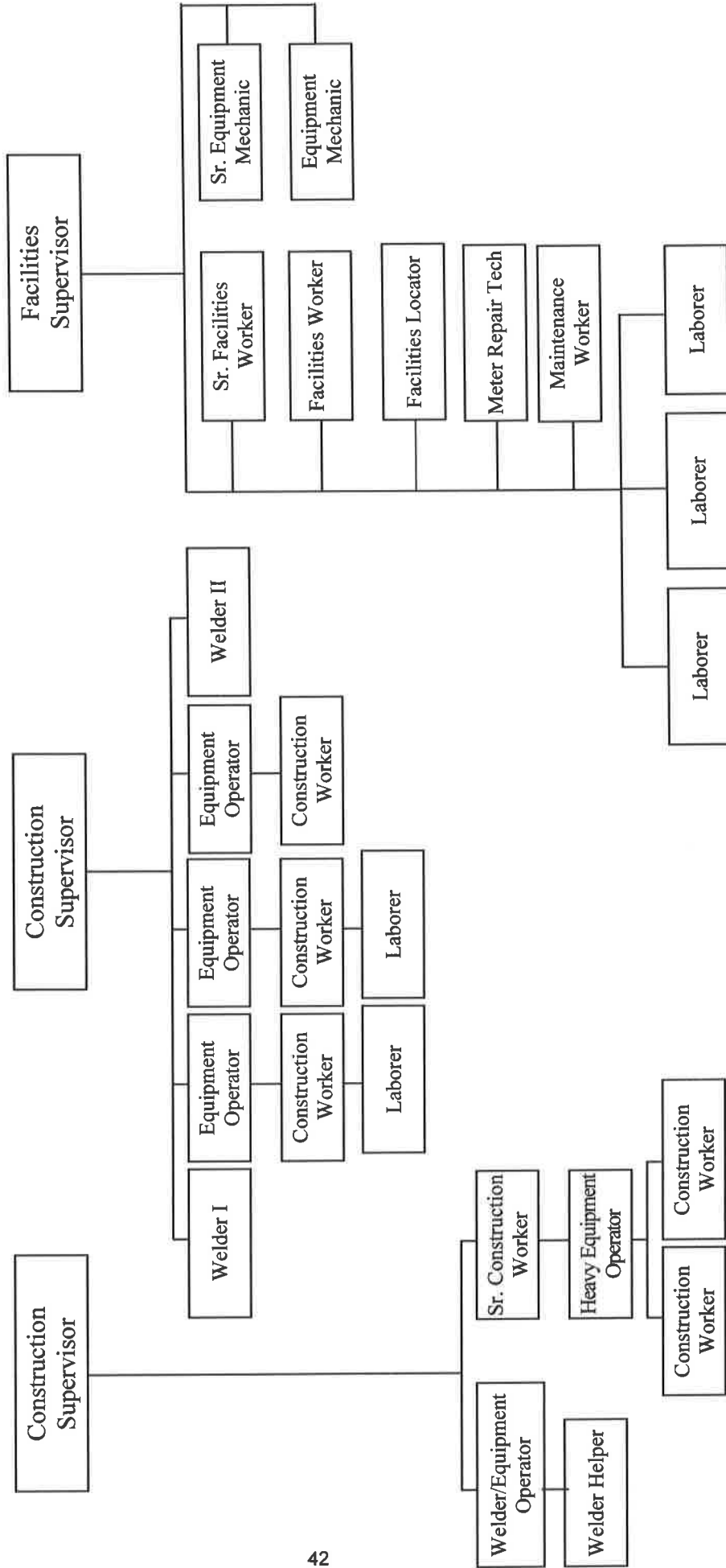
# Engineering Division



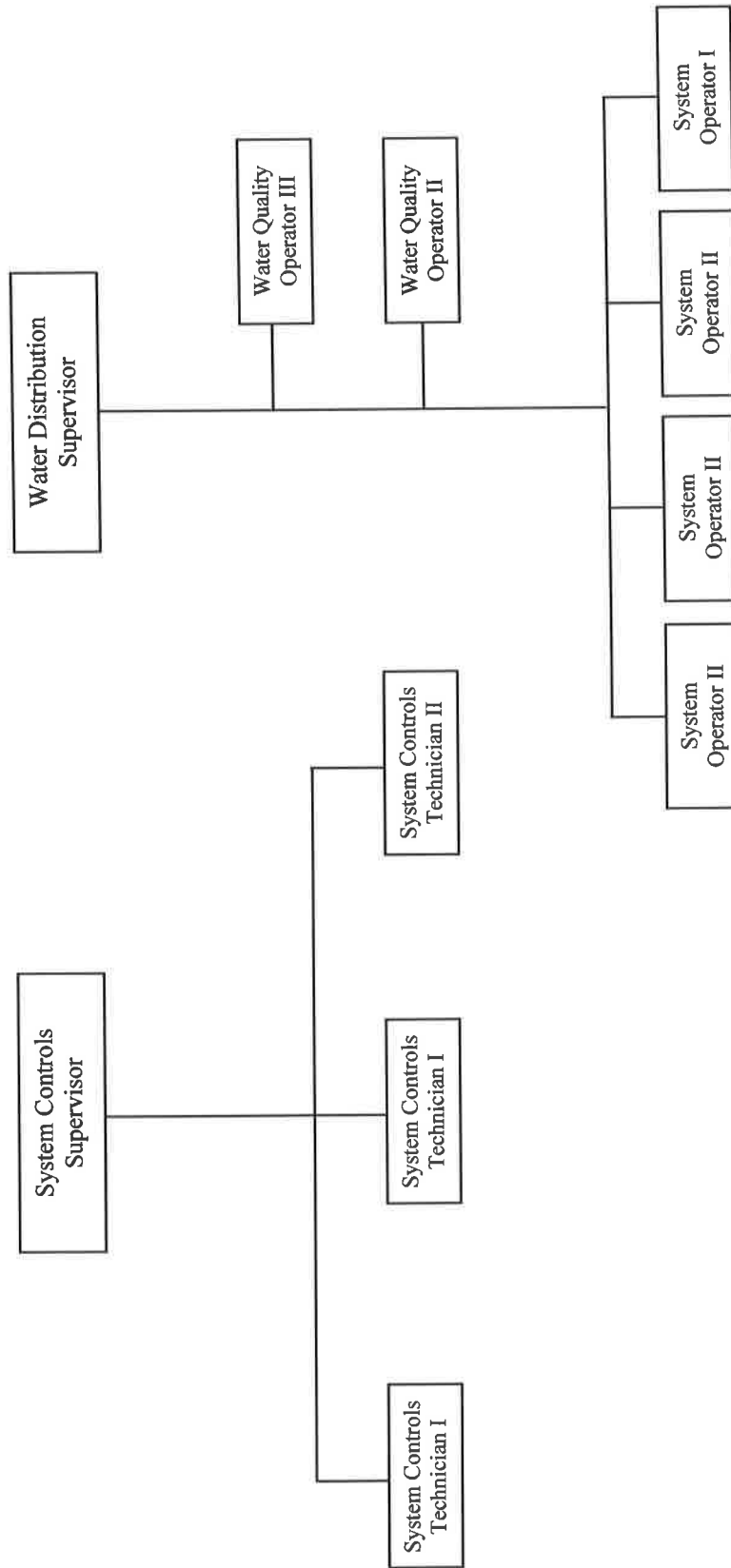
# Field Services and Water Resources Division



# Field Services Department

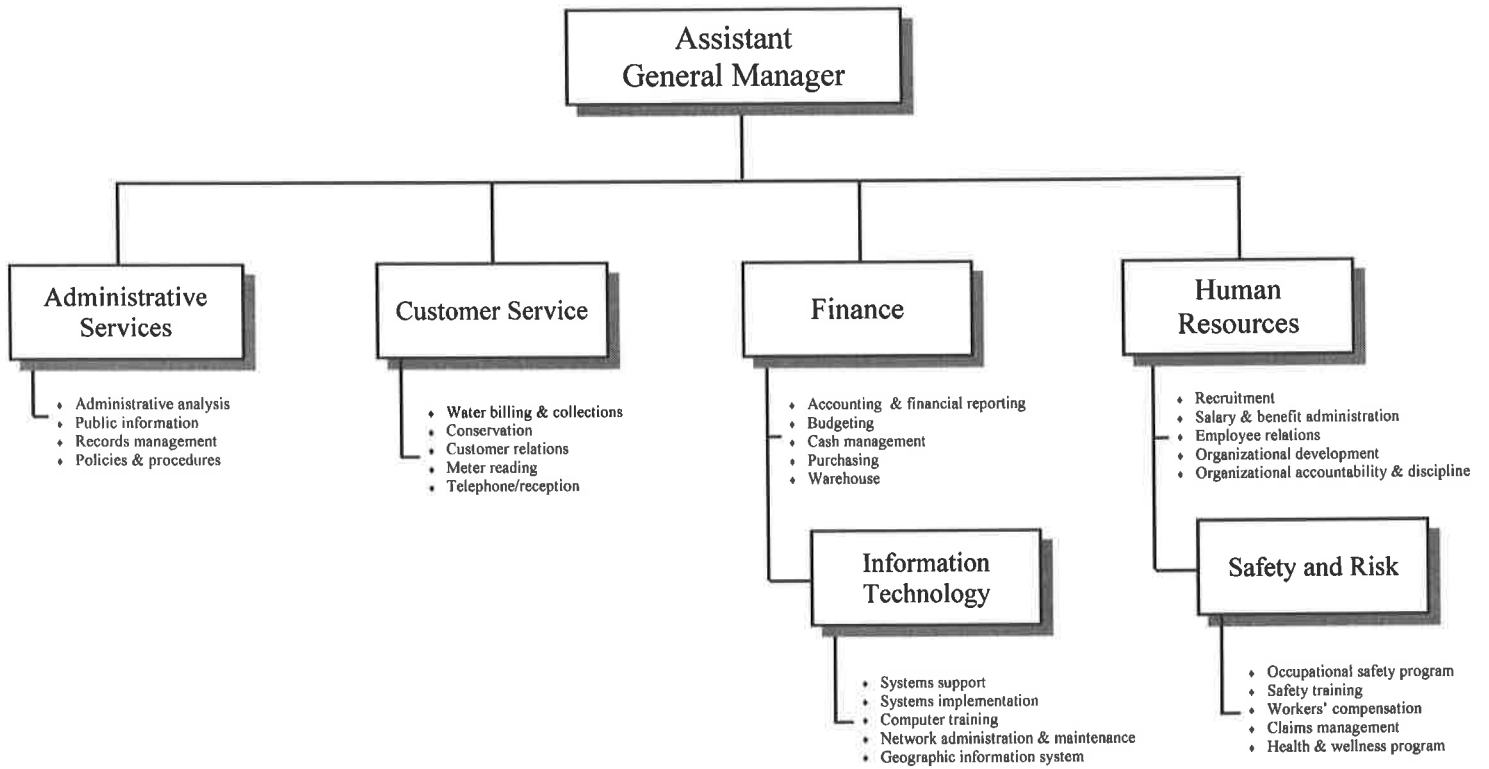


# Operations Department



**Division/Department**  
**Mission Statements and Descriptions**

# ADMINISTRATION DIVISION



## Mission Statement

The mission of the Administration Division is to provide timely, accurate and useful information to the Board, staff and public; ensure that the District is in compliance with all applicable laws, statutes and reporting requirements; to provide administrative support to all the other divisions and departments in order to help them achieve their individual missions and the overall mission of the District; and to promote a positive and safe working environment for all District employees.

**Number of Positions: 34**

# **ADMINISTRATIVE SERVICES SECTION**

## **Mission Statement**

The mission of the Administrative Services Section is to provide professional and clerical support for all departments so that orderly operation of these departments can be maintained, and to keep the public and the Board informed of important District affairs.

## **Description**

The Administrative Services Section is the clearinghouse for all of the District's policies, procedures, rules and regulations. The Section manages the District's central files and records and retrieves essential documents when needed by other departments. The Section conducts a variety of special studies and projects related to the functions and goals of the District. Additionally, the Section provides the media and the public with information concerning District operations and coordinates the development and maintenance of the District's website and other outreach platforms.



# **CUSTOMER SERVICE DEPARTMENT**

## **Mission Statement**

The mission of the Customer Service Department is to provide the highest quality customer service to the District's 27,000 customers, to promptly account for water used and administer District policies on ownership, tenancy, billing and collection of water revenues, and to provide courteous assistance to customers in understanding their billing and the services provided by the District.

## **Description**

The Customer Service Department is the "Front Line" to the customer and the general public about District policies on water billing, payments and customer service. The Department is responsible for reading water meters and preparing water bills and responding to customer inquiries regarding water accounts. In the cash handling function, the Customer Service Department balances and prepares receipts and bank deposits. Department staff serves as receptionist and telephone operator for the District.

The Department also implements proven water conservation programs that improve the efficient use of water. Staff educates the public on water conservation methods and techniques through workshops, seminars, home visits, school programs and other group and community activities.

# **FINANCE DEPARTMENT**

## **Mission Statement**

The mission of the Finance Department is to safeguard the financial integrity and assets of the District.

## **Description**

The Finance Department is responsible for day-to-day accounting and financial operations of the District. Following the principles of governmental accounting, the District is accounted for on an accrual basis, as an Enterprise Fund. Internal accounting controls, as required under generally accepted accounting principles, are strictly enforced in safeguarding the District's property and in preparing financial statements. Additionally, the Department produces the District's annual audited financial statements and other financial management reports, prepares and monitors the District's annual operating and capital budgets, assists other departments with procuring supplies, equipment and services and operates the District's warehouse.

# INFORMATION TECHNOLOGY SECTION

## **Mission Statement**

The mission of the Information Technology Section is to install, maintain and support the District's computers, software and automated systems and to train District employees in their use.

## **Description**

Information Technology Section is responsible for managing and coordinating the implementation of the District's Strategic Information Technology Plan. In addition, staff provides facility information by use of a computerized geographic information system. Staff provides overall project management for the implementation, integration and maintenance of the District's automated information systems and provides technical support and coordination for the district's hardware, software, network, and telephone systems. Staff also provides appropriate staff training in computer skills.

# **HUMAN RESOURCES DEPARTMENT**

## **Mission Statement**

The mission of the Human Resources Department is to recruit, develop, and retain a highly qualified staff and to develop and maintain organizational systems that value safety, quality performance, professional ethics, and personal integrity.

## **Description**

The Human Resources Department is responsible for position classification, recruitment, compensation, organizational development, employee and dependent benefits, employee/employer relations, organizational accountability and workforce retention and succession planning efforts.

Following generally accepted and legally mandated human resources practices in public sector agencies, the Human Resources Department also administers the District's programs and policies for equal employment, employee benefits, performance evaluations, labor negotiations, and discipline proceedings.

In addition, Human Resources conducts job classification and salary surveys; recommends salaries based on internal equity and job market indicators; serves as an internal consultant to District employees, and as a business partner with supervisors and managers on human resources and organization development issues. Moreover, Human Resources develops and monitors memorandums of agreement and develops and administers all District personnel policies and procedures.

# **SAFETY AND RISK MANAGEMENT SECTION**

## **Mission Statement**

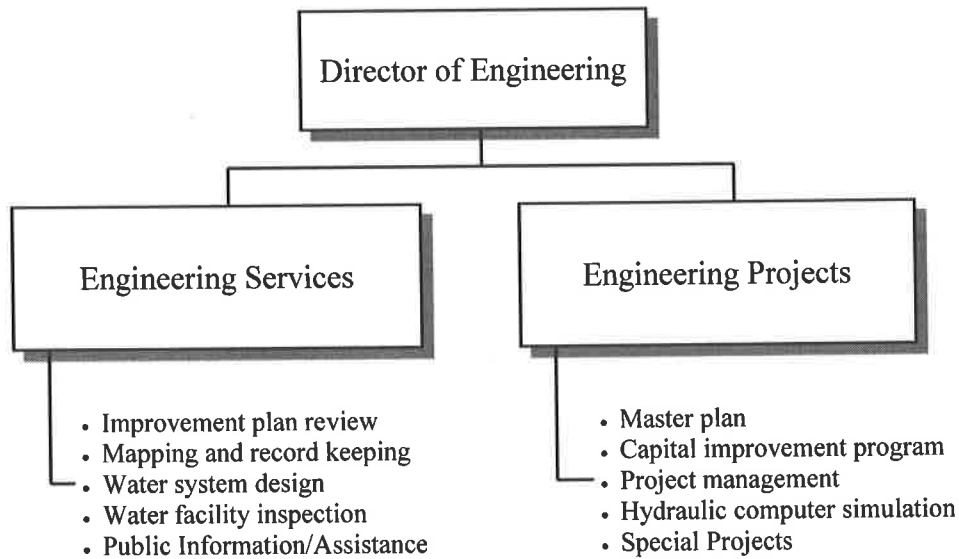
The mission of the Safety and Risk Management Section is to assist in the identification and prevention of events that cause harm to people, property or the environment.

## **Description**

In the area of occupational safety, the Section is responsible for developing, maintaining, and implementing comprehensive safety and health programs, educational materials, and procedures designed to increase knowledge of employees and reduce injuries. The Section identifies safety training needs, schedules competent trainers, and tracks and maintains records of completed training. The Section conducts post incident injuries, vehicle or equipment incident investigations. Section staff participates on the District Safety Committee that discusses, solves and implements safety issues. The Section is also responsible for serving as a liaison for workers' compensation matters and return to work opportunities.

In the area of Risk Management, the Section is responsible for case management of claims pertaining to damage or liability against the District, conducting field investigations on claims, obtaining estimates for repairs, informing claimant of legal requirements for filing a claim, and keeps claimant informed. The Section is also responsible for informing the insurance carrier of the incident details and operates within the guidelines of the contract. The Section recommends the denial or acceptance of claims to the General Manager and negotiates with claimants and settles claims within limits of authority, as necessary.

# ENGINEERING DIVISION



## Mission Statement

The mission of the Engineering Division is to provide our customers with a reliably designed distribution system that will deliver the needed quantity and quality of water in the most economically and environmentally sensitive manner and to provide courteous and professional assistance to the public, while insuring policies of the District are followed.

**Number of Positions: 8**

# **ENGINEERING SERVICES DEPARTMENT**

## **Mission Statement**

The mission of the Engineering Services Department is to insure the efficient and orderly extension of the District's distribution system and clearly relate and administer District policies to customers so that the appropriate level of water service can be provided.

## **Description**

The Engineering Services Department is responsible for day-to-day engineering activities of the District. The department interacts with customers, developers and other public agencies regarding water system improvements and extensions. The Department also designs, checks, inspects and ensures proper mapping of improvements to the system as well as processes contracts, legal documents and service applications.

# ENGINEERING PROJECTS SECTION

## **Mission Statement**

The mission of the Engineering Projects Section is to plan and coordinate the long and short-range water supply and facility needs of the District by developing a master plan of facilities and planning and implementing of a capital improvements program.

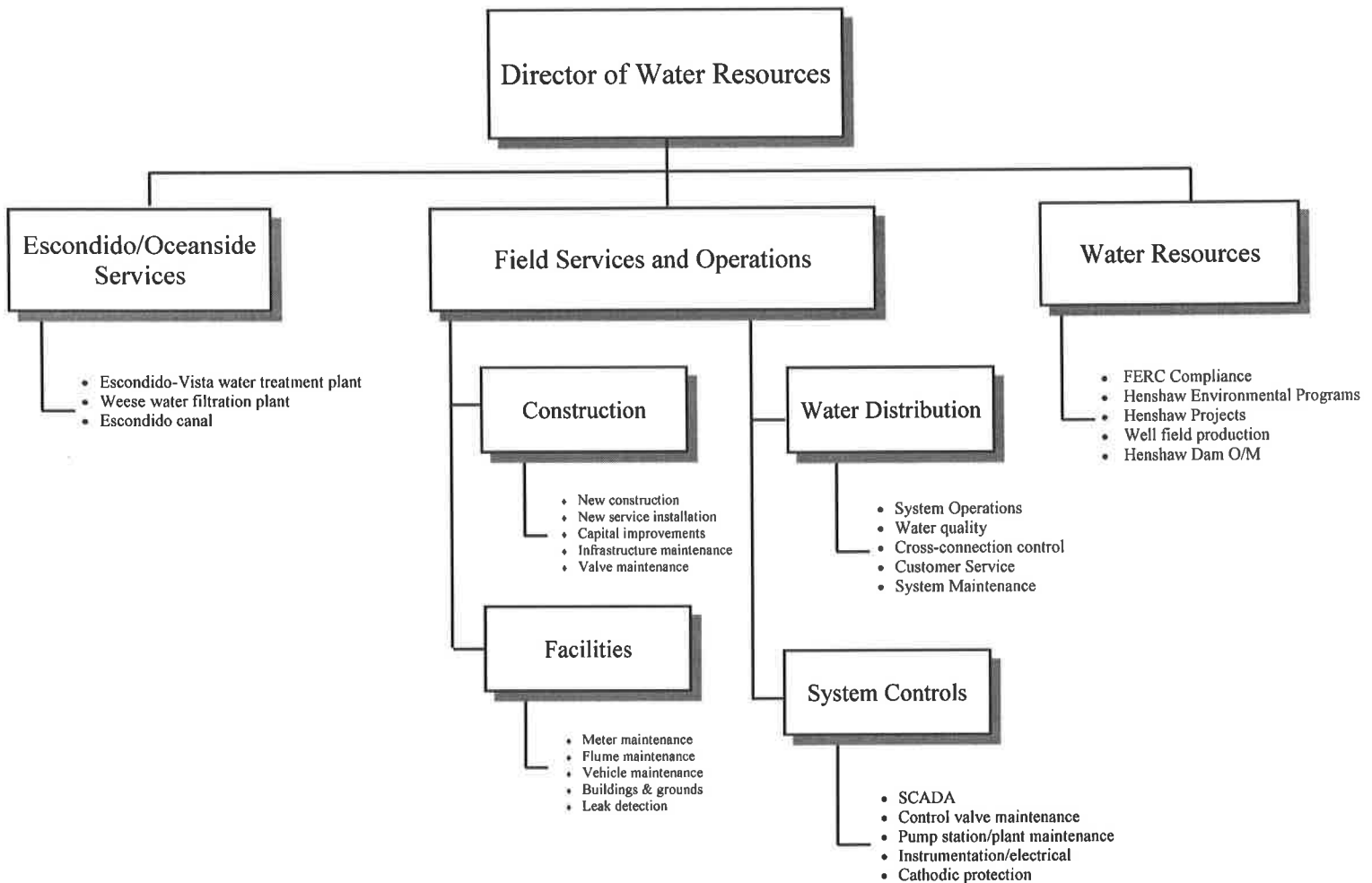
## **Description**

The Engineering Projects Section utilizes available data and a computerized hydraulic analysis model to develop and update a master plan of facilities needed for the District's distribution system. This information is used to plan, develop, budget and implement a capital improvements program. Staff provides fire flow and water facility sizing analysis for proposed developments and extensions to the District's facilities.

The Engineering Projects Section also assists in special project needs of the Engineering Services Department and other District departments, as well as providing design, project management and coordination of District capital improvement projects.



# FIELD SERVICES AND WATER RESOURCES DIVISION



## Mission Statement

The mission of the Field Services and Water Resources Division is to effectively produce, treat, monitor and distribute a safe, reliable, potable water supply to our customers throughout the District's service area; to manage and promote the cost effective and safe operation of the District's construction and maintenance activities; to operate and maintain the District's equipment and facilities in a professional and workman like manner; to provide reliability of service to our customers; to provide for a safe and efficient local water supply; and to husband the resources of the Warner Ranch, including its watershed and aquifers, in a cost effective and environmentally responsible manner.

**Number of Positions: 48**

# **ESCONDIDO/OCEANSIDE SERVICES**

## **Mission Statement**

The District's mission in procuring the services of the City of Escondido is to convey local water from Lake Henshaw through the San Luis Rey River to the headworks of the Escondido/Vista Water Treatment Plant. The District's mission in procuring services from the cities of both Escondido and Oceanside is also to treat local and/or imported raw water supplies in an environmentally and economically responsible manner.

## **Description**

The City of Escondido owns and operates the Escondido Canal and other facilities which divert water out of the San Luis Rey River and convey it to the headworks of the Escondido/Vista Water Treatment Plant. The Vista Irrigation District has rights to 50 percent of the capacity of these conveyance facilities and pays for 50 percent of the operation and maintenance. The City and District jointly own the Escondido/Vista Water Treatment Plant (80% - 20% respectively), which is operated by the City on behalf of both parties. The City and District jointly contribute to the cost of operation and maintenance, and cooperate to plan for and implement improvement projects to meet water production and water quality objectives, including water quality standards as mandated by the State of California.

The City of Oceanside owns and operates the Robert A. Weese Filtration Plant which treats imported water from the San Diego County Water Authority (CWA). The District contracts with the City of Oceanside to treat raw water procured by the District from CWA facilities.

# **FIELD SERVICES AND OPERATIONS DEPARTMENT**

## **Mission Statement**

The mission of the Field Services and Operations Department is to manage, oversee, and support the Construction Section and Facilities Section, and also to distribute a safe, reliable potable water supply throughout the District's service area.

# CONSTRUCTION SECTION

## **Mission Statement**

The mission of the Construction Section is to support the District's distribution system through new construction, system expansion and maintenance using available resources in a safe and efficient manner.

## **Description**

The Construction Section performs a wide variety of maintenance functions to the District's underground infrastructure as well as system expansions through new construction projects. The Section's responsibilities include the maintenance of the District's ever-growing 473 miles of pipelines and services. The staff handles an assortment of repairs and new installations within the District. In cooperation with the District's Engineering Division, the Construction Section work schedules include coordination with developers, contractors, other utilities and public agencies to meet the water demands of a growing community. Maintaining the gate valves throughout the distribution system is also another task the Construction Section performs in order to assure maximum operational efficiency.

# FACILITIES SECTION

## **Mission Statement**

The mission of the Facilities Section is to utilize predictive and preventive maintenance procedures to keep the District's equipment and above ground facilities and grounds in a safe, workman like and professional working order, and to detect and repair problems before they lead to expensive and disruptive breakdowns.

## **Description**

Facilities staff provides a variety of maintenance functions. Employees provide twenty four hours of on-call emergency response coverage for facility repairs and maintenance. Staff maintains and repairs the District's buildings, reservoirs, pumping stations, water treatment plants, and 13 miles of Vista Flume which includes roadways and culverts. The Section has a leak detection program and provides pipeline locating for District staff and contractors. Weeding and brush control programs have been put in place at District facilities to minimize fire hazards and potential liabilities. The Garage provides maintenance to over 63 trucks and sedans and a wide variety of light and heavy construction equipment. The Meter Shop provides special meter reading, meter accuracy and maintenance programs. The Maintenance Shop is kept equipped to perform special building projects as required in a timely manner.

# SYSTEM CONTROLS SECTION

## **Mission Statement**

The mission of the System Controls Section is: to leverage the capabilities of the District's operators to monitor and operate the water production and distribution systems through remote sensing and control systems; to construct and maintain the electrical control systems of the District's water storage, pumping and conveyance facilities; and to provide for the proactive maintenance of the District's pumps, hydraulic control valves and cathodic protection systems; all to ensure the safe, reliable and efficient operation the District's water distribution system.

## **Description**

The System Controls Section performs predictive, preventive, and corrective maintenance on pumps, motors, regulators, chlorination plants, seismic control valves, water quality monitoring equipment, motor control and cathodic protection systems. Controls staff also maintains and supports the development of the District's Supervisory Control and Data Acquisition (SCADA) system and 900 MHz wireless radio communication network. Additionally, the section upgrades various control systems, in accordance with District standards and safety requirements, to meet modern criteria and to enhance distribution system monitoring and performance.

# **WATER DISTRIBUTION SECTION**

## **Mission Statement**

The mission of the Water Distribution Section is to efficiently operate the District's water distribution system to ensure a safe, reliable water supply throughout the District's service area while maintaining the highest standards of customer service.

## **Description**

The Water Distribution Section is responsible for anticipating water supply needs and ordering sufficient water volumes to meet system demands and storage needs for normal and emergency operations. The Section is also responsible for maintaining water quality, system, facility and infrastructure monitoring, cross-connection control, documentation, reporting, safe work practices and maintenance and operation of its state-certified laboratory. The Section responds to customer inquiries regarding water supply, water pressure and water quality issues, and coordinates system operation during planned and unplanned outage events. The Section has the responsibility to ensure that the District remains in compliance with federal, state and local regulations, including those promulgated by: State Water Resources Control Board; The Regional Water Quality Control Board; Environmental Laboratory Accreditation Program; County Health Department; Office of Environmental Health Hazard Assessments; Occupational Safety and Health Administration; and California Code of Regulations - Title 17 and 22.

# **WATER RESOURCES SECTION**

## **Mission Statement**

The mission of the Water Resources Section is to provide for the safety and security of Henshaw Dam; to meet the local water production goals of the District; and to husband the resources of the Warner Ranch, including its watershed and aquifers, in a cost effective and environmentally responsible manner.

## **Description**

The Section's goal is to meet the local water supply needs for the District. The focus in dry or low runoff years is pumping water from the well field into the lake to sustain a given monthly average of produced water. Section personnel maintain pipelines and open ditches that deliver water to the lake. Our operations entail efficiently pumping and keeping the water supply routes open and clear to the lake, and supplying water to the lessee (cattle company).

In a wet year, our concentration shifts to maintenance pertaining to facilities at the dam, buildings and grounds on the ranch, servicing the wells and upgrading our roads and culverts.

In wet or dry cycles, the collection of operational, meteorological, and hydrologic data is an important aspect of the Section's mission.



**Vista Irrigation District  
FUTURE UNBUDGETED PROJECTS  
Fiscal Year 2017**

<b>Priority Order</b>	<b>Description</b>	<b>Estimated Amount</b>
1	Office with Restroom-Ranch	\$ 120,000
2	Replace Current Server Room UPS	60,000
3	Secondary Storage Area Network Device	64,000
4	Water Quality Monitoring Wells (2)	200,000
5	Henshaw Siphon Extension	850,000
6	Warner Ranch Master Plan	100,000
7	Rehabilitation of Well 9A	50,000
8	Landscape Demonstration Garden - Phase II	138,000
	<b>TOTAL FUTURE UNBUDGETED PROJECTS</b>	<b><u><u>\$ 1,582,000</u></u></b>



**STAFF REPORT**

**Agenda Item: 10**

<b>Board Meeting Date:</b>	<b>June 22, 2016</b>
<b>Prepared By:</b>	<b>Marlene Kelleher</b>
<b>Reviewed By:</b>	<b>Brett Hodgkiss</b>
<b>Approved By:</b>	<b>Eldon Boone</b>

SUBJECT: SELECTION OF FIRM FOR AUDITING SERVICES

RECOMMENDATION: Authorize the General Manager to enter into a contract with White Nelson Diehl Evans LLP for three years of auditing services, with the option to extend on a year-by-year basis for two additional years.

PRIOR BOARD ACTION:

- 06/01/11 Accepted the original proposal for three years of auditing services by Rogers, Anderson, Malody & Scott, LLP
- 04/16/16 Approved the request for proposal (RFP) for auditing services

FISCAL IMPACT: The proposed auditing fees for the first, second, and third years are \$22,565, \$23,240 and \$23,940, respectively. Last year’s auditing fees were \$20,275.

SUMMARY: After evaluating the proposals submitted for consideration, staff interviewed three firms. Based upon the criteria established in the RFP, White Nelson Diehl Evans LLP ranked the highest.

DETAILED REPORT: Twelve accounting firms were sent an RFP for auditing services, and five submitted proposals. The table below shows a listing of auditing firms that were mailed RFPs and whether or not they submitted a proposal:

<u>Firm Name</u>	<u>Proposal Submitted</u>	<u>Proposal Not Submitted</u>
Burkey Cox Evans & Bradford		X
Davis Farr LLP	X	
Fechter & Company, CPAs		X
Lance, Soll & Lunghard, LLP		X
Leaf & Cole, LLP	X	
Macias, Gini & O’Connell, LLP		X
Sonnenberg & Company, CPAs		X
Squar Milner		X
Teaman, Ramirez & Smith, Inc.		X
The Pun Group, LLP	X	
Vavrinek, Trine, Day & Co., LLP	X	
White Nelson Diehl Evans LLP	X	

Staff reviewed the proposals submitted based on the following criteria: understanding of the engagement, acceptability of audit approach and ability to meet deadlines, qualifications of assigned individuals, experience in the past five years auditing water/irrigation districts (especially those that are members of the San Diego County Water Authority), reference checks and overall fees. Of the proposals submitted, three were found to meet the requirements of the RFP.

During telephone interviews, specific questions were asked about the firm’s qualifications, experience with other water districts, and other items important to the District. Taking into consideration their proposal as well as their responses during the interview, staff ranked White Nelson Diehl Evans LLP the highest, using the District’s rating criteria. Below is a summary ranking of the qualified proposals received and their associated costs during the first three years of the engagement:

<u>Rank</u>	<u>Firm Name</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Grand Total</u>
1	White Nelson Diehl Evans LLP	\$22,565	\$23,240	\$23,940	\$69,745
2	Vavrinek, Trine, Day & Co., LLP	\$21,000	\$21,000	\$21,630	\$63,630
3	Leaf & Cole, LLP	\$20,000	\$20,000+cpi	\$20,000+cpi	\$60,000+cpi

ATTACHMENT: Proposal from White Nelson Diehl Evans LLP  
Summary Fee Response

**VISTA IRRIGATION DISTRICT  
PROFESSIONAL AUDITING  
SERVICES PROPOSAL**

**FOR THE THREE YEARS ENDING JUNE 30, 2018**

**(WITH AN OPTION FOR THE TWO  
YEARS ENDING JUNE 30, 2020)**



**Submitted By:**



**2965 ROOSEVELT STREET, SUITE A  
CARLSBAD, CALIFORNIA 92008**

# TITLE PAGE

RFP Subject: Certified Audit on Vista Irrigation District  
For the Three Years Ending June 30, 2018  
(With an Option for the Two Years Ending June 30, 2020)

Name of Proposer: White Nelson Diehl Evans LLP  
Certified Public Accountants and Consultants

Local Address: 2965 Roosevelt Street  
Suite A  
Carlsbad, CA 92008

Telephone: (714) 978-1300

Fax: (714) 978-7893

Federal Identification Number: 33-0686301

California CPA License Number: PAR 6123

Website: [www.wndecpa.com](http://www.wndecpa.com)

Email: [dmunoz@wndecpa.com](mailto:dmunoz@wndecpa.com)

Contact Persons: Daphnie Munoz, CPA  
Engagement Partner

David Forman, CPA  
Technical Review Partner

Date: April 28, 2016

VISTA IRRIGATION DISTRICT

TABLE OF CONTENTS

April 28, 2016

	<u>Page Number</u>
<b>Letter of Transmittal</b>	1 - 2
<b>Firm Profile and Qualifications:</b>	
Firm Organization Chart	3
Licensing and Independence	4
Size and Location of Firm	4
Range of Activities	4
Participation in "Quality Review" Programs	5
Education Programs	5
Participation in Professional Organizations	6
GFOA Award Program	7
Computer Auditing Capabilities	8
<b>Partner, Supervisory and Staff Qualifications and Experience:</b>	
Audit Team	9
Commitment Related to Personnel	9
Nondiscrimination Policy	9
Audit Team Organization Chart	10
Resumes of Audit Team Personnel	11 - 14
<b>Firm Experience with Governmental Entities:</b>	
Similar Engagements with Other Governmental Entities	15
Special District Client References	15
Special District Experience	16
Enterprise Fund Experience	17
Single Audit Experience	18
Nonprofit Corporations and Joint Power Authorities	18
<b>Scope of Work, Timing and Audit Approach:</b>	
Entity to Be Included in Audit	19
Reports to Be Issued and Due Dates	19
Audit Timing	19
Commitment to Deliver Reports on a Timely Basis	19
Audits to Be in Accordance with GAAS and Other Requirements	20
Audit Approach	20 - 21
Approach to Internal Control	22
Single Audit Approach	22
Determining Laws and Regulations Subject to Audit	23
Method of Sampling	23
Analytical Procedures	23

VISTA IRRIGATION DISTRICT

TABLE OF CONTENTS  
(CONTINUED)

April 28, 2016

Page  
Number

**Scope of Work, Timing and Audit Approach (Continued):**

Management Letters	23
Potential Audit Problems	23
Retention of and Access to Audit Workpapers	24
Other Professional Services	24
Irregularities and Illegal Acts	24
Segmentation of the Audit Hours, By Partner and Staff Level	24
Segmentation of the Audit Hours, By Phases of the Audit	24

**Discussion of Relevant Accounting Issues:**

GASB Statement No. 72	25
GASB Statement No. 73	25
GASB Statement No. 74	25
GASB Statement No. 75	25
GASB Statement No. 76	26
GASB Statement No. 77	26
GASB Statement No. 78	26
GASB Statement No. 79	27
GASB Statement No. 80	27

**Work Required by District Staff** 28

**Consulting Services Department:**

Overview of Services Provided	29
-------------------------------	----

**Attachment I:**

Current Special District References	
List of Special District Engagements - Performed in the Past Five Years	

**Attachment II - Results of Outside Quality Review**

April 28, 2016

Ms. Marlene Kelleher  
Finance Manager  
Vista Irrigation District  
1391 Engineer Street  
Vista, CA 92081-8836

Dear Ms. Kelleher:

We are pleased to present our proposal to serve as independent auditors for the Vista Irrigation District. We have prepared this information in accordance with the guidelines set forth in your request for proposal.

#### Who We Are

White Nelson Diehl Evans LLP is a California certified public accounting and consulting firm with offices in Irvine, Carlsbad and Escondido. Our firm has specialized in providing services to the governmental industry for over 80 years and has no intentions of discontinuing these services.

#### Why We Are The Best Qualified Firm

We consider ourselves to be the best-qualified firm to perform auditing services for the Vista Irrigation District. Please consider these qualifications:

- A significant part of our practice is devoted to providing professional services to the governmental industry and over the past year, the firm provided services to approximately 100 governmental organizations and on an annual basis our firm issues over 150 reports on audits of local governmental agencies including, Special Districts, Cities, the Successor Agency to Redevelopment Agencies, and Joint Power Authorities.
- Our firm has devoted a substantial amount of time and resources in order to provide governmental agencies with quality audits. Our knowledge of the industry is best demonstrated by the fact that our clients who apply for the "Certificate of Achievement in Financial Reporting" issued by the Government Finance Officers Association (GFOA) consistently receive that award. A list of these clients is presented on page 7 of this proposal.
- We are in a professional alliance with BDO Seidman, a National Accounting Firm, and a network of accounting firms allowing us the ability to provide quality attestation services. The BDO Alliance provides us access to BDO's personnel and technical resources which allows White Nelson Diehl Evans LLP to deliver the range of services and capabilities of a large national firm, including the use of specialists to support the needs of our clients.
- We are a full service CPA firm. Our Consulting Services Department can provide the District with a variety of services, including investment policy compliance reviews, litigation support, dispute resolution services, and consulting on a wide array of governmental issues.
- Our audits include extensive use of information technology as described in detail on page 8 of this proposal.



Why We Are The Best Qualified Firm (Continued)

- We understand that we provide a service to the District. We are committed to providing an effective and efficient audit that will meet the proposed timing of the project deliverables by assigning experienced governmental auditors. Understanding the size of the Vista Irrigation District and the scope of work requested in the proposal, we are proposing an engagement team with extensive governmental audit experience. The staffing plan includes Daphnie Munoz, CPA, the engagement partner with 18 years of experience, Bradley Meyer, CPA, a supervisor with 4 years of experience who will be on-site supervising the audit fieldwork and Lindsey Guidice with 3 years of experience who will be on site performing the fieldwork. We are confident that the proposed staffing plan with an engagement team experienced in governmental audits and who are familiar with municipal procedures will result in an effective and efficient audit that meets the project timing and deliverables requirements with minimum disruption to your staff.

The scope of our services for the three years ending June 30, 2018 would be as follows:

- A financial audit of the basic financial statements of the Vista Irrigation District in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards and the minimum audit requirements as set forth by the Office of the State Controller.
- A management letter containing any comments or recommendations resulting from our review of the systems of internal controls in connection with the financial audits.
- A report communicating information related to the audit to those in charge of governance at the conclusion of the audits.
- Preparation of the Statement of Cash Flows to be included in the CAFR.


We make a commitment to deliver all necessary reports based on the timetable presented herein on page 19. Also, a more detailed discussion of our understanding of the work to be performed is set forth on pages 19 through 24.

Our goal is to provide the District with the highest quality of service, including basic financial statements which meet all required reporting standards. We are confident that our service and experience will be of benefit to the District and will provide added value over and above the performance of the audit itself. Throughout the year, you should feel comfortable in calling us for advice regarding accounting and auditing matters, as we are never too busy to meet the needs of our clients.

We thank the District for the opportunity to present our proposal. Please feel free to contact me, or Mr. David Forman, CPA, at (714) 978-1300 if you have any questions. This proposal constitutes a firm and irrevocable offer for 60 days from the date of this letter. Mr. Forman and I are authorized to represent our firm, and bind the firm to a contract.

Very truly yours,

WHITE NELSON DIEHL EVANS LLP

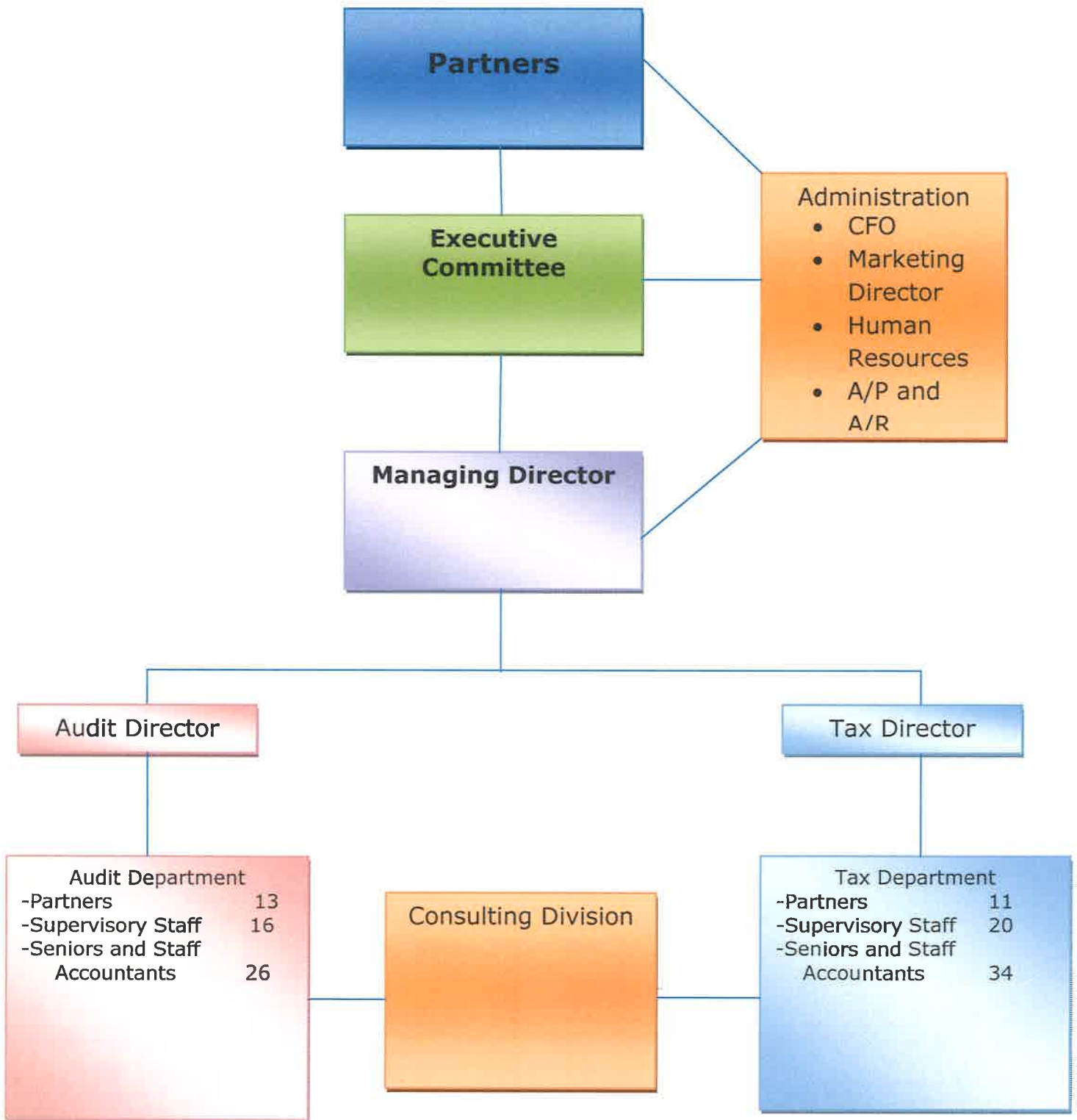


Daphnie Munoz, CPA  
Engagement Partner



# FIRM PROFILE AND QUALIFICATIONS

## FIRM ORGANIZATION CHART



\* The staffing levels described above have remained fairly constant for the past four years.

## LICENSING AND INDEPENDENCE

Our firm, and all of our certified personnel, are properly licensed to practice public accounting in California.

Also, we meet the independence requirements of "Government Auditing Standards", as published by the U.S. General Accountability Office. We have no conflict of interest with the District and will provide written notice to the District of any professional relationships contemplated with the District during our term as auditors. We have not provided auditing or any other services to the District during the past five years.

## SIZE AND LOCATION OF THE FIRM



White Nelson Diehl Evans LLP is a California accounting firm with offices in Irvine, Carlsbad and Escondido.

Our firm has approximately 140 employees, which includes 22 partners with separate assurance and tax departments. Your District would be served by the assurance department from our Carlsbad office.

White Nelson Diehl Evans LLP has extensive experience in providing auditing, accounting and consulting services in the governmental sector. Over twenty thousand hours per year are devoted to this area of our practice for over 100 governmental units including special districts, cities, successor agencies, nonprofit corporations and joint power authorities.

## RANGE OF ACTIVITIES

White Nelson Diehl Evans LLP is a full service CPA firm. We offer a broad range of services, including:

Certified Audits  
Compilations and Reviews  
Agreed-Upon Procedure Reviews  
Financial Services

Tax Planning and Consulting  
Income Tax Preparation and Representation  
Consulting Services  
Litigation Support Services

Our specific services available to governmental agencies are more fully set forth in this proposal.



## PARTICIPATION IN "QUALITY REVIEW" PROGRAMS

In July 2015, our firm underwent a quality review, by an independent CPA firm, under provisions of the AICPA Quality Review Program. This review is required every three years and covered our audits of governmental agencies. A final report dated July 22, 2015 with a pass rating on our systems and procedures was received. A copy of the independent CPA firm's report is included herein at Attachment II. Accordingly, we are confident that our current auditing standards and techniques meet all existing requirements.

No regulatory action has ever been taken against any office of our firm due to substandard work. We had no significant deficiencies noted in any federal or state desk reviews over the past three years.

## EDUCATION PROGRAMS

White Nelson Diehl Evans LLP has a formal continuing education program. All firm auditors are required to obtain 80 hours of continuing education every two years in the accounting and auditing area as required by Government Auditing Standards, and at least 24 hours of government related continuing education courses. Our staff is continually expanding their knowledge of the governmental industry through our in-house training programs, programs offered by the AICPA, GFOA, the California Society of Certified Public Accountants and other professional organizations, and through on-the-job training.

Noted below is a description of certain in-house education courses taken by our partners and staff to meet the governmental continuing education requirements. All personnel involved with governmental auditing are required to attend these courses.

- Understanding the Risk Assessment Standards
- Understanding of GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments
- Understanding, and Auditing, Deposits and Investments of California Governmental Units
- Reviews of Internal Controls in Accordance With Statements on Auditing Standards
- Assessing Audit Risk and Materiality in Conducting An Audit
- Consideration of Fraud in a Financial Statement Audit
- Computer Auditing in the Governmental Environment
- The Single Audit - New Provisions under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance).
- Laws and Regulations in the Government Sector
- Understanding GASB Statement 54 related to Fund Balance Reporting and Governmental Fund Type Definitions
- Understanding GASB Statement 65 related to reporting of Deferred Outflows and Deferred Inflows of Resources
- Understanding the new GASB Pension Standards

## **PARTICIPATION IN PROFESSIONAL ORGANIZATIONS**

Our partners and staff are actively involved in professional organizations in the governmental accounting field. Noted below is a summary of our participation in various national and California governmental organizations.

### **AICPA**

Our firm is a member of the AICPA Governmental Audit Quality Center. The Center is a firm-based voluntary membership Center whose primary purpose is to promote the importance of quality governmental audits to purchasers of governmental audit services. The Center provides members with an online forum tool for sharing best practices, as well as discussions on audit, accounting, and regulatory issues. As a member of the Center, the firm receives updates on changes in auditing and accounting standards that effect governmental audits. The quality control partner is required to attend an annual web cast to discuss auditing and reporting issues effecting governmental audits. Our firm uses the resources of the Center to maintain the quality of our governmental audits.

### **GFOA, GASB and FASB**

Our firm is an associate member of the Government Finance Officers Association of the United States and Canada (GFOA).

Also, we have web based access to the latest pronouncements issued by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standard Board (FASB), including Interpretations, Technical Pronouncements and Newsletters. We regularly analyze these pronouncements and advise our governmental clients of changes in accounting rules.

### **CSMFO**

Our Irvine office partners and our Director of Consulting Services are associate members of the California Society of Municipal Finance Officers (CSMFO). Our personnel regularly attend local CSMFO chapter meetings throughout Southern California, and the annual statewide conference. We often provide public speakers for these meetings.

### **CSCPA**

Several partners and principals of the firm have been members of the Governmental Accounting and Auditing (GAA) Committee of the Orange County Chapter of the California Society of Certified Public Accountants (CSCPA). Mr. Patel, Mr. Ludin and Mr. Morgan have each served as chairman of this committee. Firm personnel have been involved over the years in preparing position papers issued for professional organizations on governmental accounting matters. Currently, Mr. Patel and Mr. Callanan are members of the State Governmental Accounting and Auditing Committee.

## GFOA AWARD PROGRAM

The partner and manager will be involved in all phases of report preparation or review. Reporting checklists will be used to assure compliance with all reporting requirements. In addition, another member of the firm, not associated with the audit, and with extensive governmental auditing and accounting experience, will review each financial statement audited and related reports. Based on the high quality of our review process, we have been able to assist various clients in obtaining the GFOA "Certificate of Achievement for Excellence in Financial Reporting". The recent clients that have received the award are:

### Special Districts:

Costa Mesa Sanitary District  
Inland Empire Utilities Agency  
Las Virgenes Municipal Water District  
Olivenhain Municipal Water District  
Otay Water District  
Rancho California Water District  
Santa Ana Watershed Project Authority  
Yorba Linda Water District

### Cities:

Alhambra  
Bellflower  
Beverly Hills  
Burbank  
Camarillo  
Campbell  
Colton  
Costa Mesa  
Cypress  
Del Mar  
Downey  
Fountain Valley  
Gilroy  
Goleta  
Hawaiian Gardens  
Highland

### Cities (Continued):

Lake Forest  
Lakewood  
Lancaster  
Newport Beach  
Palm Desert  
Pico Rivera  
Rancho Santa Margarita  
San Buenaventura  
San Gabriel  
Sanger  
Signal Hill  
Stanton  
Tustin  
West Covina  
West Hollywood  
Westminster



## COMPUTER AUDITING CAPABILITIES

White Nelson Diehl Evans LLP uses technology to make the audit process more effective. We utilize a paperless audit software, ProSystem fx Engagement, which allows us to manage our audit documentation electronically. Some of the benefits of paperless audit are:

- Receive the District's schedules in either hard copy or electronic format.
- Import and integrate trial balance data from virtually any accounting system. We avoid the time and expense of keying in account numbers, descriptions and account balances. We simply take your electronic trial balance and import it directly into our audit software.
- Create our own lead sheets, which can include prior year balances. This helps us to easily identify significant fluctuations between fiscal years.
- CAFR schedules are linked to trial balances. CAFR is updated automatically for any last minute journal entries, if any.

Our approach includes using IDEA (Interactive Data Extraction and Analysis) which is a data analysis software that can be used to analyze large amounts of information. It allows the firm to extract data from the District's accounting records to tailor specific audit tests based on risk assessments. Some audit procedures that IDEA can be utilized for are:

- Mechanical accuracy of worksheets or general ledgers.
- Exception and gap/completeness testing for missing check numbers.
- Cross checking different data bases for common information such as employee names.
- Duplicate testing of invoice numbers.
- Completeness of general ledger balances.

The firm also has document management software which allows our clients to access our web portal. We utilize the web portal to transfer data files that are confidential or too large to be sent by e-mail.

# **PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE**

## **AUDIT TEAM**

The audit team assembled consists of individuals who have extensive experience auditing governmental agencies and are familiar with municipal accounting. In addition, each team member's skill and experience developed working in other industries our firm serves can be applied to the individual requirements of the Vista Irrigation District.

The personnel assigned to the engagement team are as follows:

The engagement partner will be Ms. Daphnie Munoz, CPA. Ms. Munoz has over 18 years of experience with audits of local governments. She will be involved with all phases of the audit including (a) the planning phase of the audit to assess risks related to the audit (b) a final review of all the work papers and financial reports, and (c) attending any meetings with District's management and Board of Directors at the conclusion of the audit. She will be responsible for assuring that all work for the District is performed in a complete and timely manner.

Mr. David Forman, CPA, will be the Technical Review Partner and will perform a quality review of all reports issued in connection with the audit. Mr. Forman has over 22 years of experience with audits of local governments. He will also consult on the accounting treatment of unusual transactions or audit issues.

Mr. Bradley P. Meyer, CPA, will serve as the audit supervisor. Mr. Meyer has over 4 years of experience with audits of local governments. He will be on-site supervising staff accountants. He will (a) perform the initial review of the work papers including a review of the work completed related to internal controls, (b) supervise the completion of the financial reports and management letter and (c) assist in the audit of any complex or unusual audit areas.

The audit senior will be Ms. Lindsey S. Guidice. Ms. Guidice has over 3 years of public accounting experience. She will be on-site performing the fieldwork including performing tests of internal controls, substantive tests of account balances, and analytical tests. She will also draft the financial statements and various reports required for this engagement.

Resumes for the above partners and personnel are included at pages 11 through 14.

## **COMMITMENT RELATED TO PERSONNEL**

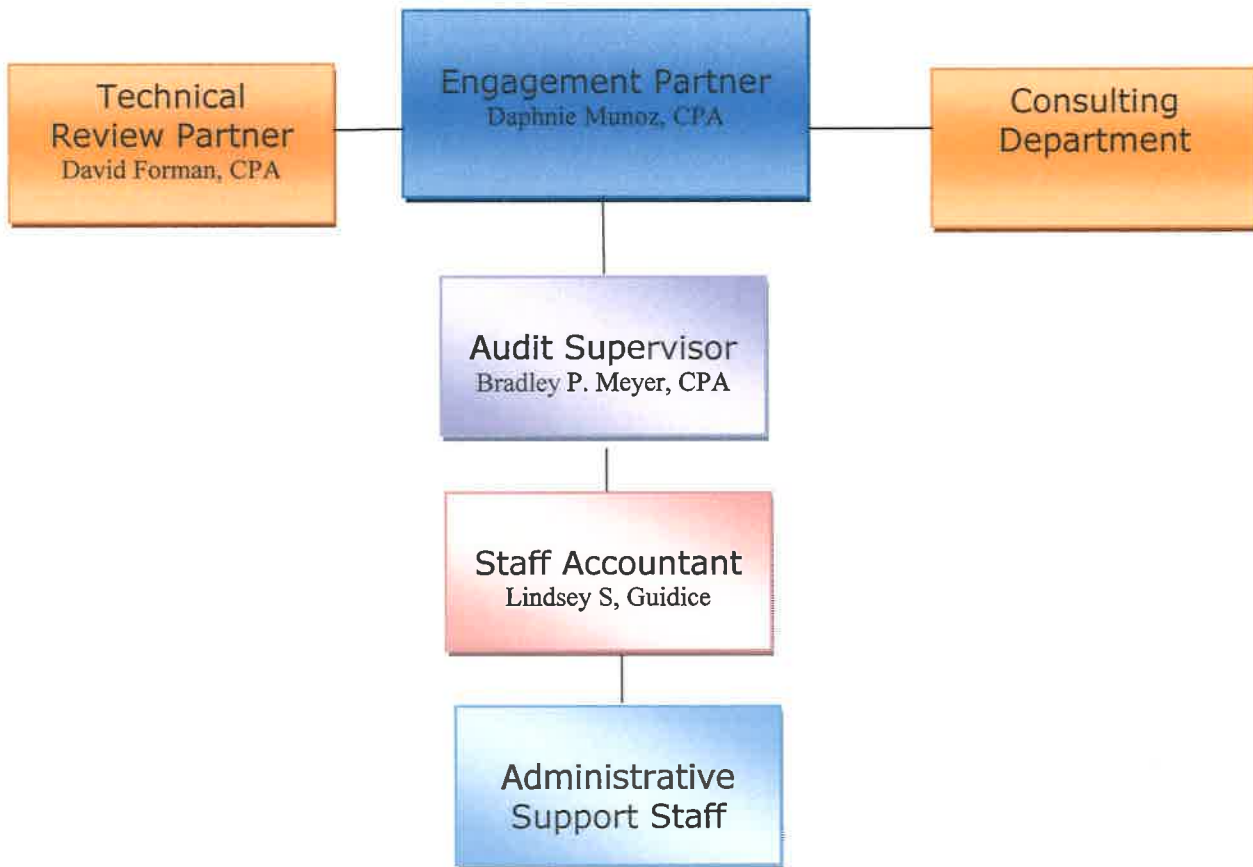
We make a commitment to retain the same personnel on the District from year to year, except where such personnel leave the firm, or where the change is approved by the District. If a staff member is replaced, we make a commitment to replace that person with staff of at least equal experience.

## **NONDISCRIMINATION POLICY**

Our firm has a policy to provide equal employment opportunities to all qualified persons without regard to race, color, age, sex, religion, national origin or handicap.



**AUDIT TEAM ORGANIZATION CHART**



## DAPHNIE MUNOZ, CPA



### Position

Engagement Partner

### Education

De La Salle University, Philippines  
Bachelor of Science in Accounting, 1995

### Licensing

Certified Public Accountant in California since 2001

### Professional Organizations

American Institute of Certified Public Accountants  
California Society of Certified Public Accountants  
California Society of Municipal Finance Officers (CSMFO)

### Range of Experience

Has been with the firm since 1998 with emphasis in governmental accounting and financial reporting.

Other experience includes providing consulting services for governmental agencies including special internal control reviews, and transient occupancy tax reviews of city hotels/motels.

CSMFO Report Reviewer for Award Program.

GFOA Report Reviewer for Award Program - Certificate of Achievement for Excellence in Financial Reporting.

Speaker on numerous presentations of accounting, auditing, tax and personnel topics at in-house training programs and instructor at firm's in-house governmental accounting and auditing seminars.

Experience includes of audits of various governmental agencies including cities, successor agencies/redevelopment agencies, water districts, other special districts, non-profit corporations and joint power authorities, including:

#### Cities:

Alhambra  
Buena Park  
Burbank  
Colton  
Diamond Bar  
Downey  
Goleta  
Healdsburg  
Highland  
Huntington Beach  
Irvine  
Lake Elsinore  
Lancaster  
Mission Viejo  
Newport Beach  
Oceanside  
Palm Desert  
Pico Rivera  
San Buenaventura  
San Fernando  
Sanger  
Santa Clarita

#### Cities (Continued):

Tustin  
West Covina  
West Hollywood  
Westminster

#### Special Districts:

Chino Basin Desalter Authority  
Coachella Valley Association of Governments  
Downey Cemetery District  
El Toro Water District  
Inland Empire Regional Composting Authority  
Inland Empire Utilities Agency  
Laguna Beach County Water District  
Las Virgenes Municipal Water District  
Midway City Sanitary District  
Municipal Water District of Orange County  
Orange County Water District  
Placentia Library District  
Rancho California Water District  
South Coast Water District  
Southeast Area Animal Control Authority  
Ventura Port District  
Yorba Linda Water District

### Continuing Professional Education

Total hours were 177 in the last three years, of which 151 hours were for meeting the requirements of the Government Audit Standards.

## DAVID B. FORMAN, CPA



### Position

Technical Review Partner

### Education

University of California, San Diego

Bachelor of Arts

University of California, San Diego, Extension

Professional Certificate in Accounting

### Licensing

Certified Public Accountant in California since 1996

### Professional Organizations

California Society of Certified Public Accountants

### Range of Experience

Mr. Forman has been with the firm since 1994, and has performed all phases of local governmental audits including cities, successor agencies/redevelopment agencies, single audit of federal grants, special districts, compliance audits and agreed-upon procedure engagements.

Experience also includes consulting services for governmental agencies, including internal control reviews, information technology reviews, reviews of purchasing systems, and transient occupancy tax reviews of city hotels/motels.

Mr. Forman is also involved in the firm's training, quality control review, and internal peer review programs.

Mr. Forman has acted as engagement partner, principal or manager for the following governmental clients:

#### Cities:

Big Bear Lake  
Del Mar  
Encinitas  
Hesperia  
Temecula

#### Special Districts:

Borrego Water District  
Encina Wastewater Authority  
Leucadia Wastewater District  
Olivenhain Municipal Water District  
Otay Water District  
Padre Dam Water District  
San Dieguito Water District  
San Luis Rey Municipal Water District  
Santa Fe Irrigation District  
Vallecitos Water District

### Continuing Professional Education

Total hours were 165 in the last three years, of which 126 hours were for meeting the requirements of the Government Audit Standards.

**BRADLEY P. MEYER, CPA**

**Position** Audit Supervisor

**Education** San Diego State University  
Bachelor of Science in Accounting

**Licensing** Certified Public Accountant in California since 2015

**Range of Experience**

Mr. Meyer has been with White Nelson Diehl Evans LLP since January of 2012. Experience includes governmental auditing and financial reporting on cities, water districts, special districts, nonprofit corporations and grants. Bradley has acted as supervisor or staff on engagements for the following clients:

Borrego Water District	Padre Dam Municipal Water District
City of Hesperia	Rancho Santa Fe Community
Grossmont Healthcare District	Service District
Heber Public Utility District	South Bay Irrigation District
Imperial County Local Agency	Sweetwater Authority
Formation Commission	Torrey Pines High School Foundation
Metro Wastewater Joint Powers	Vallecitos Water District
Authority	Valley-Wide Recreation &
Olivenhain Municipal Water	Park District
District	Whispering Palms Community
Otay Water District	Service District

**Continuing Professional Education**

Total hours were 100 in the last three years, of which 80 hours were for meeting the requirements of the Government Audit Standards.

**LINDSEY S. GUIDICE**

**Position**                      Audit Senior

**Education**                      California State University, San Marcos  
Bachelor of Science in Business Administration

**Range of Experience**

Mrs. Guidice has been with White Nelson Diehl Evans LLP since January of 2013. Experience includes governmental auditing and financial reporting on cities, water districts, special districts, and grants. Lindsey has acted as staff on the following engagements:

City of Hesperia	South Bay Irrigation District
City of Hesperia – Single Audit	Sweetwater Authority
Heber Public Utility District	Sweetwater Authority – Single Audit
Olivenhain Municipal Water District	Vallecitos Water District
Padre Dam Municipal Water District	Valley-Wide Recreation & Park District

**Continuing Professional Education**

Total hours were 100 in the last three years, of which 80 hours were for meeting the requirements of the Government Audit Standards.

# FIRM EXPERIENCE WITH GOVERNMENTAL ENTITIES

## SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENTAL ENTITIES

Your request for proposal called for at least of five similar engagements, ranked by total staff hours.

<u>District</u>	<u>Total Staff Hours</u>	<u>Scope of Work</u>
Rincon del Diablo Municipal Water District	515	District Audit
Rancho California Water District	425	Audits of the District, CFDs, Assessment Districts, Medical Benefits Plan Financial Statements, Single Audit, including Preparation of all the Financial Statements and Preparation of the State Controller's Report
Padre Dam Municipal Water District	360	District Audit
Olivenhain Municipal Water District	330	District Audit and Single Audit
Leucadia Wastewater District	255	District Audit

Certified audits were performed on the financial statements of all of these special districts and their component units over the past year.

Client references for these special districts are included below.

Rincon del Diablo Municipal Water District  
 Ms. Trish Berge  
 Director of Finance and Administration  
 760-745-5522

Rancho California Water District  
 Ms. Kathleen Naylor  
 Accounting Manager  
 951-296-6918

Padre Dam Municipal Water District  
 Ms. Karen Jassory  
 CFO/Director of Finance  
 619-448-3111

Olivenhain Municipal Water District  
 Ms. Rainy Selamat  
 Finance Manager  
 760-753-6466

Leucadia Wastewater District  
 Mr. Paul Bushee  
 General Manager  
 760-753-0155

A complete list of similar engagements for the past five years is included in Attachment I of this proposal.

## SPECIAL DISTRICT CLIENT REFERENCES

One means of judging the high quality of our auditing services would be contact with some of our clients over the past year. We are including the names and phone numbers of the special district clients as presented in Attachment I of this proposal. We encourage you to contact any of these individuals and verify our level of service.



## SPECIAL DISTRICT EXPERIENCE

Noted below is a listing of special districts audited by our firm in recent years:

Borrego Water District	Olivenhain Municipal Water District
Calleguas Municipal Water District	Orange County Development Authority - Eco-Rapid Transit
Chino Basin Desalter Authority	Orange County Vector Control District
Chino Basin Regional Financing Authority	Orchard Dale Water District
Costa Mesa Sanitary District	Otay Water District
Cypress Recreation and Park District	Padre Dam Municipal Water District
Downey Cemetery District	Pico Water District
El Toro Water District	Placentia Library District
Grossmont Healthcare District	Rancho California Water District
Heber Public Utilities District	Rincon del Diablo Municipal Water District
Inland Empire Regional Composting Authority	Rowland Water District
Inland Empire Utilities Agency	Santa Ana Watershed Project Authority
La Habra Heights County Water District	South Coast Water District
La Puente Valley County Water District	South County Regional Wastewater Authority
Laguna Beach County Water District	Sunset Beach Sanitary District
Lake Elsinore and San Jacinto Joint Powers Authority	Surfside Colony Stormwater Drainage District
Las Virgenes Municipal Water District	Surfside Community Services District
Leucadia Wastewater District	Vallecitos Water District
Midway City Sanitary District	Valley Wide Recreation and Park District
Monterey Peninsula Regional Park District	Ventura Port District
	Yorba Linda Water District

## ENTERPRISE FUND EXPERIENCE

Most cities audited by our firm have a water utility enterprise fund. Noted below is a partial listing of other enterprise funds audited by our firm in recent years:

<u>City</u>	<u>Enterprise</u>
Alhambra	Water, Sewer, Storm Drain, Sanitation, Golf Course
Artesia	Residential Refuse Service
Bellflower	Water
Beverly Hills	Water, Solidwaste, Wastewater, Stormwater
Burbank	Water Reclamation, Sewer, Golf, Electric Utility Water Utility, Refuse Collection and Disposal
Camarillo	Water, Sanitary, Solidwaste, Transit
Colton	Electric Utility, Water Utility, Wastewater Utility
Cypress	Sewer
Del Mar	Water, Wastewater, Cleanwater
Downey	Water, Sewer, Golf Course, Transit System
Fountain Valley	Water, Solidwaste
Gilroy	Water, Sewer
Hesperia	Water, Sewer
Laguna Hills	Property Leasing
Lakewood	Water
Lancaster	Power Authority
Newport Beach	Water, Sewer
Norco	Water, Sewer
Norwalk	Transit System, Water, Sewer, Golf Course
Palm Desert	Golf Course
Pico Rivera	Water, Sports Arena, Golf
Rialto	Airport, Cemetery, Recreation, Wastewater, Water
San Buenaventura	Water, Sewer
Sanger	Water, Sewer, Disposal, Ambulance
Signal Hill	Water
Stanton	Sewer
Tustin	Water
West Covina	Simulator, Computer
West Hollywood	Sewer District, Sewer Charge, Solid Waste, Landscape District and Street Maintenance
Westminster	Water



## SINGLE AUDIT EXPERIENCE

We perform single audit services for most of our special districts and cities that receive federal funds as required by the Uniform Guidance. In recent years, Single Audits were performed for the following special districts and cities.

### Special Districts:

Inland Empire Utilities Agency  
Las Virgenes Municipal Water District  
Olivenhain Municipal Water District  
Rancho California Water District  
Valley Wide Recreation and Park District

### Cities:

City of Alhambra	City of Laguna Woods
City of Artesia	City of Lake Forest
City of Bellflower	City of Lakewood
City of Beverly Hills	City of Lancaster
City of Burbank	City of Newport Beach
City of Camarillo	City of Norco
City of Campbell	City of Norwalk
City of Colton	City of Palm Desert
City of Costa Mesa	City of Pico Rivera
City of Cypress	City of Rancho Santa Margarita
City of Del Mar	City of Rialto
City of Downey	City of San Buenaventura
City of Fountain Valley	City of San Gabriel
City of Gilroy	City of Sanger
City of Goleta	City of Signal Hill
City of Hawaiian Gardens	City of Stanton
City of Hesperia	City of Tustin
City of Highland	City of West Covina
City of La Habra Heights	City of West Hollywood
City of Laguna Hills	City of Westminster

## NONPROFIT CORPORATIONS AND JOINT POWER AUTHORITIES

Noted below is a partial listing of nonprofit corporations and joint power authorities audited by our firm over the past year. Some of these entities are "component units" which are combined into the basic financial statements of governmental organizations which exercise oversight responsibility.

American Family Housing	Pomona-Walnut-Rowland Joint
Anaheim District of the Churches of the Nazarene	Water Line Commission
Cal State L.A. Metrolink Authority	Public Cable Television Authority
California Transplant	The RARE Project
Casa de las Campanas	Trinity Children's Foundation
Casa Romantica Cultural Center	Trinity Youth Services
Child Abuse Prevention Center	United Cerebral Palsy Association
Palm Desert Recreational Facilities Corporation	Valencia Heights Water Company
	Westview Services, Inc.





## AUDITS TO BE IN ACCORDANCE WITH GAAS AND OTHER REQUIREMENTS

We will audit the financial statements of the District. The financial statements of all entities where the District exercises oversight will be combined with the District's financial statements, in accordance with GASB requirements. Our audit will be in accordance with auditing standards generally accepted in the United States of America as set forth by the AICPA, and will include such auditing procedures as we consider necessary under the circumstances. We will apply certain limited procedures, which consist principally of inquiries of management regarding methods of measurement and presentation of required supplementary information. However, we do not audit such information and do not express an opinion on it. Any supplemental financial statements will be subjected to auditing procedures as we consider necessary in relation to the financial statements taken as a whole. The scope of our audit will not include any statistical information, and we will not express an opinion concerning it.

Our audits will conform with the guidelines set forth in the AICPA's Industry Audit Guide, *Audits of State and Local Governmental Units*. Also, each examination will comply with the standards for financial and compliance audits contained in the *Government Auditing Standards*, issued by the U.S. General Accounting Office, the provisions of the Single Audit Act and the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance).

### AUDIT APPROACH

- Our audit approach is tailored to meet the technical requirements while maintaining professional skepticism without forgetting that we provide a service. The following aspects of our audit approach will add additional value to the audit services and minimize the amount of time spent by the District's staff in dealing with the audit.
- We will assign experienced staff auditors including the in-charge field auditor having at least 3 years of experience. For first year engagements, all other staff will have at least 1 year of experience. You will not spend time training our auditors.
- Whenever possible, we will use same format for audit supporting schedules used in prior years for the current year audit. This will reduce time spent by the District staff in dealing with the audit when a different audit firm is chosen.
- Throughout the year we are available as a resource to our clients in researching technical questions, dealing with new pronouncements, reviewing complex financial entries and helping with any other issues as they arise.
- The work papers will be reviewed by the manager or partner as field work is being completed to minimize additional questions after the fieldwork is completed.

Our firm uses a governmental audit program which will be modified to the Vista Irrigation District's operations to accommodate specific client circumstances. Our audit programs are organized by the financial statement approach and general procedures. The requirements by the Standards for assessing risk are utilized to modify the audit programs to focus on the higher risk areas of the financial statements.

#### 1. Audit Planning Procedures:

- Pre-audit conference with the District to establish process of communication between the audit team and District staff.
- Discuss any new accounting pronouncements to be implemented in the current year.
- Establish scope of work and timing of fieldwork.

## AUDIT APPROACH (CONTINUED)

### 2. Interim Fieldwork:

Gather information about the District and its environment, including internal control:

- Evaluate the design of internal controls that are relevant to the audit and determine whether the control, either individually or in combination is capable of effecting, preventing or detecting and correcting material misstatements.
- Determine that the controls have been implemented, that is, that the controls exist and that the District is using it.
- Specific areas to review include:
  - Accounts payable/cash disbursements
  - Accounts receivable/cash receipts
  - Payroll disbursements
  - Utility billing process
  - Investment compliance
  - Property and equipment
- Review of minutes of the Vista Irrigation District,
- Review of important contracts and debt agreements.
- Interim exit conference with the District to review results of interim fieldwork, including any findings.

### 3. Final Audit Work:

During the final audit work, we will assess “risk” of material misstatement based on understanding of the District’s audit environment, including its internal control, to identify account balances to audit that appear in the District’s financial statements. Our audit programs will be specifically tailored to address any significant risks identified. The Prepared by Client (PBC) list will be provided at least one month in advance of fieldwork. Our work may include:

- Confirmation of cash and investments balances and testing of bank reconciliations.
- Confirm significant receivable balances or review subsequent cash receipts to verify receivable balance.
- Search for unrecorded liabilities.
- Testing of interfund balances and transfers.
- Test capital asset additions and depreciation expense.
- Confirm long-term debt balances and review the accounting treatment of debt issued or refunded.
- Test support for other significant assets or liabilities.
- Analytical procedures on balance sheet and revenue and expenditure accounts, to evaluate and explain unusual fluctuations from prior year balances or current year budgeted amounts.
- Review of attorney letters for significant legal matters affecting the District’s financial position.
- An exit conference will be held to review any significant adjustments or findings.

The audit workpapers will be reviewed by our management team as the work is being performed in the field so that at the conclusion of the fieldwork we are able to report any adjustments or findings.

## APPROACH TO INTERNAL CONTROL

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Our understanding of the internal controls will be completed by completing narratives and checklists for various processes related to internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance), we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

## SINGLE AUDIT APPROACH

The single audit will be performed in accordance with all the requirements of the Single Audit Act, the Uniform Guidance and *Government Auditing Standards* issued by the GAO (the "Yellow Book") for districts that expend greater than \$750,000 in federal awards in fiscal year 2015-2016 and subsequent years.

- We will identify the Major and Nonmajor Federal Programs of the District through the risk-based approach required by the Uniform Guidance. This approach includes consideration of current and prior audit experience, oversight by Federal agencies and pass-through entities, and the inherent risk of the federal program.
- We will review all federal and industry-specific publications and guidance and inform the District of any recent changes.
- We will perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with applicable compliance requirements. If weaknesses in the internal controls are noted, we will modify our audit program as needed.
- Our audit will include tests of transactions related to major federal award programs for compliance with applicable compliance requirements and certain provisions of laws, regulations, contracts and grant agreements.
- Our procedures will consist of the applicable procedures described in the Uniform Guidance for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of those procedures will be to express an opinion on the District's compliance with requirements applicable to major programs in our report on compliance issued pursuant to the Uniform Guidance.
- We will assist the District in completing and filing the Data Collection Form.



## **DETERMINING LAWS AND REGULATIONS SUBJECT TO AUDIT**

Under provisions of AICPA Auditing Standards, management of the District is responsible for identifying to its outside auditors any laws and regulations which would have a significant effect on the audit. This would include federal laws (such as federal grant regulations), State laws (such as permitted investments under the California Government Code) and local laws (such as restrictions on special revenues levied by the District). After our selection as auditors, we will consult with District officials regarding these matters, to determine what laws and regulations need to be evaluated in connection with our audit. If a District is not able to identify specific laws and regulations that effect it, we have references (California Government Code and Health and Safety Code) to the more common laws, rules and regulations in our standard audit programs for the usual activities of a Special District which will assist us in identifying laws and regulations to review in the audit.

## **METHOD OF SAMPLING**

Our approach is to utilize random sampling based in our testing of the internal control systems related to cash receipts, cash disbursements, payroll and utility billings. Based on a statistical conclusion used by the firm our sample sizes can range from 25 to 60 transactions for each system. A random sample selection allows each item in the population of an equal chance of being selected. In addition, for disbursements, we may select a stratified sample of all transactions over a specified dollar amount for review.

## **ANALYTICAL PROCEDURES**

Analytical procedures are used in the planning and final stages of the audit. In the planning phase, we use analytical procedures to identify unusual financial transactions and comparing relationships to expected results. We compare current year information to the prior years for balance sheet items, revenues and expenses. In the final stages of the audit, the financial statements are reviewed to identify expected relationships such as comparing debt paid to expenditures recorded on governmental funds, transfers between funds, depreciation expense, etc. For all significant relationships identified, explanations are obtained as to why the situation occurred and additional audit procedures are applied to resolve any concerns.

## **MANAGEMENT LETTERS**

In connection with each audit, a complete review of internal controls will be made of all significant accounting procedures. Our firm uses an internal control questionnaire, computer systems questionnaire and narration to gain an understanding of the internal control process as part of our audit. We will identify weaknesses and after discussion with the appropriate District staff, we will submit a management letter which will identify weaknesses observed during these reviews and throughout the audit. The management letter will also assess the effect of the management letter comments on the financial reporting process and recommend steps towards eliminating the weaknesses.

## **POTENTIAL AUDIT PROBLEMS**

We do not anticipate any significant potential audit problems. If any potential audit problems are identified, we will immediately discuss them with the District's management. Our approach is to coordinate the resolution of any problems with the District's management. Considering our experience with auditing governmental entities and resources, we expect minimal disruption to the District's management in resolving any identified audit problems.

**RETENTION OF AND ACCESS TO AUDIT WORKPAPERS**

In accordance with provisions of the Uniform Guidance, GAO requirements, and the California Board of Accountancy, our audit workpapers will be maintained for at least seven years after the date of the report. These workpapers will be made available as necessary to your cognizant audit agency (or its designee), to GAO representatives, or to any other federal or state agency needing access to the workpapers. Also, our firm will respond to any reasonable inquiries of successor auditors and we will allow any successor auditors to review our workpapers.

**OTHER PROFESSIONAL SERVICES**

We will be available for any other professional assistance you require to research and answer accounting and reporting problems raised by the District, regardless of the time of year. Such assistance may include, but is not limited to, tax questions, the review of bond documents, cost allocation programs and employee benefit programs. We also will keep the District informed of new developments affecting municipal finance and reporting, changes in grant rules and regulations, etc. We will be available for training sessions on any accounting matters, and we will be available to attend District Board of Directors meetings as needed.

**IRREGULARITIES AND ILLEGAL ACTS**

We will make an immediate, written report of all irregularities, illegal acts or indications of illegal acts of which we become aware, to those charged with governance.

**SEGMENTATION OF THE AUDIT HOURS, BY PARTNER AND STAFF LEVEL**

<u>Services</u>	<u>Partners</u>	<u>Managers/ Supervisors</u>	<u>Staff</u>	<u>Clerical</u>	<u>Total</u>
Financial Audit; and up to 20 hours of consultation; and any communication at the end of the contract	16	65	70	4	155

**SEGMENTATION OF THE AUDIT HOURS, BY PHASES OF THE AUDIT**

	<u>Partners</u>	<u>Managers/ Supervisors</u>	<u>Staff</u>	<u>Clerical</u>	<u>Total</u>
Planning	1	4	1	-	6
Interim Fieldwork	1	20	24	-	45
Final Fieldwork and Review	14	41	45	4	104
 Total Hours	16	65	70	4	155



# DISCUSSION OF RELEVANT ACCOUNTING ISSUES

## GASB STATEMENT NO. 72

GASB Statement No. 72, *“Fair Value Measurement and Application”*, is effective for periods beginning after June 15, 2015. This Statement addresses accounting and financial reporting issues related to fair value measurement. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

## GASB STATEMENT NO. 73

GASB Statement No. 73, *“Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68”*, is effective for periods beginning after June 15, 2015 - except for those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for periods beginning after June 15, 2016. The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers.

## GASB STATEMENT NO. 74

GASB Statement No. 74, *“Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”*, is effective for periods beginning after June 15, 2016. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are **not** administered through trusts that meet the specified criteria.

## GASB STATEMENT NO. 75

GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”*, is effective for periods beginning after June 15, 2017. The scope of this Statement addresses accounting and financial reporting for postemployment benefits other than pension (other postemployment benefits or OPEB) that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures for defined benefit and defined contribution plans.



## **GASB STATEMENT NO. 76**

GASB Statement No. 76, *“The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments”*, is effective for periods beginning after June 15, 2015. The requirements of this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature.

## **GASB STATEMENT NO. 77**

GASB Statement No. 77, *“Tax Abatement Disclosures”*, is effective for periods beginning after December 15, 2015. This Statement requires governments that enter into tax abatement agreements to disclose the following information:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients.
- The gross dollar amount of taxes abated during the period.
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Governments should organize those disclosures by major tax abatement program and may disclose information for individual tax abatement agreements within those programs.

## **GASB STATEMENT NO. 78**

GASB Statement No. 78, *“Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans”*, is effective for periods beginning after December 15, 2015. This Statement amends the scope and applicability of Statement 68 to **exclude** pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

## **GASB STATEMENT NO. 79**

GASB Statement No. 79, *“Certain External Investment Pools and Pool Participants”*, is effective for periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing, those provisions are effective for reporting periods beginning after December 15, 2015. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. It establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets certain applicable criteria established in this Statement. It establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investment at amortized cost for financial reporting purposes and for government that participate in those pools.

## **GASB STATEMENT NO. 80**

GASB Statement No. 80, *“Blending Requirements for Certain Component Units - An Amendment of GASB Statement No.14”*, is effective for periods beginning after June 15, 2016. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *“The Financial Reporting Entity, as amended”*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *“Determining Whether Certain Organizations Are Component Units”*.

## WORK REQUIRED BY DISTRICT STAFF

Our fixed annual fees contemplate that conditions satisfactory to the normal progress and completion of the examination will be encountered and that District accounting personnel will furnish the agreed-upon assistance in connection with the audit. However, if unusual circumstances are encountered which make it necessary for us to do additional work, we shall report such conditions to the responsible District officials and provide the District with an estimate of the additional accounting fees involved.

Noted below is a listing of work required by District staff to assist in the audit.

1. Technical assistance in familiarizing our staff with:
  - The flow of information through the various departments and accounting systems.
  - Reports generated by your accounting system.
  - The system of internal controls.
  - Controls established to monitor compliance with federal grants.
2. Preparation of trial balances for all funds, after posting of all year end journal entries.
3. Preparation of schedules supporting all major balance sheet accounts, and selected revenue and expenditure accounts.
4. Typing of all confirmation requests.
5. Pulling and refiling of all supporting documents required for audit verification.
6. Preparation of the District's CAFR including the following:
  - Introductory Section, including the Transmittal letter
  - Management's Discussion and Analysis
  - Statement of Net Position
  - Statement of Revenues, Expenses and Changes in Net Position
  - Notes to the Financial Statements
  - Statistical Section

# CONSULTING SERVICES DEPARTMENT

## OVERVIEW OF SERVICES PROVIDED

White Nelson Diehl Evans LLP offers a wide range of consulting services to governmental agencies. This section of our proposal summarizes the primary types of services provided by the firm.

The firm's Director of Consulting Services is Mr. William S. Morgan, CPA. Mr. Morgan has over thirty years of experience in providing accounting, auditing and consulting services to California special districts, cities, counties, successor agencies/redevelopment agencies, water districts, joint power authorities and nonprofit corporations. Many of the firm's consulting projects are planned, supervised and reviewed by Mr. Morgan.

Our firm provides the following types of services:

- Governmental Tax Consulting
- Performance and Operational Studies
- Redevelopment Consulting Services
- Reviews of City Treasurer Operations
- Cable Television and Broadband Consulting Services
- Reviews of Solid Waste Haulers and Assistance With Trash Rate Negotiations
- Litigation Support and Dispute Resolution Services
- Fraud Investigations
- Hotel/Motel Transient Occupancy Tax Reviews
- Business License Operation Reviews

With regard to these engagements, we intend to perform limited procedures reviews in connection with each assignment, in accordance with the AICPA's attestation standards. Under the provisions of the attestation standards, the District will designate what specific procedures it wishes to have performed. We will then perform those procedures and report on our findings. This type of engagement will not constitute a certified audit in accordance with auditing standards generally accepted in the United States of America. Such special services are not part of our standard fee arrangements and would be subject to a separate fee quotation.

**ATTACHMENT I**

**CURRENT SPECIAL DISTRICT REFERENCES  
AND  
LIST OF SPECIAL DISTRICT ENGAGEMENTS  
PERFORMED IN THE PAST FIVE YEAR**

## CURRENT SPECIAL DISTRICT REFERENCES

One means of judging the high quality of our auditing and accounting services would be contact with some of our existing clients. We are including the names, addresses and phone numbers of our special district clients over the past year. We encourage you to contact any of these individuals.

Calleguas Municipal Water District  
Mr. Dan Smith  
Manager of Finance & Human Resources  
805-579-7132

Chino Basin Desalter Authority  
Mr. Michael Chung  
CFO/Treasurer  
909-218-3230

Chino Basin Regional Financing Authority  
Mr. Javier Chagoyen-Lazara  
Manager - Accounting & Fiscal  
Management  
909-993-1675

Cypress Recreation and Park District  
Mr. Matt Burton  
Assistant Finance Director  
714-229-6718

Grossmont Healthcare District  
Mr. Tom Saiz  
CFO  
619-825-5050

Heber Public Utilities District  
Ms. Graciela Lopez  
Finance Manager  
760-353-9040

Inland Empire Regional  
Composting Authority  
Inland Empire Utilities Agency  
Mr. Suresh Malkani  
Accounting Manager  
909-993-1899

La Habra Heights County  
Water District  
Ms. Tammy Wagstaff  
Finance Director  
562-697-6769

La Puente Valley County  
Water District  
Mr. Greg Galindo  
General Manager  
626-330-2126

Laguna Beach County Water  
District  
Mr. Robert Westphal  
Manager of Finance  
949-494-1041

Lake Elsinore & San Jacinto  
Joint Powers Authority  
Santa Ana Watershed Project  
Authority  
Ms. Karen Williams  
CFO  
951-354-4231

Leucadia Wastewater District  
Mr. Paul Bushee  
General Manager  
760-753-0155

Midway City Sanitary District  
Mr. Robert Housley  
Director of Finance  
714-893-3553

Monterey Peninsula Regional  
Park District  
Ms. Kelly McCullough  
Finance Manager  
831-372-3196

Olivenhain Municipal  
Water District  
Ms. Rainy Selamat  
Finance Manager  
760-753-6466

Orange County Development  
Authority - Eco-Rapid Transit  
Mr. Michael R. Kodama  
Executive Director  
562-663-6850

Orange County Vector Control  
District  
Ms. Sea Shelton  
Director of Administrative Services  
714-740-4141

Orchard Dale Water District  
Mr. Ronald S. Richard  
Finance Manager/Treasurer  
562-641-0114

Padre Dam Municipal  
Water District  
Ms. Karen Jassoy  
CFO/Director of Finance  
619-448-3111

Pico Water District  
Mr. Mark Grejeda  
General Manager  
562-692-3756

Placentia Library District  
Ms. Yesenia Baltierra  
Business Manager  
714-528-1906

Rancho California Water District  
Ms. Kathleen Naylor  
Accounting Manager  
951-296-6918

Rincon del Diablo  
Municipal Water District  
Ms. Trish Berge  
Director of Finance and Administration  
760-745-5522

Rowland Water District  
Mr. Sean Henry  
Finance Officer  
562-697-1726

South County Regional Wastewater  
Authority  
Ms. Christina Turner  
Finance Director  
408-846-0750

Sunset Beach Sanitary District  
Surfside Colony Stormwater  
Drainage District  
Surfside Community Services  
District  
Ms. Chris Montana  
District Clerk  
562-493-9932

Valley Wide Recreation and  
Park District  
Mr. Sam Goepf  
Acting General Manager  
951-654-1505

Ventura Port District  
Ms. Gloria Adkins  
Accounting Manager  
805-654-8538

Yorba Linda Water District  
Ms. Delia Lugo  
Finance Manager  
714-701-3040

## LIST OF SPECIAL DISTRICT ENGAGEMENTS

We have listed below the special districts which were under contract with us during the past five fiscal years.

Client Name	Period of Service	
	From	To
Borrego Water District	2006	2013
Calleguas Municipal Water District	2015	Present
Chino Basin Desalter Authority	2011	Present
Chino Basin Regional Financing Authority	2015	Present
Costa Mesa Sanitary District	2005	2014
Cypress Recreation and Park District	2012	Present
Downey Cemetery District	1987	2013
El Toro Water District	2008	2013
Encina Wastewater Authority	2012	Present
Grossmont Healthcare District	2011	Present
Heber Public Utilities District	2014	Present
Inland Empire Regional Composting Authority	2011	Present
Inland Empire Utilities Agency	2011	Present
La Habra Heights County Water District	2002	Present
La Puente Valley County Water District	1986	Present
Laguna Beach County Water District	2002	Present
Lake Elsinore and San Jacinto Joint Powers Authority	2013	Present
Las Virgenes Municipal Water District	2007	2013
Leucadia Wastewater District	2010	Present
Metro Wastewater Joint Powers Authority	2013	Present
Midway City Sanitary District	2012	Present
Monterey Peninsula Regional Park District	2015	Present
Municipal Water District of Orange County	2007	2011
Olivenhain Municipal Water District	2009	Present
Orange County Development Authority - Eco-Rapid Transit	2015	Present
Orange County Vector Control District	2013	Present
Orchard Dale Water District	2012	Present
Otay Water District	2009	2013
Padre Dam Municipal Water District	2009	Present
Pico Water District	2010	Present
Placentia Library District	2015	Present
Puente Basin Water Agency	2005	2011
Rancho California Water District	2012	Present
Rancho Santa Fe Community Service District	2011	Present
Rincon del Diablo Municipal Water District	2015	Present
Rowland Water District	2007	Present
Santa Ana Watershed Project Authority	2013	Present
South Bay Irrigation District	2012	Present
South Coast Water District	2011	2014
South County Regional Wastewater Authority	2013	Present
Sunset Beach Sanitary District	1986	Present
Surfside Colony Stormwater Drainage District	2010	Present
Surfside Community Services District	2010	Present
Sweetwater Authority	2012	Present
Vallecitos Water District	2010	2014
Valley Wide Recreation and Park District	1986	Present
Ventura Port District	2011	Present
Walnut Valley Water District	2002	2011
Whispering Palms Community Service District	2011	Present
Yorba Linda Water District	2008	Present

**ATTACHMENT II**  
**RESULTS OF OUTSIDE QUALITY REVIEW**



System Review Report

July 22, 2015

To the Owners of  
White Nelson Diehl Evans LLP  
and the Peer Review Committee of the CA Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of White Nelson Diehl Evans LLP (the firm) in effect for the year ended March 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of White Nelson Diehl Evans LLP in effect for the year ended March 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. White Nelson Diehl Evans LLP has received a peer review rating of *pass*.

*Heidenreich & Heidenreich CPAs PLLC*

Heidenreich & Heidenreich, CPAs, PLLC

**SEALED DOLLAR COST BID  
VISTA IRRIGATION DISTRICT**

**FOR THE THREE YEARS ENDING JUNE 30, 2018**



**Submitted by:**



**2965 ROOSEVELT STREET, SUITE A  
CARLSBAD, CALIFORNIA 92008**

April 28, 2016

Ms. Marlene Kelleher  
Finance Manager  
Vista Irrigation District  
1391 Engineer Steet  
Vista, CA 92081-8836

Dear Ms. Kellenher:

At your request, we have submitted our statement of qualifications under a separate cover.

The following information is included herein:

1. Audit Service Summary Fee Response Sheet
2. Hourly Rates for Special Services

Please contact us if there are any questions regarding the fees or hourly rates quoted herein. I declare that I have carefully examined the request for proposal document and am thoroughly familiar with its contents and have satisfied myself as to the nature and expectation of the work to be performed and I am entitled to represent the firm, empowered to submit this proposal, and authorized to sign a contract with the Vista Irrigation District.

Very truly yours,

WHITE NELSON DIEHL EVANS LLP



Daphnie Munoz, CPA  
Engagement Partner

VISTA IRRIGATION DISTRICT

**AUDIT SERVICE  
SUMMARY FEE RESPONSE SHEET**

Services	Fiscal Year Ending June 30,		
	2016	2017	2018
Financial Audit; and up to 20 hours of consultation; and any communication at the end of the contract end of the contract (inclusive of all out-of-pocket expenses)	\$ 22,565	\$ 23,240	\$ 23,940

**HOURLY RATES**

Position	Fiscal Year Ending June 30,		
	2016	2017	2018
Partners	\$ 240	\$ 247	\$ 255
Managers/Supervisors	165	170	175
Staff	110	113	117
Clerical	75	77	80





## STAFF REPORT

Agenda Item: 11

**Board Meeting Date:** June 22, 2016  
**Prepared By:** Randy Whitmann  
**Reviewed By:** Brian Smith  
**Approved By:** Eldon Boone

**SUBJECT:** RELOCATION OF A PORTION OF THE VISTA FLUME

**RECOMMENDATION:** Approve the Vista Flume Relocation Project and the Flume Relocation Reimbursement Agreement with Shea Homes Limited Partnership (Shea); determine that the Vista Flume Relocation Project is exempt from the provisions of the California Environmental Quality Act (CEQA) and direct staff to file the Notice of Exemption (NOE) with the County Clerk; and authorize staff to negotiate a construction contract amount from a qualified licensed contractor (LN-2015-003, APN 224-100-57, 58, 82 & 83).

**PRIOR BOARD ACTION:**

- 7/10/2013 Authorized staff to proceed with rehabilitation improvements to the Flume as recommended in the Black and Veatch report.
- 6/3/2015 Board approved the concept of relocating a portion of the Flume, authorized staff to begin cost sharing negotiations and directed staff to bring the item back to the Board in closed session to discuss property transaction considerations.
- 6/17/15, 7/1/15, 7/15/15 and 8/5/15 Closed sessions to discuss price and terms of relocating a portion for the Flume
- 5/11/16 Board accepted Grant of Nonexclusive Easement for relocation of a portion of the Vista Flume.

**FISCAL IMPACT:** Current estimated construction costs range between \$1.4 and \$2.0 million. Under the terms of the proposed Reimbursement Agreement, Shea will pay for the first \$800,000 of the project costs and the District will pay the next \$600,000. Project costs beyond \$1.4 million will be shared equally between the parties. There are adequate funds in the District's Capital Reserve for this project.

**SUMMARY:** Shea is pursuing the development of a 179 lot residential subdivision adjacent to a portion of the Vista Flume, including sections known as Baumgartner Bench and Little Tunnel. The development, Canyon Grove Estates (formerly Hidden Valley Estates), is located north of Vista Verde Drive in the City of Escondido. The District and Shea have determined that relocating the Flume to an underground pipeline through the project is mutually beneficial and have agreed to share in the relocation costs through a Reimbursement Agreement. All public rights of way have been acquired to allow relocation of the Flume.

**DETAILED REPORT:** Last summer, the Board authorized staff to negotiate a Reimbursement Agreement with Shea for relocation of the Flume utilizing the following basic terms:

1. Shea will pay for the design of the Flume relocation and the District will review and approve the plans and specifications.
2. District will contract for the construction work per the approved plans including: General Contractor, Staking & Survey, Soils Engineer and any District/3<sup>rd</sup> party inspections needed.
3. Shea will provide management support for the bidding process, with District oversight, including: General Contractor, Staking & Survey, and Soils Engineer.
4. Shea will contribute the first \$800K to the District to be put towards the Flume relocation. The District will contribute the next \$600K.
5. Should costs exceed the initial contributions of \$1.4 million, Shea and the District will split the additional costs 50/50.
6. Shea will provide oversight/management support to the District in overseeing the District selected contractors during the construction of the new Flume facility.
7. Shea will coordinate preparation of the as-builts between the contractor and engineers, and provide final as-built mylars.

Staff and Legal Counsel have negotiated the attached Reimbursement Agreement based on these basic terms. During the negotiations, several additional items have been discussed that both staff and Shea believe should be included in the Agreement. This includes provisions for the District to negotiate and enter into a construction contract directly with a qualified, licensed contractor already involved with the project, thus reducing costs associated with mobilization and construction coordination. Shea's contractor hired for the subdivision's wet utilities, Cass Construction, has experience installing HDPE pipelines and also has the capacity to include the Flume relocation work. Therefore, staff proposes to negotiate a construction contract amount with Cass Construction and compare the negotiated amount to an independent engineer's estimate of probable construction cost. If an acceptable contract amount can be negotiated, staff will bring a construction contract to the Board for consideration. The Agreement also provides Shea the ability to purchase project related materials in-lieu of direct cash reimbursements to the District, allowing Shea to pre-purchase long lead order items, such as, the HDPE and steel pipe required for the project.

Design of the Flume relocation is currently in the plan check phase. Infrastructure Engineering Corporation (IEC) has been retained to provide plan review in addition to review by appropriate staff members. IEC is currently designing the Meyer's Siphon Replacement Project, which has many similarities to this project. Given their current involvement, staff intends to use IEC during construction of the project for as-needed support services, such as review of contractor submittals and inspection.

Shea has begun grading operations and anticipates the site will be to a point that the new Flume pipeline can begin construction in the summer of this year.

Staff has conducted a Preliminary Environmental Assessment (Assessment) and concluded that the Vista Flume Relocation Project is Statutorily Exempt from CEQA based on its conformity with Public Resources Code Section 21080.21 and §15282(k) of the CEQA Guidelines. This exemption consists of the installation of new pipeline or maintenance, repair, replacement, restoration, removal, or demolition of an existing pipeline, as long as the project does not exceed one mile in length.

As part of the Assessment, staff engaged Helix Environmental Planning to conduct an update of previous Cultural Resource reports for the proposed Flume alignment. The results of this report are summarized below and the recommended historical documentation and monitoring program will be included as a feature of the project:

“The proposed project consists of relocating a segment of the historic Vista Flume from its current location just outside the project area to a new alignment within that project's site. Documentation of the flume will be undertaken to mitigate impacts to this historic resource from this and other future projects. The documentation program is summarized in the cultural resources study for the Vista Flume project (Giletti et al. 2009).

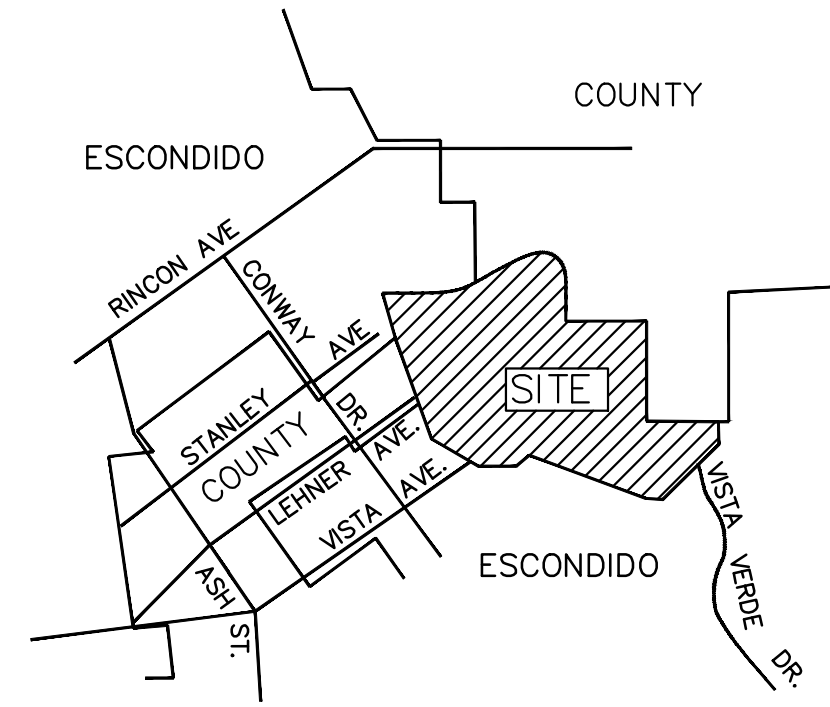
No cultural resources were identified within the flume relocation project site during the current survey or past cultural resources studies; however, ground visibility has been poor during all of these studies. Significant archaeological and Native American resources are recorded nearby; thus, there is a potential for other buried resources in the area. Given the potential for cultural resources to be present in the project site, archaeological monitoring is recommended during ground-disturbing construction activities as follows:

During project construction, a qualified archaeologist and a Native American monitor shall be retained to conduct a monitoring program. The archaeologist and the Native American monitor shall attend a pre-construction meeting with the grading contractor to explain the requirements of the monitoring program. The archaeologist and the Native American monitor shall be present to monitor ground-disturbing activities, including brushing/grubbing, grading, and trenching. If cultural material is encountered, the archaeologist and the Native American monitor both shall have the authority to temporarily halt or redirect grading and other ground-disturbing activity while the cultural material is documented and assessed. If cultural material is encountered, significance of these resources and the possible need for additional mitigation measures will be determined by discussion among the archaeological Principal Investigator, the Native American monitor, and District staff.”

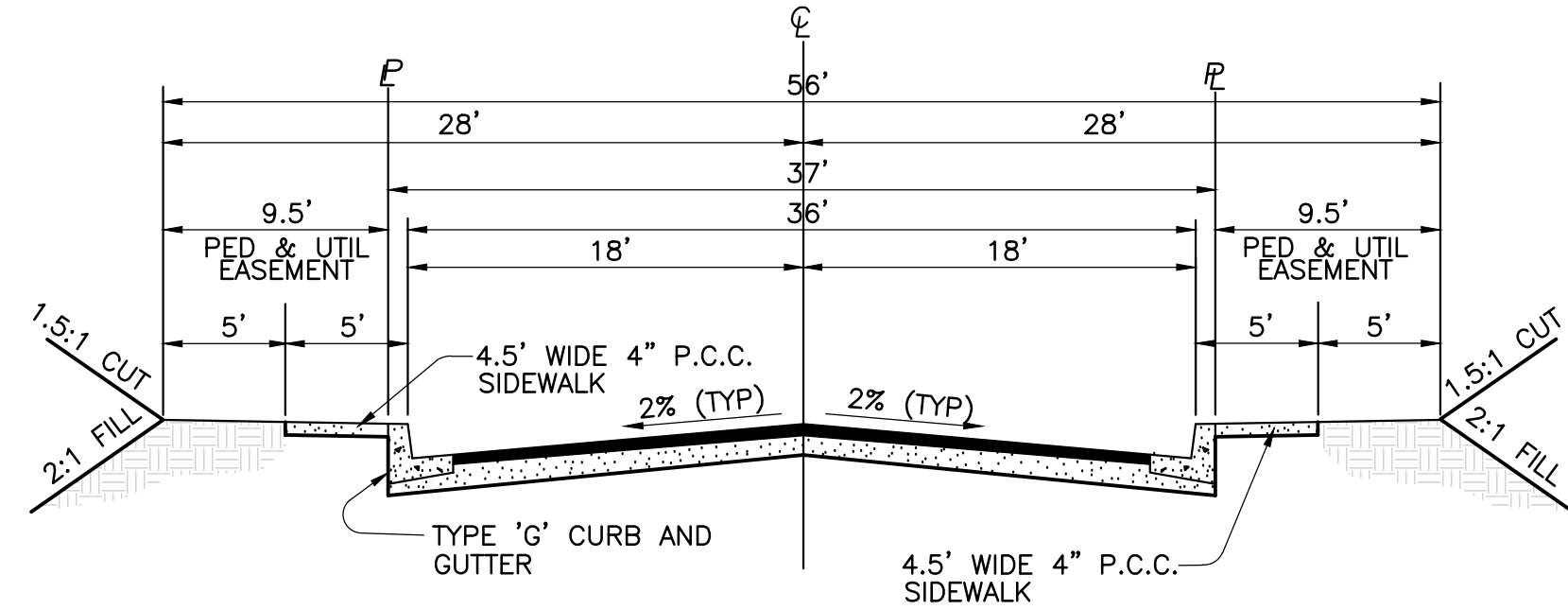
ATTACHMENTS:      Map of proposed relocation  
                             Flume Relocation Reimbursement Agreement  
                             Preliminary Environmental Assessment and Notice of Exemption



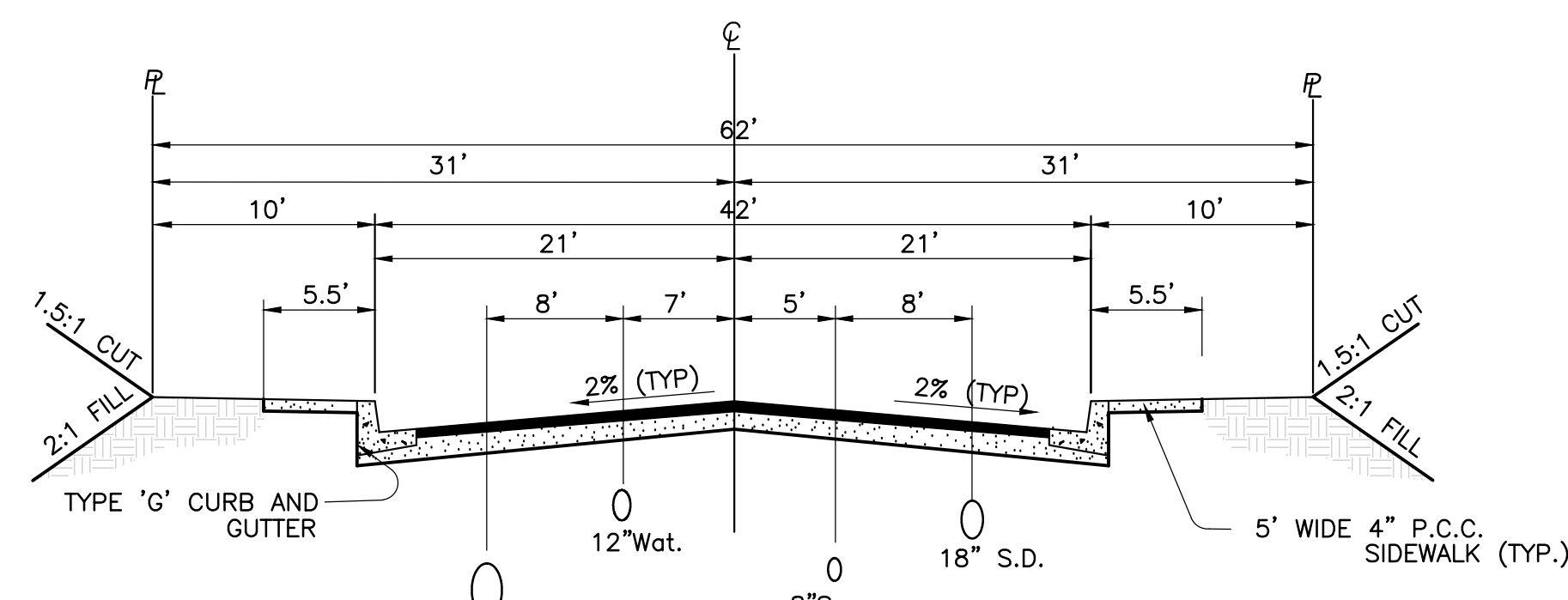
# HIDDEN VALLEY T.M. - TRACT NO. 932



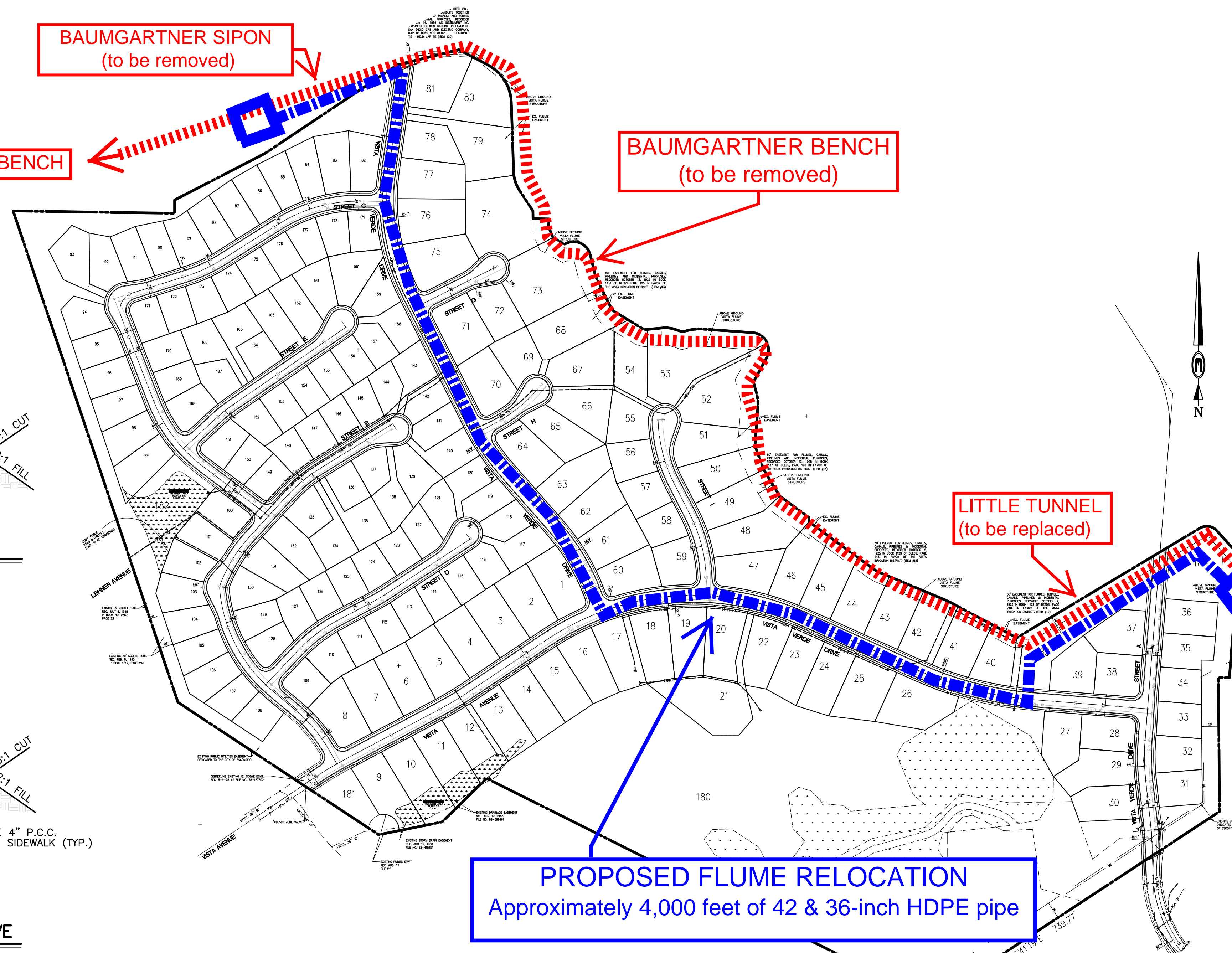
VICINITY MAP  
NO SCALE TB 1109 J4, 1110 A4



TYPICAL SECTION - PRIVATE STREETS  
NO SCALE



TYPICAL SECTION - VISTA AVENUE AND VISTA VERDE DRIVE  
NO SCALE

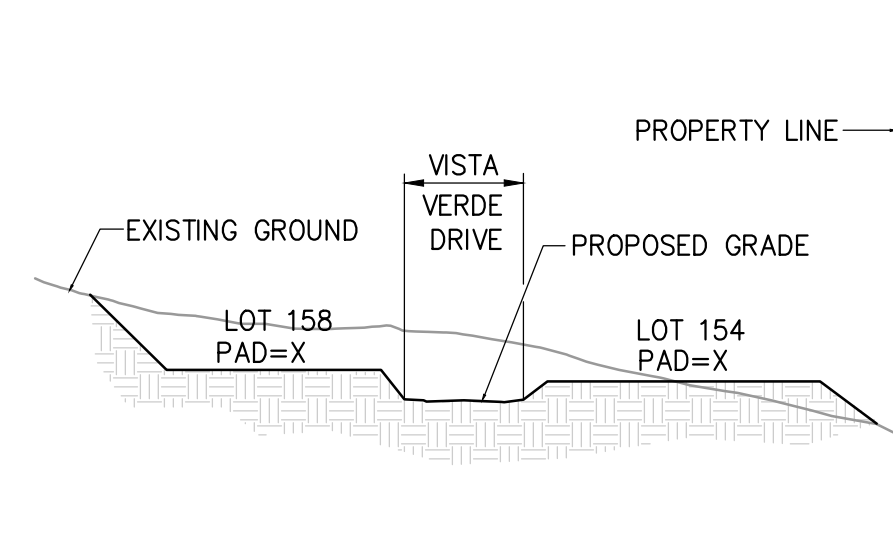


### LEGEND

SYMBOL	DESCRIPTION
	MASONRY RETAINING WALL
	CUT (1 1/2:1 MAX.) FILL (2:1 MAX.)
	CONCRETE BROWDITCH
	FINISH CONTOUR
	STORM DRAIN SYSTEM
	SEWER GRAVITY MAIN
	SEWER MANHOLES
	WATER MAIN
	FIRE HYDRANT
	DAYLIGHT
	LIMITS OF GRADING
	EXIST. WATERLINE
	EXIST. STORM DRAIN SYSTEM
	EXIST. SEWERLINE

### KEY MAP

SCALE 1"=200'



### SECTION C-C

SCALE: HOR. 1"=100' VER. 1"=50'

### EARTHWORK

RAW CUT VOLUME	xxxxxx C.Y.
BULKING (15.0%)	xxxxxx C.Y.
SPOILS	xxxxxx C.Y.
ADJUSTED CUT VOLUME	xxxxxx C.Y.
RAW FILL VOLUME	xxxxxx C.Y.
SHRINKAGE (3.0%)	xxxxxx C.Y.
ADJUSTED FILL VOLUME	xxxxxx C.Y.
EXPORT	xxxxxx C.Y.

\* ESTIMATE ONLY.  
MASSON & ASSOCIATES MAKES NO GUARANTEE THAT THESE QUANTITIES ARE ACCURATE AND COMPLETE. OWNER TO HAVE GRADING CONTRACTOR VERIFY PRIOR TO FINAL PRICING AND CONSTRUCTION.

### NOTES:

- ZONING - EXISTING COUNTY A70, R-R-1, R-S-1
- GENERAL PLAN LAND USE DESIGNATION COUNTY R1, CITY E2 & R2
- MINIMUM LOT SIZE 10,000 S.F. & 20,000 S.F.
- MINIMUM AVERAGE LOT WIDTH 80'
- TOTAL LOTS 179 TOTAL UNITS 179
- SITE AREA 111.54 AC. REMAINDER PARCEL 37.75 AC.
- SITE ADDRESS 1185 LEHNER AVENUE, ESCONDIDO CA.
- CALIFORNIA COORDINATE INDEX 362-1743(x)27
- SOURCE OF TOPO SAN-LO AERIAL SURVEYS
- ASSESSOR'S PARCEL NO. 224-100-12, 57, 58, 59, AND 60
- WATER SUPPLIED BY CITY OF ESCONDIDO
- SEWAGE SUPPLIED BY CITY OF ESCONDIDO
- GAS AND ELECTRIC SUPPLIED BY SDG&E
- FIRE PROTECTION CITY OF ESCONDIDO
- SCHOOL DISTRICTS E.U.S.D. AND E.U.H.S.D.
- STREET LIGHTING PER CITY ORDINANCES, TREE PLANTING PER LANDSCAPE PLAN.
- BOUNDARY INFORMATION HAS BEEN COMPILED FROM RECORD DATA.
- ALL LOTS ARE ON A SANITARY SEWER SYSTEM. ALL UTILITIES TO BE UNDERGROUND.
- ALL IMPROVEMENTS TO BE TO THE CITY OF ESCONDIDO STANDARDS.
- ALL FILL SLOPES ARE 2:1, CUT SLOPES ARE 1.5:1 UNLESS NOTED OTHERWISE.
- ACCESS TO THE OPEN SPACE LOT WILL BE MAINTAINED AS A JOINT ACCESS D/W ALONG THE SIDE OF LOT 156

### MULTIPLE FINAL MAPPING

THE SUBDIVIDER RESERVES THE RIGHT TO FILE MULTIPLE MAPS ON THIS TENTATIVE SUBDIVISION MAP IN ACCORDANCE WITH SECTION 66456.1 OF THE SUBDIVISION MAP ACT.

### LEGAL DESCRIPTION

PARCEL 1, PARCEL 2, PARCEL 3, & PARCEL 4 OF PARCEL MAP NO. 17583 AND THE SE 1/4 OF THE NE 1/4 OF FRACTIONAL SECTION 3, T12S, R2W, SBB&M

### OWNER/APPLICANT

SHEA HOMES, INC.  
9990 MESA RIM ROAD SUITE #200  
SAN DIEGO, CA 92121  
PHONE: 858-526-6554

### OWNER'S CERTIFICATE

I (WE) HEREBY CERTIFY THAT I (WE) AM (ARE) THE RECORD OWNER OF THE PROPERTY SHOWN ON THE TENTATIVE SUBDIVISION MAP AND THAT SAID MAP SHOWS ALL MY (OUR) CONTIGUOUS OWNERSHIP IN WHICH I (WE) HAVE ANY DEED OR TRUST INTEREST. I (WE) UNDERSTAND THAT MY (OUR) PROPERTY IS CONSIDERED CONTIGUOUS EVEN IT IS SEPARATED BY ROADS, STREETS, UTILITY EASEMENTS, OR RAILROAD RIGHTS-OF-WAY.

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

### ENGINEER

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
MASSON & ASSOCIATES INC.  
200 E. WASHINGTON AVE., STE 200  
ESCONDIDO, CA. 92025  
(760) 741-3570

Planning • Engineering • Surveying • Telecom  
200 East Washington Ave., Suite 200  
Escondido, CA 92025  
P. 760.741.3570  
F. 760.741.1786  
**MASSON & ASSOCIATES, INC.**  
www.masson-assoc.com



CITY PROJECT NO.  
ENG. \_\_\_\_\_



CONSTRUCTION RECORD	REFERENCES	Date	By	REVISIONS	App'd	Date	BENCH MARK	SCALE	Office	Designed By	Drawn By	Checked By	Submitted	Approved	ENGINEERING SERVICES	Drawing No.	
Contractor								Horizontal	Filmed	Plans Prepared Under Supervision Of			By	Assitant City Engineer	By	Assist. Director of Public Works/Engineering	Sheet of 8
Inspector								Vertical	Traffic	ROBERT D'AMARO							
Date Completed																	



## **FLUME RELOCATION REIMBURSEMENT AGREEMENT**

THIS FLUME RELOCATION REIMBURSEMENT AGREEMENT (“Agreement”) is entered into as of [REDACTED], 2016, by and between the VISTA IRRIGATION DISTRICT, a special governmental district formed and operated pursuant to the Irrigation District Law, California Water Code Sections 20500, *et seq.* (“VID”), and SHEA HOMES LIMITED PARTNERSHIP, a California limited partnership (“Shea”).

### RECITALS

A. Shea has acquired, or pursuant to a purchase and sale agreement will acquire, that certain real property located in the City of Escondido, County of San Diego, California, as more particularly described in Exhibit A attached hereto (“Property”). The Property is commonly known as “Hidden Valley Estates”.

B. Pursuant to easements granted to VID and/or its predecessors in interest (collectively, the “Existing Flume Easement”), VID constructed, and now owns and operates, an above- and below-ground water transmission facility transporting treated water from the Escondido-Vista Treatment Plant in the City of Escondido to VID’s Pechstein Reservoir near the City of Vista (such transmission facility is hereinafter referred to as the “Flume”). A portion of the Flume is within the Property.

C. Shea has requested that VID relocate that portion of the Flume within and adjacent to the Property (the “Project”). VID is willing to relocate that portion of the Flume within and adjacent to the Property in accordance with the terms and conditions of this Agreement, in order to benefit from new, more accessible Flume facilities within the Property.

### AGREEMENT

NOW, THEREFORE, in consideration of the facts recited above and the covenants, conditions and terms set forth herein, VID and Shea hereby agree as follows:

#### **SECTION ONE: PROJECT DESIGN.**

1.1 Shea shall be responsible, at no cost to VID, for the engineering and design of the Project, and the preparation of plans and specifications to allow for the construction of the Project (collectively, the “Project Design”), and shall cause the Project to be designed consistent with water works industry standards and VID approved design standards for pipeline facilities, unless alternative standards are approved by the parties.

1.2 The Project Design shall relocate that portion of the Flume within and along the boundary of the Property to the subsurface of the alignment of the proposed public streets and proposed open space lots within the Property as generally depicted in Exhibit B hereto. The parties acknowledge that, as a result of the Project, VID will have the non-exclusive right to operate, maintain, repair and replace those portions of the Project both within the public street dedicated by Shea to the City of Escondido (the “Project Rights-of-Way”), and within those portions of the Property that shall remain in private ownership in order to connect to the existing



Flume (the “Project Easements”). In this regard, the parties mutually acknowledge and agree as follows:

1.2.1 Prior to execution of this Agreement, VID obtained the Project Rights-of-Way by means of statutory franchise rights to install, operate, maintain, repair and replace those portions of the Project within the public street within the Property when Shea dedicated the streets within the Property to the City of Escondido.

1.2.2 Prior to the execution of this Agreement, Shea has delivered to VID, and VID has accepted and caused the recordation of, the Project Easements.

1.3 In executing the Project Design, Shea shall produce each of the following “Project Design Deliverables” at no cost to VID:

- (a) a Preliminary Design report;
- (b) 50-percent, 90-percent, and 100-percent design review drawings;
- (c) draft technical specifications corresponding to the 90-percent and 100-percent review; and
- (d) the completed Project Design; and
- (e) total estimated cost of Project Construction based upon the Project Design (“Construction Cost Estimate”).

Shea shall deliver four hardcopy sets and one electronic (.pdf) set of each Project Design Deliverable, and VID shall review and provide comments on each Project Design Deliverable within fifteen calendar days of such delivery to VID, at no cost to Shea. Shea shall address VID’s comments on each Project Design Deliverable to VID’s reasonable satisfaction, which shall be reflected in subsequent Project Deliverables. VID shall review the completed Project Design to verify that it satisfactorily addresses VID’s comments and standards, upon which it shall approve the completed Project Design. Upon approval of the completed Project Design, Shea shall prepare and transmit to VID a signed and stamped set of original mylar Project Design drawings, and the complete electronic files (Microsoft Word for the technical specifications, and AutoCAD for the design drawings) for the completed and approved Project Design.

1.4 If at any point prior to the completion of the Project Design the parties have a substantive disagreement about how the Project should be designed or executed, the parties shall meet and confer in good faith to resolve such disagreement. If the parties are unable to resolve their disputes within thirty days of commencing such meeting, either party may, by notice to the other, terminate this Agreement. In such event, VID shall have no obligation to reimburse any portion of the Project Design costs incurred by Shea.

1.5 When the Project Design is complete, Shea shall turn over to VID all records and documents relating to the Project Design, which are otherwise not confidential or privileged as to Shea.

1.6 VID shall be responsible for preparing, processing and (if required) adopting or certifying environmental documentation for the purposes of complying with the California Environmental Quality Act (“CEQA”) in connection with the Project. If VID determines that the Project is exempt from CEQA, or qualifies for a negative declaration or mitigated negative declaration, VID shall be responsible for all costs thereof. If VID prepares an environmental impact report for CEQA compliance purposes, the parties shall share equally in the cost of the required environmental documentation and analysis, subject to Shea’s reasonable approval of those costs.

## **SECTION TWO: PROJECT CONSTRUCTION.**

2.1 VID, at no cost to Shea (except as set forth in Section Three below) and otherwise in accordance with this Agreement, shall enter into a contract (the “Construction Contract”) with a contractor (the “Contractor”) for the construction of the Project based upon the Project Design (the “Project Construction”) in accordance with applicable law, either as a result of a negotiation in accordance with Paragraph 2.1.1 below, or as a result of competitive bidding in accordance with Paragraph 2.1.2 below, or as VID in its discretion determines.

2.1.1 VID may, in its discretion, negotiate to enter into the Construction Contract directly with a licensed contractor, provided that the negotiated cost of the Project Construction does not exceed 115% of the Construction Cost Estimate.

2.1.2 In the event that VID is unable or chooses not to directly negotiate the Construction Contract in accordance with Paragraph 2.1.1 above, VID shall, at no cost to Shea, advertise for, receive, and evaluate bids for the Project Construction, based upon the approved Project Design, and thereafter provide written notice (“Bid Notice”) to Shea of the Project Construction bid evaluation and the Project Construction cost. Within fifteen calendar days of such Bid Notice, either party may, by notice to the other, terminate this Agreement only on the grounds that the lowest responsible bid received by VID for the Project Construction which is otherwise acceptable to VID is more than 115% of the Construction Cost Estimate (“Terminal Condition”). If the Terminal Condition exists and this Agreement is terminated, neither party shall have any obligation to reimburse the other party for any portion of the Project costs incurred to that point. If the Terminal Condition exists and neither party exercises its right to terminate the Agreement within such fifteen calendar day notice period, VID may award the Construction Contract to the lowest responsible bidder.

2.2 The Construction Contract with the Contractor shall include the following terms and provisions (collectively, the “Construction Contract Elements”):

2.2.1 The Contractor shall provide a labor and material bond and a performance bond, each in an amount not less than 100% of the estimated Project Construction costs, naming VID as obligee under each such bond.

2.2.2 The Contractor shall provide, at a minimum, Project Construction insurance coverage meeting the insurance requirements set forth in Exhibit C attached to this Agreement (“Insurance Requirements”).

2.2.3 The Contractor shall provide a one-year warranty to VID on the completed Project Construction, in an amount equal to 100% of the estimated Project Construction cost, with the warranty period commencing as of the date of VID's acceptance of construction of the Project pursuant to Paragraph 2.12 below. The Project Construction warranty may be documented as a separate bond, or incorporated into the performance bond that the Contractor is required to obtain pursuant to Paragraph 2.2.1 above.

2.2.4 The Contractor shall indemnify, defend and hold VID and Shea harmless from all actions, demands, liability, judgments, attorneys' fees, claims, damages, losses, expenses and other costs caused by or arising out of or relating to the Contractor's work at or relating to the Property ("Indemnification Provisions").

2.3 VID shall be solely responsible for ensuring that the Construction Contract Elements are included in the Construction Contract. To the extent that the Construction Contract conflicts with or does not include any Construction Contract Element ("Construction Contract Conflicting Terms"), VID shall indemnify, defend and hold Shea harmless from all claims, demands, causes of action, judgments, losses, liabilities, costs or other expenses caused in connection with any such Construction Contract Conflicting Term. Before signing the Construction Contract, VID shall deliver the proposed Construction Contract to Shea to confirm that the Construction Contract Elements have been embodied in the Construction Contract. In the event that Shea fails or neglects to provide VID written notice of any Construction Contract Conflicting Term within ten business days following the date on which VID delivered the Construction Agreement to Shea, the Construction Agreement shall be deemed to contain no Construction Contract Conflicting Terms.

2.4 VID shall, at no cost to Shea (except as set forth in Section Three below), solicit proposals for and enter into contracts with consultants for Project Construction-related services, including staking and survey, soils engineer and any necessary third party inspections (collectively, the "Project Construction Consultants"). Each contract with a Project Construction Consultant ("Consultant Contract") shall include, at a minimum, the Insurance Requirements and Indemnification Provisions ("Consultant Contract Elements").

2.5 VID shall be solely responsible for ensuring that the Consultant Contract Elements are included in each Consultant Contract. To the extent that the Consultant Contract conflicts with or does not include any Consultant Contract Element ("Consultant Contract Conflicting Terms"), VID shall indemnify, defend and hold Shea harmless from all claims, demands, causes of action, judgments, losses, liabilities, costs or other expenses caused in connection with any such Consultant Contract Conflicting Term. Before signing a Consultant Contract, VID shall deliver the proposed Consultant Contract to Shea to confirm that the Consultant Contract Elements have been embodied in the Consultant Contract. In the event that Shea fails or neglects to provide VID written notice of any Consultant Contract Conflicting Term within ten business days following the date on which VID delivered the applicable Consultant Contract to Shea, that Consultant Contract shall be deemed to contain no Consultant Contract Conflicting Terms.

2.6 The estimated date for completion of the Project Construction is January 1, 2017. Subject to timely satisfaction of the Commencement Conditions (as defined in Paragraph 2.8

below), VID shall use commercially reasonable efforts to ensure that Project Construction is completed (to the point where a valid notice of completion can be recorded) no later than that estimated date.

2.7 Shea shall, at no cost to VID, provide the following Project Construction accommodations and cooperation: reasonable cooperation with VID for the negotiation and/or solicitation of bids or proposals for award of contracts to the Contractor and Project Construction Consultants; reasonable access and construction staging area(s) for the Contractor in its execution of the Project; reasonable access for VID personnel and Project Construction Consultants during the duration of the Project; coordination between the Contractor and any other contractors or consultants retained by Shea; and other reasonable accommodations at no significant cost or expense to Shea as may arise from time to time in the course of the Project, all for the purposes of coordinating VID's Project with Shea's use of the Property.

2.8 The following shall have occurred as a condition to VID's obligation to commence Project Construction (together, the "Commencement Conditions"): (i) the alignment of the Project shall have been pre-graded to a street subgrade condition, and (ii) the transition paths to street subgrade condition where the Project Construction will connect to the existing Flume facilities shall have been pre-graded. VID and Shea shall coordinate the scheduling of such pre-grade activities to ensure that the Project Construction commences in a timely fashion.

2.9 VID shall, at no cost to Shea, provide inspection of the Project Construction to ensure compliance with the approved Project Design. If determined to be necessary by VID, VID shall retain as one of the Project Construction Consultants a third party inspector to assist with the inspections. Shea shall, at no cost to VID, provide oversight and management support to VID in overseeing the Contractor and the Project Construction Consultants during the construction of the Project.

2.10 VID shall provide written notice to Shea of any proposed Project Construction change orders. In the event that Shea transmits written notice of objection to any proposed change order, VID and Shea shall meet and confer in good faith within five calendar days of VID's receipt of Shea's notice of objection, in order to resolve any disputes regarding the proposed change order. In the event that the parties are unable to resolve the dispute, VID may issue the change order subject to Shea's objection, and the dispute regarding the change order shall be resolved in accordance with the dispute resolution provisions in Paragraph 5.5 of this Agreement.

2.11 VID shall be responsible, at no cost to Shea, for temporarily shutting down the Flume and suspending deliveries of water through the Flume to allow the connection of the newly constructed Project facilities to the Flume. VID shall coordinate with Shea regarding the scheduling of the Flume shutdown, in order to accommodate the construction activities of VID and Shea, and ensure the timely completion of construction of the Project.

2.12 Within a reasonable time following the completion of construction of the Project, VID's determination that the Project is constructed pursuant to the Project Design, and Shea's determination that the Property has not been damaged and is not in a condition of disrepair as a result of the Project Construction, VID shall formally accept construction of the Project and

thereafter close out the Construction Contract and each Consultant Contract. In connection with the acceptance of the Project Construction and the close out of the Construction Contract and each Consultant Contract, Shea shall, at its no cost to VID, prepare and transmit to VID “as-built” drawings of the completed Project.

2.13 Upon recordation of the notice of completion of the Project Construction, VID shall abandon its rights both in the Existing Flume Easement rendered unnecessary by the Project and in those portions of the Flume that were rendered unnecessary as a result of the Project, by delivering at no cost to Shea a quitclaim deed substantially in the form attached hereto as Exhibit D (the “Quitclaim Deed”). From and after the date that VID tenders the Quitclaim Deed to Shea, VID shall have no obligation to remove, maintain or otherwise be responsible for the former portion of the Flume within the Property, nor shall VID be liable for any condition or state of affairs within the confines of the former Existing Flume Easement. Upon VID’s delivery of the Quitclaim Deed, VID shall provide Shea with the right to remove, destroy and/or fill the portions of the former Flume within and adjacent to the Property. Shea may thereafter cause the former portion of the Flume within and adjacent to the Property to be removed, destroyed or filled. From and after the day that VID delivers the Quitclaim Deed to Shea, Shea shall be responsible for the former portion of the Flume located within the Property, and shall indemnify and hold VID, its officers, directors, employees and representatives harmless from and against any damage or injury to third parties relating to or caused by Shea’s handling, removal or dissembling of, or Shea’s failure to remove, destroy and/or fill, the former portion of the Flume located within the Property.

2.14 VID shall maintain all records and documents relating to the Project Construction for a period of four years from and after the date of this Agreement. Shea shall have the right, during normal business hours and upon reasonable notice to VID, to review and inspect such Project Construction records and documents.

2.15 VID shall indemnify, defend and hold Shea harmless from all claims, demands, causes of action, judgments, losses, liabilities, costs or other expenses caused in connection with entry onto the Property by VID, Contractor, any consultant under a Consultant Contract, and VID’s other agents, contractors, consultants, employees and personnel involved in the Project. Shea makes no representation or warranty regarding the condition of the Property, and VID disclaims any such warranty or representation.

### **SECTION THREE: PAYMENT OF PROJECT COSTS.**

3.1 VID shall be solely responsible for administering the Construction Contract, making progress payments, obtaining stop notice releases and recording a valid notice of completion. Prior to VID’s making a payment on any invoice relating to the Construction Contract or the Consultant Contract, VID shall first delivery a copy of the invoice to Shea for its review and approval. During the period beginning on the day Shea actually receives a copy of the invoice and ending at 5:00 pm (California time) on the fifth (5th) business day thereafter (“Invoice Review Period”), Shea will have the right, but not the obligation, to review and approve the invoice in question. If Shea challenges or disapproves the invoice, VID shall cooperate to reasonably resolve Shea’s objections. If Shea fails to respond by the expiration of the Invoice Review Period, Shea will be deemed to have approved the invoice in question. Shea

may also approve the invoice before the expiration of the Invoice Review Period. VID may not pay any invoice until it has been approved by Shea. Notwithstanding the foregoing, Shea's approval of any invoice shall not operate as, or be deemed to operate, a waiver of any of Shea's rights hereunder or otherwise, or otherwise limit or waive Shea's right to disapprove the Project Accounting in accordance with Paragraph 3.3 below. Upon VID's making each progress payment to the Contractor, and each payment to a Project Construction Consultant, VID shall transmit copies of such payments, and their corresponding invoices, to Shea.

3.2 Except as otherwise provided in this Agreement, Shea shall reimburse VID for the costs of the Project Construction, comprising the payments made to the Contractor, all Project Construction Consultants, and the cost of the Project Permits (defined in Paragraph 4.2 below) (collectively, the "Shared Project Costs"), in accordance with this Agreement.

3.3 Upon acceptance of the Project Construction, VID shall prepare an accounting of the Shared Project Costs (the "Project Accounting") and transmit a copy of the Project Accounting to Shea for its review. In the event that Shea does not disapprove the Project Accounting within ten days of its receipt, the Project Accounting shall be deemed approved. If Shea timely delivers a notice of disapproval of the Project Accounting, the parties shall meet and confer in good faith to resolve Shea's objections. If the parties are unable to resolve their disputes within twenty days of Shea's written notice of disapproval of the Project Accounting, Shea shall make payment to VID in accordance with Paragraph 3.4, below for that portion of the Shared Project Costs that are not dispute, and any dispute(s) regarding the Project Accounting or the Shared Project Costs shall be resolved in accordance with the dispute resolution provisions in Paragraph 5.5 of this Agreement.

3.4 Within thirty days following VID's award of the Construction Contract, Shea shall transmit the sum of \$800,000 in cash, or in Contributed Materials (defined below) as set forth in Paragraph 3.4.3 below, or any combination of cash and Contributed Materials, to VID as a deposit for Shea's portion of the Shared Project Costs. The Shared Project Costs shall be allocated to each party in accordance with the following formula:

3.4.1 With respect to all Shared Project Costs up to \$1,400,000.00, Shea shall first reimburse VID for all Shared Project Costs up to \$800,000.00 in cash, or in Contributed Materials as set forth in Paragraph 3.4.3 below, or any combination of cash and Contributed Materials, after which VID shall pay all remaining Shared Project Costs up to \$1,400,000.00.

3.4.2 In the event that the Shared Project Costs exceed \$1,400,000.00 (such amount of the Shared Project Costs that exceeds \$1,400,000.00 is hereinafter referred to as the "Excess Project Costs"), then VID shall pay one-half of the Excess Project Costs and Shea shall reimburse VID for one-half of the Excess Project Costs.

3.4.3 In lieu of Shea transmitting to VID the total sum of \$800,000 in cash as its deposit for Shea's portion of the Shared Project Costs, Shea may furnish to VID Project-related materials (e.g., pipe, valves) of a type, size, quantity and value specified in the Project Design Deliverables and Project Design ("Contributed Materials"), and with a delivery date mutually acceptable to Shea and VID; and the agreed-upon value of such Contributed Materials furnished

by Shea to VID shall be a credited against the \$800,000 to be transmitted by Shea to VID as a deposit for Shea's portion of the Shared Project Costs.

3.4.4 Shea and VID understand that any Contributed Materials will be furnished by Shea based on the Project Design Deliverables and Project Design, and that Shea is not responsible for the manufacturing of the Contributed Materials. In light of Shea's role as the party merely ordering and coordinating for the delivery of any Contributed Materials, VID hereby acknowledges and recognizes that Shea will have no liability or responsibility with respect to Contributed Materials furnished by Shea. Accordingly, the parties agree that any Contributed Materials will be furnished by Shea and accepted by VID on the following basis: any Contributed Materials are furnished on an "as is, where is, with all faults" basis with no representations or warranties whatsoever, express or implied, all with respect to Shea only; VID disclaims any warranties, express or implied, with respect to any Contributed Materials and with respect to Shea only; VID agrees that Shea shall have no liability or responsibility whatsoever with respect to any Contributed Materials; except for disputes relating to the value of any Contributed Materials furnished by Shea, if any, VID agrees not to bring any claim, action or other proceeding against Shea with respect to the Contributed Materials. Shea shall transfer to VID, on a non-exclusive basis, all industry standard manufacturers' warranties covering the Contributed Materials.

#### **SECTION FOUR: LEGAL RELATIONS AND RESPONSIBILITIES.**

4.1 Each party shall keep itself informed of all existing and future state and federal laws, and all county and municipal ordinances and regulations which in any manner affect that party's performance under this Agreement. VID and Shea shall at all times observe and comply with all such laws, ordinances and regulations, and shall be responsible for the compliance of all work and services performed by or on that party's behalf with such laws, ordinances and regulations.

4.2 Subject to cost sharing pursuant to Paragraph 3 above, each party shall obtain all licenses, permits and approvals that may be required by law for the performance of that party's obligations under this Agreement (collectively, the "Project Permits").

4.3 VID and Shea shall each perform this Agreement as independent contractors relative to each other. No agency, partnership, joint venture or other relationship is intended hereby, and neither party shall be deemed the agent, servant, employee, partner or joint venturer of the other party. VID and Shea shall not, in any way or for any reason be deemed to have become a partner of the other in the conduct of its business or otherwise, or a joint venturer. In addition, by virtue of this Agreement, there shall not be deemed to have occurred a merger or any joint enterprise between VID and Shea.

4.4 The time periods specified in this Agreement for performance shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of VID or Shea, if the delaying party shall, within ten days of the commencement of such delay, notify the other party in writing of the causes of the delay.

4.5 No officer, official, employee, agent, representative or volunteer of VID shall be personally liable to Shea, or any successor in interest, in the event of any default or breach by VID, or for any amount which may become due to Shea or its successor, or for breach of any obligation of any term of this Agreement.

4.6 No officer, official, employee, agent or representative of Shea shall be personally liable to VID, or any successor in interest, in the event of any default or breach by Shea, or for any amount which may become due to VID or its successor, or for breach of any obligation of any term of this Agreement.

4.7 No officer, official, employee, agent, representative or volunteer of VID shall have any financial interest, direct or indirect, in this Agreement, or participate in any decision relating to this Agreement which affects his or her financial interest or the financial interest of any corporation, partnership, or association in which he or she is interested, in violation of any federal, state or VID statute, ordinance or regulation.

4.8 To the extent permitted by law, VID shall indemnify, defend and hold harmless Shea, together with its officers, directors, employees and representatives, from and against any and all claims, demands, causes of action, judgments, losses, liabilities, costs or other expenses caused by VID's breach of this Agreement or VID's negligent performance of this Agreement or any negligent act or omission by VID undertaken in the performance of this Agreement; provided, however, that VID shall not be required to indemnify or hold Shea harmless from any incidental, consequential or punitive damages.

4.9 To the extent permitted by law, Shea shall indemnify, defend and hold harmless VID, together with its officers, directors, employees and representatives, from and against any and all claims, demands, causes of action, judgments, losses, liabilities, costs or other expenses caused by Shea's breach of this Agreement or Shea's negligent performance of this Agreement or any negligent act or omission by Shea undertaken in the performance of this Agreement; provided, however, that Shea shall not be required to indemnify or hold VID harmless from any incidental, consequential or punitive damages.

**SECTION FIVE: MISCELLANEOUS.**

5.1 Notices. Any notice, instrument, payment or document required to be given or delivered under this Agreement shall be given or delivered by personal delivery or by depositing the same in the United States mail depository, first-class postage prepaid, and addressed as follows:

If to VID: Vista Irrigation District  
1391 Engineer Street  
Vista, CA 92081-8836  
Attn: General Manager

If to Shea: Shea Homes Limited Partnership  
9990 Mesa Rim Road, #200  
San Diego, CA 92121  
Attn: Mr. John Vance



or such other address or person as either party by direct in writing to the other. Service of any instrument or document given by mail shall be deemed complete upon receipt if delivered personally or by registered or certified mail, return receipt requested, or 48 hours after deposit of such instrument or document in a United States mail depository, first-class postage prepaid and addressed as set forth hereinabove.

5.2 Successors and Assigns. All of the terms, conditions, and provisions of this Agreement shall inure to the benefit of, and be binding upon, VID, Shea, and their respective successors and assigns.

5.3 No Implied Waivers. In the event that any term, condition or provision of this Agreement shall be breached by a party hereto and thereafter waived by the other party, such waiver shall be limited to the specific breach so waived, and shall not be deemed either to be a continual waiver or to waive any other breach hereunder.

5.4 Construction of Agreement. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply. The headings of sections and paragraphs of this Agreement are for convenience and reference only, and shall not be construed to limit or extend the meaning of the terms, covenants and conditions of this Agreement.

5.5 Resolution of Dispute. Any dispute arising under this Agreement, including, without limitation, all disputes resulting in any manner in the performance or enforcement of this Agreement, shall be resolved in accordance with this Paragraph.

5.5.1 In the event of any dispute between the parties relating to this Agreement, the parties agree that before resorting to arbitration as described below, they shall within ten days after the request of either party agree upon a qualified professional with experience in the subject matter of the dispute (the "Mediator"), to act as a mediator to help mediate and settle the dispute within a period of thirty (30) days after appointment. The Mediator shall meet with and hear presentations by the parties within ten days after appointment. Within twenty days after appointment, the Mediator shall make a non-binding decision based upon the presentations of the parties with respect thereto. Each party shall be required to file and serve a mediation brief stating its position with the mediator and the other party no later than two (2) business days prior to the mediation. Each party shall be represented by an individual with settlement authority. The parties covenant that they will participate in the mediation in good faith. The Mediator shall owe a professional duty to both parties, and shall be barred from testifying in any litigation or arbitration concerning any information obtained or disclosed in the course of the mediation. The Mediator's decision shall not be binding on either party. If a party wishes to reject or appeal the Mediator's decision, or if the parties fail to agree upon a Mediator within the specified period, or if the Mediator does not meet with the parties or render a non-binding decision within the specified time periods, then in any such case either party may proceed to binding arbitration described below.

5.5.2 If the dispute cannot be resolved to the satisfaction of both parties by mediation, the dispute shall be resolved by binding arbitration in the County of San Diego,

California, submitted to Judicial Arbitration and Mediation Services (“JAMS”) and pursuant to the rules of JAMS (the “Rules”).

5.5.3 Arbitration shall be initiated as provided by the Rules, although the written notice to the other party initiating arbitration shall also include a description of the claim(s) asserted and the facts upon which the claim(s) are based.

5.5.4 Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all claims subject hereto, including any award of reasonable attorney’s fees and costs. A party may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award.

5.5.5 All disputes shall be decided by a single arbitrator. The arbitrator shall be selected by mutual agreement of the parties within thirty days of the effective date of the notice initiating the arbitration. If the parties cannot agree on an arbitrator, then the complaining party shall notify JAMS and request selection of an arbitrator in accordance with the Rules.

5.5.6 The arbitrator shall have only such authority to award equitable relief, damages, costs, and fees as a court would have for the particular claim(s) asserted. In no event shall the arbitrator award punitive damages of any kind.

5.5.7 The parties acknowledge that one of the purposes of utilizing arbitration is to avoid lengthy and expensive discovery and allow for prompt resolution of the dispute. The arbitrator shall have the power to limit or deny a request for documents or a deposition if the arbitrator determines that the request exceeds those matters which are directly relevant to the claims in controversy. The document demand and response shall conform to Code of Civil Procedure section 1282.6. The deposition notice shall conform to Code of Civil Procedure section 1283. The parties may make a motion for protective order or motion to compel before the arbitrator with regard to the discovery, as provided in Code of Civil Procedure.

5.5.8 Notwithstanding the election by the parties to arbitrate their disputes, nothing contained herein shall prevent a party from filing an action in a court of competent jurisdiction to seek any form of equitable remedy or relief.

5.6 Legal Actions. Any legal action concerning a dispute, claim or matter arising out of or in relation to this Agreement, including enforcement of Paragraph 5.5 above, shall be instituted and maintained in state or federal court in the County of San Diego, California.

5.7 Attorneys’ Fees. In any action between the parties hereto seeking enforcement or interpretation of any of the terms or provisions of this Agreement, including enforcement of Paragraph 5.5 above, the party prevailing in the final judgment in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to have and recover from the other party its reasonable costs and expenses, including but not limited to reasonable attorneys’ fees, expert witness fees and court costs.

5.8 Execution of Agreement. The person(s) executing this Agreement on behalf of the parties hereto warrant that: (a) such party is duly organized and existing, (b) such person(s) are duly authorized to executed and deliver this Agreement on behalf of that party, (c) by so

executing this Agreement, such party is formally bound to the provisions of this Agreement, and (d) the entering into this Agreement does not violate any provision of any other agreement to which that party is bound.

5.9 Integration and Amendment. This Agreement represents the entire understanding of VID and Shea as to those matters contained herein, and no prior oral or written understanding shall be of any force or effect with respect to those matters covered by this Agreement. This Agreement shall be governed by the laws of the State of California and construed as if drafted by both VID and Shea. This Agreement may not be modified, altered or amended except by a written instrument signed by both parties hereto.

5.10 Time of the Essence. Time is of the essence of each provision of this Agreement for which a date for performance is specified.

5.11 Further Assurances. Each party to this Agreement, for itself and its successors and assigns, agrees to take such additional actions and execute such additional instruments as may be reasonably requested by the other party in order to give effect to the transaction contemplated hereby.

5.12 No Third Party Beneficiaries. This Agreement and each and every provision hereof are for the exclusive benefit of the parties hereto and not for the benefit of any third party.

5.13 "Days". Unless otherwise stated, all references to "days" shall mean calendar days.

5.14 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**VISTA IRRIGATION DISTRICT**

By: \_\_\_\_\_  
Richard Vasquez, President

By: \_\_\_\_\_  
Roy A. Coox, General Manager

**SHEA HOMES LIMITED  
PARTNERSHIP, a California limited  
partnership**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

## EXHIBIT A

### Legal Description of the Property

Real property in the City of Escondido, County of San Diego, State of California, described as follows:

PARCEL ONE: (APN NOS.: 224-100-57-00 AND 224-100-58-00)

PARCELS 1 AND 2 OF PARCEL MAP NO. 17583, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, SEPTEMBER 8, 1995 AS FILE NO. 1995-0401168 OF OFFICIAL RECORDS.

PARCEL TWO:

AN EASEMENT FOR SEWER MAIN CONSTRUCTION AND MAINTENANCE OVER THAT PORTION OF LOTS C, G AND M OF ESCONDIDO TRACT NO. 640-R, ACCORDING TO MAP NO. 12176, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, RECORDED AUGUST 31, 1988, IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, SAID PORTION BEING A STRIP OF LAND 15.00 FEET IN WIDTH, THE SIDELINES OF SAID STRIP LYING 7.50 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE INTERSECTION OF ROSADA GLEN AND LORETO GLEN; THENCE ALONG THE CENTERLINE OF LORETO GLEN SOUTH 50° 03' 10" WEST, 16.00 FEET; THENCE LEAVING SAID CENTERLINE NORTH 39° 56' 50" WEST, 7.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 50° 03' 10" EAST, 162.36 FEET TO THE BEGINNING OF A TANGENT 207.50 FOOT RADIUS CURVE CONCAVE SOUTHERLY; THENCE ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 39° 18' 11" A DISTANCE OF 142.34 FEET TO A POINT ON SAID CURVE THROUGH WHICH A RADIAL LINE BEARS NORTH 0° 38' 39" WEST; THENCE LEAVING SAID CURVE NORTH 0° 38' 39" WEST, 34.82 FEET; THENCE NORTH 56° 11' 27" EAST, 105.00 FEET; THENCE NORTH 47° 39' 25" EAST, 151.33 FEET; THENCE NORTH 62° 36' 08" EAST, 156.33 FEET TO A POINT LYING 7.50 FEET FROM THE NORTHERLY BOUNDARY OF SAID ESCONDIDO TRACT 640-R; THENCE PARALLEL TO AND 7.50 FEET DISTANT THEREFROM MEASURED AT RIGHT ANGLES, NORTH 13° 43' 13" EAST, 88.12 FEET; THENCE NORTH 56° 11' 27" EAST, 59.44 FEET TO A POINT ON A 406.00 FOOT RADIUS CURVE SAID CURVE BEING THE WESTERLY SIDELINE OF THAT 62.00 FOOT RIGHT-OF-WAY KNOWN AS VISTA VERDE DRIVE AS SHOWN ON SAID ESCONDIDO TRACT NO. 640-R, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 87° 56' 31" WEST, SAID POINT ALSO BEING THE TERMINUS OF SAID EASEMENT.

THE SIDELINES OF SAID EASEMENT SHALL TERMINATE WESTERLY AT A LINE WHICH BEARS NORTH 33° 48' 33" WEST, THROUGH SAID TRUE POINT OF

BEGINNING AND EASTERLY AT THE WESTERLY RIGHT-OF-WAY LINE OF SAID VISTA VERDE DRIVE.

PARCEL THREE: (APN NO.: 224-100-83-00)

PARCEL B, AS SHOWN ON CERTIFICATE OF COMPLIANCE/ BOUNDARY ADJUSTMENT SUB09- 0013 AS EVIDENCED BY DOCUMENT RECORDED APRIL 05, 2011 AS INSTRUMENT NO. 2011-0176094 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 3, IN TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, LYING SOUTHERLY AND WESTERLY OF THE FOLLOWING DESCRIBED LINE; A PORTION OF SAID LINE BEING THE NORTHEASTERLY SIDELINE OF THE 30.00 FOOT EASEMENT IN DEED TO THE VISTA IRRIGATION DISTRICT RECORDED IN BOOK 1129, PAGE 248, OCTOBER 02, 1925;

COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER;  
THENCE ALONG THE EAST LINE OF SAID SECTION 3 SOUTH 00° 29' 13" EAST 1310.83 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER;  
THENCE ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER NORTH 89° 05' 06" WEST 83.33 FEET;  
THENCE LEAVING SAID SOUTH LINE NORTH 04° 32' 39" EAST 358.58 FEET TO A POINT ON THE NORTHERLY SIDELINE OF SAID 30.00 EASEMENT;  
THENCE WESTWARDLY ALONG SAID NORTHERLY SIDELINE FOR THE FOLLOWING THREE (3) COURSES:  
THENCE NORTH 41° 58' 13" WEST 96.62 FEET TO THE BEGINNING OF A 40.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;  
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 78° 57' 00" AN ARC DISTANCE OF 55.12 FEET;  
THENCE SOUTH 59° 04' 47" WEST 618.00 FEET;  
THENCE LEAVING SAID NORTHERLY SIDELINE SOUTH 24° 11' 37" EAST 120.86 FEET TO THE TRUE POINT OF BEGINNING;  
THENCE RETRACING THE LAST COURSE NORTH 24° 11' 37" WEST 120.86 FEET TO SAID NORTHERLY SIDELINE AND THE BEGINNING OF A 10.00 FOOT RADIUS CURVE, CONCAVE NORTHERLY, A RADIAL LINE TO SAID POINT BEARS SOUTH 30° 55' 13" EAST;  
THENCE WESTWARDLY ALONG SAID NORTHERLY SIDELINE FOR THE FOLLOWING SIX (6) COURSES:  
THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 59° 05' 00" AN ARC DISTANCE OF 10.31 FEET;  
THENCE NORTH 61° 50' 13" WEST 210.00 FEET TO THE BEGINNING OF A 215.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY;  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 05° 24' 00" AN ARC DISTANCE OF 20.26 FEET;

THENCE NORTH 67° 14' 13" WEST 209.50 FEET TO THE BEGINNING OF A 85.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY;  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 13° 29' 30" AN ARC DISTANCE OF 20.00 FEET;  
THENCE NORTH 53° 45' 13" WEST 233.01 FEET TO THE WEST LINE OF SAID SOUTHEAST QUARTER AND THE POINT OF TERMINATION. SAID POINT HEREINAFTER REFERRED TO AS POINT 'A'.

TOGETHER WITH PARCEL 3 ACCORDING TO PARCEL MAP THEREOF NO. 17583, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF SAID COUNTY, SEPTEMBER 08, 1995, OFFICIAL RECORDS;

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 3 LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE; SAID LINE BEING THE NORTHEASTERLY SIDELINE OF THE 50.00 FOOT EASEMENT IN DEED TO THE VISTA IRRIGATION DISTRICT RECORDED IN BOOK 137, PAGE 105, OCTOBER 13, 1925;

COMMENCING AT SAID POINT 'A';  
THENCE ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER AND THE EAST LINE OF SAID PARCEL 3, NORTH 00° 29' 12" WEST 12.48 FEET TO A POINT ON THE NORTHERLY SIDELINE OF SAID 50.00 FOOT EASEMENT AND THE TRUE POINT OF BEGINNING;  
THENCE LEAVING SAID WEST LINE NORTHWESTWARDLY ALONG SAID NORTHERLY SIDELINE FOR THE FOLLOWING TWENTY EIGHT (28) COURSES:

THENCE NORTH 53° 45' 13" WEST 101.34 FEET TO THE BEGINNING OF A 25.00 RADIUS CURVE, CONCAVE NORTHEASTERLY,  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22° 21' 00" AN ARC DISTANCE OF 9.75 FEET;  
THENCE NORTH 31° 24' 13" WEST 67.70 FEET TO THE BEGINNING OF A 175.00 CURVE, CONCAVE NORTHEASTERLY;  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11° 20' 00" AN ARC DISTANCE OF 34.62 FEET;  
THENCE NORTH 20° 04' 13" WEST 51.60 FEET TO THE BEGINNING OF A 25.00 FOOT RADIUS CURVE, CONCAVE EASTERLY;  
THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 24° 24' 00" AN ARC DISTANCE OF 10.65 FEET;  
THENCE NORTH 04° 19' 47" EAST 107.10 FEET TO THE BEGINNING OF A 125.00 FOOT RADIUS CURVE, CONCAVE WESTERLY;  
THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19° 41' 00" AN ARC DISTANCE OF 42.94 FEET;  
THENCE NORTH 15° 21' 13" WEST 33.20 FEET;  
THENCE NORTH 28° 25' 47" EAST 80.20 FEET TO THE BEGINNING OF A 50.00 FOOT RADIUS CURVE, CONCAVE SOUTHWESTERLY;

THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 114° 23' 00" AN ARC DISTANCE OF 99.82 FEET;  
THENCE NORTH 85° 57' 13" WEST 147.70 FEET TO THE BEGINNING OF A 125.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;  
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 17° 48' 00" AN ARC DISTANCE OF 38.83 FEET;  
THENCE SOUTH 76° 14' 47" WEST 20.10 FEET;  
THENCE NORTH 71° 58' 13" WEST 26.40 FEET TO THE BEGINNING OF A 75.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;  
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 23° 40' 00" AN ARC DISTANCE OF 30.98 FEET;  
THENCE SOUTH 84° 21' 47" WEST 47.30 FEET TO THE BEGINNING OF A 25.00 FOOT RADIUS CURVE, CONCAVE NORTHERLY;  
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 36° 47' 00" AN ARC DISTANCE OF 16.05 FEET;  
THENCE NORTH 58° 51' 13" WEST 93.70 FEET TO THE BEGINNING OF A 25.00 FOOT RADIUS CURVE, CONCAVE NORTHEASTERLY;  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 32° 27' 00" AN ARC DISTANCE OF 14.16 FEET;  
THENCE NORTH 26° 24' 13" WEST 94.50 FEET TO THE BEGINNING OF A 75.00 FOOT RADIUS CURVE, CONCAVE EASTERLY;  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12° 22' 00" AN ARC DISTANCE OF 16.19 FEET;  
THENCE NORTH 14° 02' 13" WEST 58.50 FEET TO THE BEGINNING OF A 50.00 RADIUS CURVE, CONCAVE SOUTHWESTERLY;  
THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 94° 34' 00" AN ARC DISTANCE OF 82.52 FEET;  
THENCE SOUTH 71° 23' 47" WEST 12.30 FEET;  
THENCE NORTH 60° 35' 13" WEST 37.00 FEET;  
THENCE NORTH 22° 48' 13" WEST 34.40 FEET;  
THENCE NORTH 04° 19' 47" EAST 23.15 FEET TO THE NORTHERLY LINE OF SAID PARCEL 3 AND THE POINT OF TERMINATION.

ALSO EXCEPTING THEREFROM THE PROPERTY DESCRIBED IN EXHIBIT "A" OF IRREVOCABLE OFFER TO DEDICATE REAL PROPERTY RECORDED APRIL 16, 2013 AS INSTRUMENT NO. 2013- 0237438 OF OFFICIAL RECORDS, WHICH WAS SUBSEQUENTLY ACCEPTED BY THE CITY OF ESCONDIDO BY A CERTIFICATE OF ACCEPTANCE RECORDED NOVEMBER 7, 2013 AS INSTRUMENT NO. 2013-0664556 OF OFFICIAL RECORDS.

PARCEL FOUR: (APN NO.: 224-100-82-00)

PARCEL C, AS SHOWN ON CERTIFICATE OF COMPLIANCE/BOUNDARY ADJUSTMENT SUB 09- 0013 AS EVIDENCED BY DOCUMENT RECORDED APRIL 05, 2011 AS INSTRUMENT NO. 2011- 176095 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:



ALL OF PARCEL 4 ACCORDING TO PARCEL MAP THEREOF OF NO. 17583, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF SAID COUNTY, SEPTEMBER 08, 1995, OFFICIAL RECORDS;

TOGETHER WITH THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 3, IN TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA ACCORDING TO THE OFFICIAL PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER;  
THENCE ALONG THE EAST LINE OF SAID SECTION 3 SOUTH  $00^{\circ} 29' 13''$  EAST 1310.83 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHEAST QUARTER;  
THENCE ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER NORTH  $89^{\circ} 05' 06''$  WEST 83.33 FEET AND THE TRUE POINT OF BEGINNING;  
THENCE LEAVING SAID SOUTH LINE NORTH  $04^{\circ} 32' 39''$  EAST 358.58 FEET TO A POINT ON THE NORTHERLY SIDELINE OF SAID 30.00 EASEMENT;  
THENCE WESTWARDLY ALONG SAID NORTHERLY SIDELINE FOR THE FOLLOWING THREE (3) COURSES:  
THENCE NORTH  $41^{\circ} 58' 13''$  WEST 96.62 FEET TO THE BEGINNING OF A 40.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY;  
THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF  $78^{\circ} 57' 00''$  AN ARC DISTANCE OF 55.12 FEET;  
THENCE SOUTH  $59^{\circ} 04' 47''$  WEST 618.00 FEET;  
THENCE LEAVING SAID NORTHERLY SIDELINE SOUTH  $24^{\circ} 11' 37''$  EAST 120.86 FEET TO THE SOUTH LINE OF SAID SOUTHEAST QUARTER, SAID POINT ALSO BEING THE NORTHWEST CORNER OF SAID PARCEL 4;  
THENCE ALONG SAID SOUTH LINE SOUTH  $89^{\circ} 05' 06''$  EAST 567.21 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE PROPERTY DESCRIBED IN EXHIBIT "A" OF IRREVOCABLE OFFER TO DEDICATE REAL PROPERTY RECORDED APRIL 16, 2013 AS INSTRUMENT NO. 2013-0237438 OF OFFICIAL RECORDS, WHICH WAS SUBSEQUENTLY ACCEPTED BY THE CITY OF ESCONDIDO BY A CERTIFICATE OF ACCEPTANCE RECORDED NOVEMBER 7, 2013 AS INSTRUMENT NO. 2013-0664556 OF OFFICIAL RECORDS.

**EXHIBIT B**

**General Depiction of Flume Relocation**

# EXHIBIT "B"

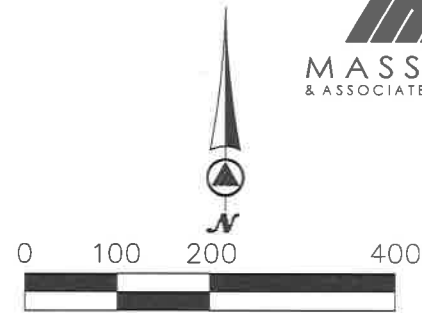
224-100-81

SUBDIVISION BOUNDARY

Planning ▲ Engineering ▲ Surveying  
Solved.  
200 E. Washington Ave., Suite 200  
Escandido, CA 92025  
O. 760.741.3570  
F. 760.741.1786  
www.masson-assoc.com

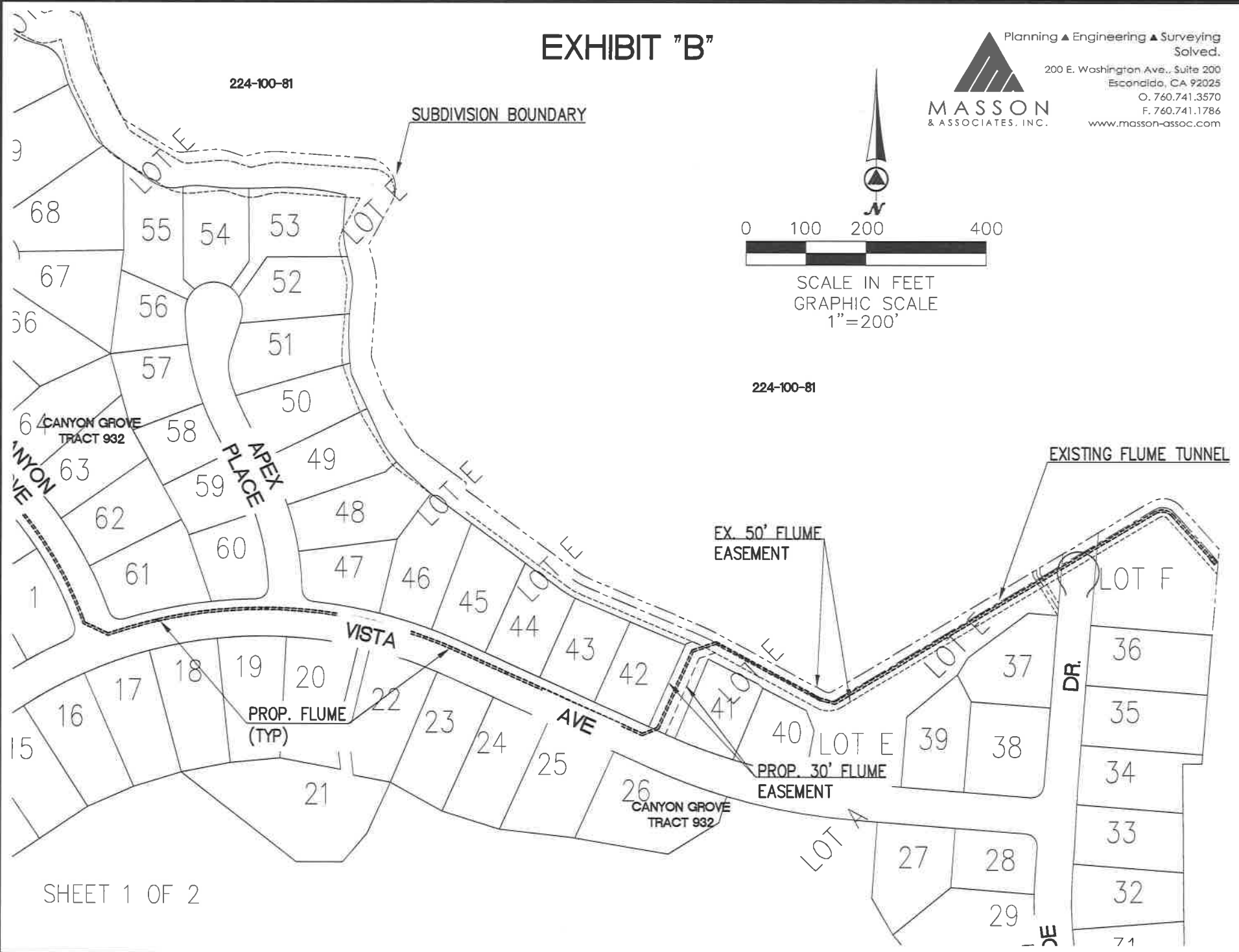


**MASSON**  
& ASSOCIATES, INC.



SCALE IN FEET  
GRAPHIC SCALE  
1"=200'

224-100-81



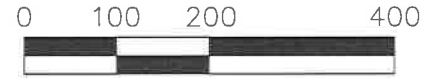
224-100-27

# EXHIBIT "B"

224-100-79

Planning ▲ Engineering ▲ Surveying  
Solved.

200 E. Washington Ave., Suite 200  
Escondido, CA 92025  
O. 760.741.3570  
F. 760.741.1786  
www.masson-assoc.com

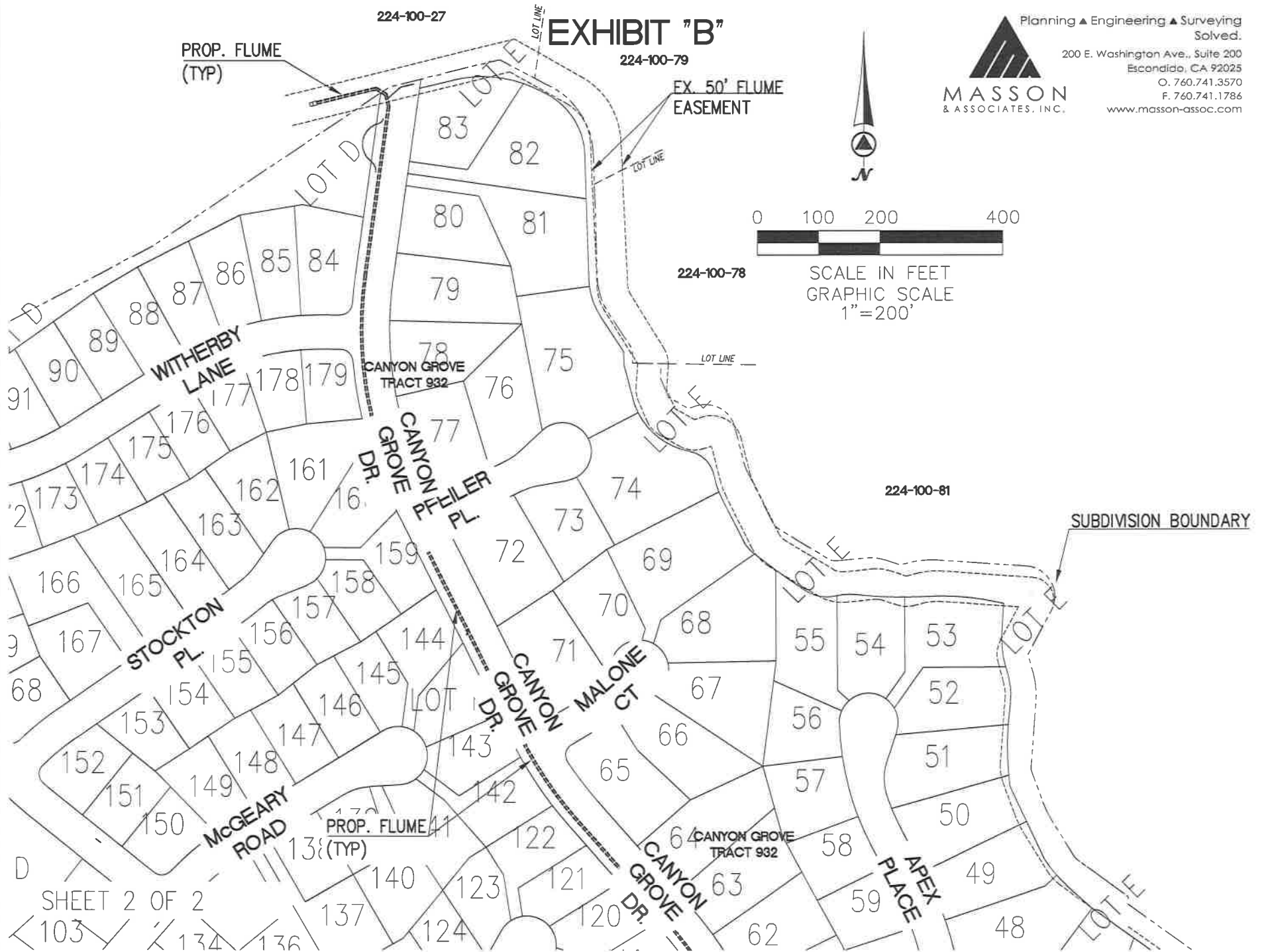



224-100-78

SCALE IN FEET  
GRAPHIC SCALE  
1"=200'

224-100-81

SUBDIVISION BOUNDARY



## EXHIBIT C

### INSURANCE REQUIREMENTS—CONSTRUCTION CONTRACT

The Construction Contract must contain the following minimum insurance requirements, evidence of which must be delivered to Shea prior to any work at the Property.

**1.1 Worker's Compensation Insurance.** Worker's Compensation shall include coverage under the U.S. Longshoremen's and Harborworker's Act, if applicable and must contain endorsements providing (i) a waiver of subrogation in favor of Shea and VID and (ii) thirty (30) days written notice to Shea and VID in the event of cancellation of coverage, except for non-payment of premiums, for which notice may be ten (10) days. The Worker's Compensation insurance must be in the form and amount required by applicable statute.

**1.2 Employer's Liability Insurance.** Employers' Liability insurance with minimum limits required as follows: (i) \$ 1,000,000 - Each accident; and (ii) \$1,000,000 - Each Employee for injury by disease.

**1.3 Commercial General Liability Insurance.** Commercial General Liability ("**CGL**") insurance written on the most current ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract) with a limit of not less than:

- (a) \$1,000,000 - Each Occurrence
- (b) \$2,000,000 - General Aggregate

Shea and VID shall be included as an insured under the CGL, using ISO additional insured endorsement CG 2010 or a substitute providing equivalent coverage (with no limitation on coverage for the additional insured under the Products-Completed Operations Hazard). This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Shea or VID. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rate, the policy shall be endorsed to be primary with respect to the additional insured. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract.

Contractor shall waive all rights against Shea and VID and their respective agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the CGL insurance maintained pursuant to the Construction Contract. Insurer shall endorse the CGL policy as required in this Section to waive subrogation against Shea and VID with respect to any loss paid under the policy.

**1.3 Business Auto Liability Insurance.** Business Auto Liability Insurance of not less than \$1,000,000 each accident. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos). Coverage shall be written on ISO form CA 0001, CA 0005, CA 0020 or a substitute form providing equivalent liability coverage.

**1.4 Additional Insurance.** If VID deems it necessary or appropriate in light of the work, VID may require Contractor to procure and maintain other additional insurance, as specified in the Construction Contract.

**1.5 Insurance Requirements and Limitations.**

(a) All insurance specified in the Construction Contract to be furnished by Contractor must be issued by a company or companies, which maintain a full profile rating from AM Best of at least A-VIII unless expressly modified in writing by Shea or VID.

(b) Contractor must maintain all of the above insurance coverage in force until final completion of work, or earlier cancellation or termination of the Construction Contract.

(c) If Contractor fails to purchase or maintain the insurance herein specified, VID and Shea will have the right, but not the obligation, to purchase such insurance on Contractor's behalf and at Contractor's cost. Contractor must deliver all information required to facilitate VID's or Shea's purchase. If Contractor's insurance does not comply with the above requirements, VID and Shea will have the right to charge Contractor any additional premium charged by VID's or Shea's insurer.

(d) The use of self-insured retentions or deductibles in excess of \$10,000 for any of the coverages required by this Exhibit E will not be allowed unless specifically approved by Shea and VID in advance and in writing. Contractor is fully responsible for payment of any self-insured retentions or deductibles, regardless of their amount.

(e) The insurance requirements set forth herein do not limit Contractor's obligations under or the Construction Contract. The requirements simply represent the minimum amounts of insurance coverage required to be maintained by Contractor. Any failure by VID or Shea to enforce any of these provisions in a timely manner will not act as a waiver to enforcement of any of the provisions at a later date.

**INSURANCE REQUIREMENTS—CONSULTANT CONTRACT**

Each Consultant Construct must contain the following minimum insurance requirements, evidence of which must be delivered to Shea prior to the performance of any service related to the Project any work at the Property.

**2.1 Worker's Compensation and Employer's Liability Insurance.** Worker's Compensation shall include coverage under the U.S. Longshoremen's and Harborworker's Act, if applicable. The Worker's Compensation insurance must be in the form and amount required by applicable statute. The Employers' Liability minimum limits required are as follows:

- (a) \$1,000,000 - Each accident
- (b) \$1,000,000 - Each Employee for injury by disease

The Worker's Compensation policy must contain endorsements providing (i) a waiver of subrogation in favor of Shea and VID, and (ii) thirty (30) days written notice to Shea and VID in the event of cancellation of coverage, except for non-payment of premiums, for which notice may be ten (10) days.

**2.2 Commercial General Liability Insurance.** Commercial General Liability (“*CGL*”) insurance written on the most current ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract) with a limit of not less than:

- (a) \$1,000,000 - Each Occurrence
- (b) \$2,000,000 - General Aggregate

Shea and VID shall each be included as an insured under the CGL, using ISO additional insured endorsement CG 2010 or a substitute providing equivalent coverage (with no limitation on coverage for the additional insured under the Products-Completed Operations Hazard). This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Shea or VID. There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rate, the policy shall be endorsed to be primary with respect to the additional insured. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract.

Consultant shall waive all rights against Shea and VID, and each of their respective agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the CGL insurance maintained pursuant to the Construction Contract. Insurer shall endorse the CGL policy as required in this Section to waive subrogation against Shea and VID with respect to any loss paid under the policy.

**2.3 Professional Liability Insurance.** Professional Liability Insurance shall be in the amount of not less than \$2,000,000 per claim, \$2,000,000 in the aggregate, covering the negligent acts, errors, or omissions of Consultant in connection with the performance of Consultant's services. Such insurance shall be maintained with an insurance company authorized to do business in the State of California and reasonably acceptable to VID and Shea. The certificate of insurance evidencing coverage shall provide that at least thirty (30) days prior written notice will be given to VID and Shea in the event of cancellation, except for non-payment of premium, for which notice must be ten (10) days.

**2.4 Business Auto Liability Insurance.** Business Auto Liability Insurance of not less than \$1,000,000 each accident. Such insurance shall cover liability arising out of any auto (including owned, hired, and nonowned autos). Coverage shall be written on ISO form CA 0001, CA 0005, CA 0020 or a substitute form providing equivalent liability coverage.

**2.5 Additional Insurance.** Other insurance, in an amount as specified by Shea or VID.

**2.6 Insurance Requirements and Limitations.**

(a) Certificates and endorsements in a form reasonably acceptable to VID and Shea demonstrating compliance with the above requirements (or at VID or Shea's request, certified copies of the actual policies) must be delivered to VID and Shea before Consultant performs any services.

(b) All insurance specified herein or in contract documents to be furnished by Consultant must be issued by a company or companies, which maintain a full profile rating from AM Best of at least A-VIII unless expressly modified in writing by VID and Shea.

(c) Consultant must maintain all of the above insurance coverage in force until final completion of services, or earlier cancellation of the Consultant Contract, except that the Professional Liability insurance must be maintained for a period of three years after said date, and if written on a claims made basis must be retroactive to the date services were first rendered under the Consultant Contract.

(d) If Consultant fails to purchase or maintain the insurance herein specified, VID or Shea will have the right, but not the obligation, to purchase such insurance on Consultant's behalf and at Consultant's cost. Consultant must deliver all information required to facilitate VID or Shea's purchase. If Consultant's insurance does not comply with the above requirements, VID or Shea will have the right to charge Consultant any additional premium charged by VID or Shea's insurer.

(e) The use of self-insured retentions or deductibles for professional liability coverage in excess of \$50,000 or self-insured retentions or deductibles in excess of \$10,000 for all other coverage required by this Exhibit E will not be allowed unless specifically approved by VID and Shea in advance and in writing. Consultant is fully responsible for payment of any self-insured retentions or deductibles, regardless of their amount.

(f) The insurance requirements set forth herein will not limit Consultant's obligations under the Consultant Contract. The requirements simply represent the minimum amounts of insurance coverage required to be maintained by Consultant. Any failure by VID or Shea to enforce any of these provisions in a timely manner will not act as a waiver to enforcement of any of the provisions at a later date.



**EXHIBIT D**

**Form of Quitclaim Deed**

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED RETURN TO:

Vista Irrigation District  
1391 Engineer Street  
Vista, CA 92081-8836  
Parcel No. \_\_\_\_\_

\_\_\_\_\_  
Vista Irrigation District

This Quitclaim Deed is recorded at the request and for the benefit of the Vista Irrigation District, a governmental district, and is exempt from the payment of a recording fee pursuant to Government Code Section 6103.

---

---

**QUITCLAIM DEED AND BILL OF SALE (▶ )**

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which is hereby acknowledged,

VISTA IRRIGATION DISTRICT, a governmental district formed and operating under the Irrigation District Law, California Water Code Section 20500, *et seq.* ("**VID**"), does hereby REMISE, RELEASE AND QUITCLAIM any right, title and interest to SHEA HOMES LIMITED PARTNERSHIP, a California limited partnership ("**Grantee**"), a portion of an interest in real property, being that certain Specific Easement No. ▶ \_\_\_\_\_ granted by ▶ \_\_\_\_\_ to VID by Deed recorded ▶ \_\_\_\_\_ in Book ▶ \_\_\_\_\_, Page ▶ \_\_\_\_\_ as Document No. ▶ \_\_\_\_\_ of Deeds ("**Easement**"), to the extent that the Easement affects, burdens, covers or relates to the parcel of real property more particularly described in Exhibit "A" to this Deed, and delineated in Exhibit "B", which description by this reference is incorporated herein and made a part hereof as though set forth at length herein (the "**Property**").

FOR FURTHER VALUABLE CONSIDERATION, the receipt and adequacy of which is also hereby acknowledged, VID further irrevocably transfers, conveys and grants to Grantee any and all personal property and fixtures, including but not limited to pipelines, valves, facilities, incidental appurtenances, connections and structures within, on or under the Easement (the "**Pipeline**"). It is understood and agreed that, on or after the date this instrument is recorded in the Official Records of San Diego County ("**Recording Date**"), VID shall be under no obligation to remove, maintain or otherwise be responsible for the Pipeline or any other personal property or fixtures located within, on or under the Easement, nor shall VID be in any way liable for any condition or state of affairs within the confines of its former easement(s) quitclaimed to Grantee by this instrument. All property and fixtures of VID within the Easement quitclaimed hereby to Grantee shall become the property and responsibility of Grantee.

It is the intent of this instrument that VID abandon to Grantee the Easement, and Pipeline by quitclaiming and transferring to Grantee all of VID's property interests and ownership of all improvements and fixtures within the Easement. Grantee is willing to assume all obligations of and responsibility for the Easement, the Property and the Pipeline, in consideration for VID quitclaiming the Easement and clearing title to the Property by means of this instrument. Accordingly:

1. **Release:** Grantee, on behalf of itself, its successors and assigns, hereby releases and forever discharges VID and its directors, officers, employees, attorneys, consultants, representatives, successors and assigns (collectively, the "**VID-Related Parties**") of and from any and all actions, claims, demands, judgments, attorneys' fees, costs, damages to person or property, penalties, obligations, expenses or liabilities of any kind, whether known

or unknown as of the Recording Date, in any way arising out of or in connection with Grantee's transfer of the Easement or Pipeline to Grantee, for any damage or injury that may be caused by the Easement or Pipeline or for Grantee's use of the Easement or Pipeline, or directly or indirectly from any state or condition of the Easement, Property or Pipeline, or any part thereof. In this regard, Grantee acknowledges that it is familiar with the provisions of California Civil Code Section 1542 which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Grantee, being aware of Civil Code Section 1542, hereby expressly waives any rights it may have under that statute, as well as under any other statutes or common law principles of similar effect, with respect to the claims released herein.

2. **Indemnification:** Except for VID's or any VID-Related Party's gross negligence or willful misconduct, neither VID nor any VID-Related Party shall be liable for any loss, damage or injury whatsoever to the person or property of any person or entity whatsoever, including but not limited to Grantee or any employee, agent, contractor, guest or invitee of Grantee, in any way resulting from or arising out of VID's transfer of the Easement or the Pipeline to Grantee, or Grantee's use of the Easement, Property or Pipeline, or directly or indirectly from any state or condition of the Easement, Property or Pipeline. In connection therewith, Except for VID's or any VID-Related Party's gross negligence or willful misconduct, Grantee shall indemnify, defend and hold VID and each of the VID-Related Parties harmless from and against any and all actions, claims, demands, judgments, attorneys' fees, costs, damages to person or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, Grantee or any employee, agent, contractor, guest or invitee of Grantee) in any way arising out of or in connection with VID's transfer of the Easement or Pipeline to Grantee, Grantee's use of the Easement or Pipeline, or directly or indirectly from any state or condition of the Easement or Pipeline, or any part thereof, whether or not there is concurrent passive or active negligence on the part of VID or any VID-Related Party. In connection therewith, if Grantee is obligated to indemnify, defend and hold VID and each of the VID-Related Parties harmless pursuant to the preceding sentence: (a) Grantee shall defend any action(s) or proceeding(s) filed in connection with any of said claims, damages, penalties, obligations or liabilities and shall pay all costs and expenses, including attorneys' fees, incurred in connection therewith; (b) Grantee shall promptly pay any judgment or decree rendered against VID or any VID-Related Party covering such claims, damages, penalties, obligations or liabilities, and Grantee shall save and hold VID and all VID-Related Parties harmless therefrom; and (c) in the event VID or any VID-Related Party is made a party to any action or proceeding filed or prosecuted for such damages, penalties, obligations, or liabilities, Grantee shall pay to VID any and all costs and expenses incurred by VID in such action or proceeding, together with reasonable attorneys' fees. Notwithstanding anything in this Section 2 to the contrary, nothing in this Section 2 shall limit any obligations owed by VID to Grantee pursuant to that certain unrecorded Flume Relocation Reimbursement Agreement between VID and Grantee.

This instrument shall be binding upon and inure to the benefit of VID, Grantee, and their respective successors and assigns.

IN WITNESS WHEREOF, this Instrument has been executed as of \_\_\_\_\_.

**VISTA IRRIGATION DISTRICT ("VID")**

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
("Grantee")

By: \_\_\_\_\_

**MUST BE NOTARIZED  
(ATTACH SEPARATE ACKNOWLEDGEMENT)**

**PRELIMINARY ENVIRONMENTAL ASSESSMENT**

VISTA IRRIGATION DISTRICT  
1391 ENGINEER STREET  
Vista, CA 92081-8836

Name of Project: Vista Flume Relocation Project (Project)

Location: The Project is located in the City of Escondido, in the northern San Diego County. The project area is east of Interstate 15 and north of El Norte Parkway, at the terminus of Vista Verda Way. The project is in an unsectioned portion of Township 12 South, Range 2 West, on the U.S. Geologic Survey 7.5 Valley Center quadrangle.

Description: The Project will replace and/or relocate approximately 3,900 feet of the Vista Flume, including Little Tunnel, Baumgartner Bench, Baumgartner Siphon and a portion of Daley Bench. These flume segments will either be replaced within Vista Avenue and Canyon Grove Drive public street right-of-ways or VID public right-of-ways, in coordination with the Hidden Valley Project, City of Escondido Tract 932.

Entity or Person Undertaking Project:

A. Vista Irrigation District

B. Other: \_\_\_\_\_

1. Name: \_\_\_\_\_

2. Address: 1391 Engineer Street, Vista, CA 92081

Staff Determination:

The District's staff, having undertaken and completed a preliminary review of this project in accordance with the District's resolution entitled "Local Guidelines of the Vista Irrigation District Implementing the California Environmental Quality Act" has concluded that this project does not require further environmental assessment because:

1. The proposed action does not constitute a project within the meaning of Section 27 {14CCR §15378 (a)(b)(c)(d)}.

2. The project is a Ministerial Project under Section 4 {14CCR §15268 a)(b)(c)(d) §15369}.

3. The project is an Emergency Project under Section 31 {14CCR §15269(a)(b)(c)(d)(e) §15359}.

4. The project constitutes a feasibility or planning study under Section 32 {14CCR §15262}.

5. The project is Categorically Exempt under Section 39 {14CCR §15300 to §15332}.

Applicable Exemption Class and Section Number: \_\_\_\_\_

6. The project is exempt by Statutory Exemption {14CCR §15260 to §15285}.

Applicable State Code Number: §15282(k)

7. The project involves another public agency which constitutes the lead agency.

Name of Lead Agency \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

1/11/16  
\_\_\_\_\_  
Date

RETURN TO:  
Brian Smith  
Director of Engineering  
Vista Irrigation District  
1391 Engineer Street  
Vista, CA 92081-8836

**NOTICE OF EXEMPTION**

(State Guidelines §15062)

County Clerk's Filing Stamp

**TO:** County Clerk  
County of San Diego  
P.O Box 121750  
San Diego, CA 92112-1750

**FROM:** Vista Irrigation District  
1391 Engineer Street  
Vista, CA 92081-8836

**Project Name:** Vista Flume Relocation Project

**Project Location (specific):** The Vista Flume Relocation Project (Project) is located in the City of Escondido, in the northern San Diego County. The project area is east of Interstate 15 and north of El Norte Parkway, at the terminus of Vista Verda Way. The project is in an unsectioned portion of Township 12 South, Range 2 West, on the U.S. Geologic Survey 7.5 Valley Center quadrangle. A location map is attached.

**Project Location (City/ies):** Escondido (County): San Diego

**Description of Nature, Purpose and Beneficiaries of Project:** Vista Irrigation District (VID) owns and operates the Vista Flume and Siphon system, which is a 90-year old potable water transmission facility that transmits water from the Escondido/Vista Water Filtration Plant (EVWFP) to VID's service area. The flume and siphon system is a combination of gravity and pressurized facilities which extend for a distance of 11.25 miles from the EVWFP to the Pechstein Reservoir within 30 to 50 foot wide VID right-of-ways.

The Project will replace and/or relocate approximately 3,900 feet of the Vista Flume, including Little Tunnel, Baumgartner Bench, Baumgartner Siphon and a portion of Daley Bench. These flume segments will either be replaced within Vista Avenue and Canyon Grove Drive public street right-of-ways or VID public right-of-ways, in coordination with the Hidden Valley Project, City of Escondido Tract 932.

**Name of Public Agency Approving Project:** Vista Irrigation District

**Name of Person or Agency Carrying Out Project:** Vista Irrigation District

---

The \_\_\_ General Manager \_\_\_ Director of Engineering X Board of Directors approved the above described project on \_\_\_\_\_, and found that the project is exempt from the provisions of the California Environmental Quality Act, as amended.

**Exempt Status:** (check one)

- Ministerial (Sec. 21080(b)(1); §15268);
- Declared Emergency (Sec. 21080(b)(3); §15269(a));
- Emergency Project (Sec. 21080(b)(4); §15269(b)(c));
- Categorical Exemption. Class and section number: (Class 1; §15301 and Class 2; §15302)
- Statutory Exemptions. State code number: (Sec. 21080.21; §15282(k))

**Reasons why project is exempt:** The Vista Flume is an existing facility. The Project comprises the relocation of approximately 3,900 feet of this facility (i.e., less than one mile in length) into public street rights-of-way or VID rights-of-way, in coordination with the Hidden Valley Project residential development.

The proposed project is exempt from CEQA based on its conformity with Public Resources Code Section 21080.21 and §15282(k) of the CEQA Guidelines. This exemption consists of the installation of new pipeline or maintenance, repair, replacement, restoration, removal, or demolition of an existing pipeline as set forth in Section 21080.21 of the Public Resources Code, as long as the project does not exceed one mile in length.

Lead Agency Contact Person: Brian Smith Area Code/Telephone /Extension: (760) 597-3113

**If filed by applicant:** N/A

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project: Yes\_\_\_ No\_\_\_

Submission of this form is optional. Local agencies may file this form with the county clerk pursuant to Public Resources Code Section 21152(b). The filing of the notice starts a 35-day statute of limitations on court challenges to the approval of the project under Public Resources Code Section 21167(d). Failure to file the notice results in the statute of limitations being extended to 180 days.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ Title: \_\_\_\_\_

- Signed by Lead Agency
- Signed by Applicant



## STAFF REPORT

**Board Meeting Date:** June 22, 2016  
**Prepared By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

**SUBJECT:** WATER SUPPLY RESPONSE PROGRAM LEVEL CHANGE

**RECOMMENDATION:** Adopt Resolution No. 16-XX declaring an end to Level 2 of the Water Supply Response Program.

**PRIOR BOARD ACTION:**

- 8/6/14 Adopted Resolution No. 14-19 declaring a Water Supply Response Program Level 2 – Water Conservation Condition. Mandatory water conservation measures implemented August 16, 2014.
- 5/27/15 Approved remaining at Water Supply Response Program Level 2 – Water Conservation Condition. Stricter mandatory water conservation measures were implemented June 6, 2015.

**FISCAL IMPACT:** The fiscal impact will vary based on customers’ water consumption levels.

**SUMMARY:** After four years of drought statewide, water supply conditions have improved as the result of increased snow and rainfall in northern California, lessening supply reliability concerns throughout much of the state. As a result, on May 9, 2016, the Governor issued an Executive Order, which in part, directed the State Water Resources Control Board (State Board) to make adjustments to the emergency water conservation regulation in recognition of differing water supply conditions across the state. Effective June 1, 2016, the revised emergency regulations allow individual water agencies (or regions as a whole) to replace mandated conservation standards with a supply based approach.

Based on the new formula, a water supplier’s conservation standard for June 2016 through January 2017 is the difference between the amount of projected supplies available after three additional dry years (like the ones experienced in 2012 through 2015) and the average demand during 2013 and 2014. No minimum conservation standard is required for agencies or regions that can self-certify that projected supplies will meet demands. A zero conservation standard allows the District to move from Level 2 to Level 1 of its Water Supply Response Program.

**DETAILED REPORT:** The San Diego County Water Authority (Water Authority) and all of its member agencies have agreed to take a regional approach to certify water supply sufficiency. Calculations show that Water Authority supplies (from Colorado River water conservation-and-transfer agreements, Claude “Bud” Lewis Carlsbad Desalination Plant and Metropolitan) combined with member agency local supplies and supplemented by Water Authority stored water supplies would be more than sufficient to meet demands for all Water Authority member agencies, even after three additional years of drought. Based on this calculation, the aggregated conservation standard is zero. Supporting documentation (for this calculation) is due to the State Board by June 22, 2016.

The District has been at a Water Supply Response Program Level 2 since August 6, 2014. The District implemented stricter water conservation measures (e.g. limiting landscape watering two assigned days per week, limiting irrigation run times to 10 minutes per station per assigned day, etc.) on June 6, 2015 to assist it in meeting its state mandated conservation standard, currently set at 12 percent. For the twelve months ended May 31, 2016, district customers have achieved a cumulative water use reduction of 19 percent compared to 2013.

The District's Water Supply Response Program states that the District may declare a Level 2 under the following conditions: 1) when the Water Authority notifies its member agencies that a consumer demand reduction is required in order to have sufficient supplies to meet anticipated demands; 2) when a consumer demand reduction is required by a regulatory agency; or 3) when other conditions exist that require a consumer demand reduction. With the Metropolitan Water District of Southern California and the Water Authority rescinding their respective water supply allocations and the State Board removing the mandated conservation standard, no conditions exist that would require the District to remain at Level 2. Therefore, staff is recommending that the District declare an end to Level 2 of its Water Supply Response Program, reverting to the mandatory water-use efficiency practices and water conservation measures set forth in Level 1.

The Procedures for Determination and Notification of Level of Action section of the Water Supply Response Program requires the Board to adopt a resolution declaring an end to a Level of Action. Staff has prepared Resolution No. 16-XX declaring an end to Level 2. The declaration of an end to Level 2 automatically moves the District to Level 1 (refer to Section 8 (a) of the Water Supply Response Program).

Notification of the end of the Level 2, along with replacement measures and conditions as adopted by the Board, will be provided in a news release and on the District's website. Additionally, staff plans to use a customer newsletter, flyers in the lobby and other outreach methods to inform customers of changes in the level and applicable water-use efficiency practices.

ATTACHMENTS:

- Emergency Regulations – May 18, 2016
- Water Supply Response Program
- Resolution No. 16-XX



# ADOPTED TEXT OF EMERGENCY REGULATION

## Article 22.5. Drought Emergency Water Conservation.

### Sec. 863. Findings of Drought Emergency.

(a) The State Water Resources Control Board finds as follows:

(1) On January 17, 2014, the Governor issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions;

(2) On April 25, 2014, the Governor issued a proclamation of a continued state of emergency under the California Emergency Services Act based on continued drought conditions;

(3) On April 1, 2015, the Governor issued an Executive Order that, in part, directs the State Board to impose restrictions on water suppliers to achieve a statewide 25 percent reduction in potable urban usage through February, 2016; require commercial, industrial, and institutional users to implement water efficiency measures; prohibit irrigation with potable water of ornamental turf in public street medians; and prohibit irrigation with potable water outside newly constructed homes and buildings that is not delivered by drip or microspray systems;

(4) On November 13, 2015, the Governor issued an Executive Order that directs the State Board to, if drought conditions persist through January 2016, extend until October 31, 2016 restrictions to achieve a statewide reduction in potable usage;

(5) On May 9, 2016, the Governor issued an Executive Order that directs the State Board to adjust and extend its emergency water conservation regulations through the end of January 2017 in recognition of the differing water supply conditions for many communities;

~~(56)~~ The drought conditions that formed the basis of the Governor's emergency proclamations continue to exist; and

~~(67)~~ The drought conditions will likely continue for the foreseeable future and additional action by both the State Water Resources Control Board and local water suppliers will likely be necessary to prevent waste and unreasonable use of water and to further promote conservation.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 102, 104, 105, and 275, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

### Sec. 864. End-User Requirements in Promotion of Water Conservation.

(a) To prevent the waste and unreasonable use of water and to promote water conservation, each of the following actions is prohibited, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency:

(1) The application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;

(2) The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use;

(3) The application of potable water to driveways and sidewalks;

(4) The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system;

(5) The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall;

(6) The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased;

(7) The irrigation with potable water of ornamental turf on public street medians; and

(8) The irrigation with potable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.

(b) To promote water conservation, operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom using clear and easily understood language.

(c) ~~Immediately upon~~ Upon this subdivision taking effect, all commercial, industrial and institutional properties that use a water supply, any portion of which is from a source other than a water supplier subject to section 864.5 or 865 of this article, shall either:

(1) Limit outdoor irrigation of ornamental landscapes or turf with potable water to no more than two days per week; or

(2) Target potable water use reductions commensurate with those required of the nearest urban water supplier under section 864.5 or, if applicable, section 865. Where this option is chosen, these properties shall implement the reductions on or before July 1, 2016.

~~(2) Reduce potable water usage supplied by sources other than a water supplier by 25 percent for the months of June 2015 through October 2016 as compared to the amount used from those sources for the same months in 2013.~~

(d) The taking of any action prohibited in subdivision (a) or (e), or the failure to take any action required in subdivision (b) or (c), is an infraction punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs. The fine for the infraction is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(e)(1) To prevent the waste and unreasonable use of water and to promote water conservation, any homeowners' association or community service organization or similar entity is prohibited from:

(A) Taking or threatening to take any action to enforce any provision of the governing documents or architectural or landscaping guidelines or policies of a common interest development where that provision is void or unenforceable under section 4735, subdivision (a) of the Civil Code; or

(B) Imposing or threatening to impose a fine, assessment, or other monetary penalty against any owner of a separate interest for reducing or eliminating the watering of vegetation or lawns during a declared drought emergency, as described in section 4735, subdivision (c) of the Civil Code.

(2) As used in this subdivision:

(A) "Architectural or landscaping guidelines or policies" includes any formal or informal rules other than the governing documents of a common interest development.

(B) "Homeowners' association" means an "association" as defined in section 4080 of the Civil Code.

(C) "Common interest development" has the same meaning as in section 4100 of the Civil Code.

(D) "Community service organization or similar entity" has the same meaning as in section 4110 of the Civil Code.

(E) "Governing documents" has the same meaning as in section 4150 of the Civil Code.

(F) "Separate interest" has the same meaning as in section 4185 of the Civil Code.

(3) If a disciplinary proceeding or other proceeding to enforce a rule in violation of subdivision (e)(1) is initiated, each day the proceeding remains pending shall constitute a separate violation of this regulation.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 4080, 4100, 4110, 4150, 4185, and 4735, Civil Code; Sections 102, 104, 105, 275, 350, and 10617, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

#### Sec. 864.5. Self-Certification of Supply Reliability for Three Additional Years of Drought.

(a) To prevent the waste and unreasonable use of water and to meet the requirements of the Governor's May 9, 2016 Executive Order, each urban water supplier shall:

(1) Identify and report no later than June 22, 2016, on a form provided by the Board, the conservation standard that the supplier will be required to meet under this section;

(2) Identify and report no later than June 22, 2016, on a form provided by the Board, the data and underlying analysis relied upon by the supplier to determine the conservation standard reported pursuant to this subdivision including, but not limited to identification of each source of supply the supplier intends to rely on and the quantity of water available under that source of supply given the assumptions of this section;

(3) Certify, no later than June 22, 2016, that the conservation standard reported pursuant to this subdivision is based on the information and assumptions identified in this section;

(4) Post, within two weeks of submittal to the board, the data and underlying analysis relied upon by the supplier to determine the conservation standard reported pursuant to this subdivision to a publicly-accessible webpage; and

(5) Beginning June 1, 2016, reduce its total potable water production by the percentage identified as its conservation standard in this section each month, compared to the amount used in the same month in 2013.

(b) Each urban water supplier's conservation standard pursuant to this section shall be the percentage by which the supplier's total potable water supply is insufficient to meet the total potable water demand in the third year after this section takes effect under the following assumptions:

(1) The next three years' precipitation is the same as it was in water years 2013-2015;

(2) No temporary change orders that increase the availability of water to any urban water supplier are issued in the next three years;

(3) The supplier's total potable water demand for each of the next three years will be the supplier's average annual total potable water production for the years 2013 and 2014;

(4) The supplier's total potable water supply shall include only water sources of supply available to the supplier that could be used for potable drinking water purposes;

(5) Each urban water supplier's conservation standard shall be calculated as a percentage and rounded to the nearest whole percentage point.

(c) The Board will reject conservation standards that do not meet the requirements of this section.

(d) Beginning June 1, 2016, each urban water supplier shall comply with the conservation standard it identifies and reports pursuant to this section.

(e) Compliance with the conservation standard reported pursuant to this section shall be measured monthly and assessed on a cumulative basis through January 2017.

(f) If a wholesaler and all of its urban water supplier customers agree, in a legally-binding document, those suppliers and wholesaler may submit to the board, in lieu of the individualized self-certified conservation standard applicable pursuant to section 864.5 or section 865, an aggregated conservation standard, with all supporting documentation required for individualized self-certified conservation standards by section 864.5.

(g) Each urban water wholesaler shall calculate, to the best of its ability, and no later than June 15, 2016, the volume of water that it expects it would deliver to each urban water supplier in each of the next three years under the assumptions identified in subdivision (b), and post that calculation, and the underlying analysis, to a publicly-accessible webpage.

(h) Submitting any information pursuant to this section that the person who submits the information knows or should have known is materially false is a violation of this regulation, punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(i) Any urban water supplier that does not comply with this section shall comply with the applicable conservation standard identified in section 865.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 102, 104, 105, 275, 350, 1846, 10617 and 10632, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

#### Sec. 865. Mandatory Actions by Water Suppliers.

(a) As used in this ~~section~~article:

(1) “Distributor of a public water supply” has the same meaning as under section 350 of the Water Code, except it does not refer to such distributors when they are functioning solely in a wholesale capacity, but does apply to distributors when they are functioning in a retail capacity.

(2) “R-GPCD” means residential gallons per capita per day.

(3) “Total potable water production” means all potable water that enters into a water supplier’s distribution system, excluding water placed into storage and not withdrawn for use during the reporting period, or water exported outside the supplier’s service area.

(4) “Urban water supplier” means a supplier that meets the definition set forth in Water Code section 10617, except it does not refer to suppliers when they are functioning solely in a wholesale capacity, but does apply to suppliers when they are functioning in a retail capacity.

(5) “Urban water wholesaler” means a wholesaler of water to more than one urban water supplier.

(6) “Water year” means the period from October 1 through the following September 30. Where a water year is designated by year number, the designation is by the calendar year number in which the water year ends.

(b) In furtherance of the promotion of water conservation each urban water supplier shall:

(1) Provide prompt notice to a customer whenever the supplier obtains information that indicates that a leak may exist within the end-user’s exclusive control.

(2) Prepare and submit to the State Water Resources Control Board by the 15th of each month a monitoring report on forms provided by the Board. The monitoring report shall include the amount of potable water the urban water supplier produced, including water provided by a wholesaler, in the preceding calendar month and shall compare that amount to the amount produced in the same calendar month in 2013. The monitoring report shall specify the population served by the urban water supplier, the percentage of water produced that is used for the residential sector, descriptive statistics on water conservation compliance and enforcement efforts, the number of days that outdoor irrigation is allowed, and monthly commercial, industrial and institutional sector use. The monitoring report shall also estimate the gallons of water per person per day used by the residential customers it serves.

(c)(1) To prevent the waste and unreasonable use of water and to meet the requirements of the Governor’s ~~November 13, 2015~~May 9, 2016 Executive Order, each urban water supplier that fails to identify a conservation standard as required under section 864.5, or that has a conservation standard rejected by the Board under section

864.5, shall reduce its total potable water production by the percentage identified as its conservation standard in this ~~subdivision~~section. Each urban water supplier's conservation standard considers its service area's relative per capita water usage.

~~(2) Each urban water supplier whose source of supply does not include groundwater or water imported from outside the hydrologic region in which the water supplier is located, and that has a minimum of four years' reserved supply available, may submit to the Executive Director for approval a request that, in lieu of the reduction that would otherwise be required under paragraphs (3) through (10), the urban water supplier shall reduce its total potable water production by 4 percent for each month as compared to the amount used in the same month in 2013. Any such request shall be accompanied by information showing that the supplier's sources of supply do not include groundwater or water imported from outside the hydrologic region and that the supplier has a minimum of four years' reserved supply available.~~

~~(3) Each urban water supplier whose average July-September 2014 R-GPCD was less than 65 shall reduce its total potable water production by 8 percent for each month as compared to the amount used in the same month in 2013.~~

~~(4) Each urban water supplier whose average July-September 2014 R-GPCD was 65 or more but less than 80 shall reduce its total potable water production by 12 percent for each month as compared to the amount used in the same month in 2013.~~

~~(5) Each urban water supplier whose average July-September 2014 R-GPCD was 80 or more but less than 95 shall reduce its total potable water production by 16 percent for each month as compared to the amount used in the same month in 2013.~~

~~(6) Each urban water supplier whose average July-September 2014 R-GPCD was 95 or more but less than 110 shall reduce its total potable water production by 20 percent for each month as compared to the amount used in the same month in 2013.~~

~~(7) Each urban water supplier whose average July-September 2014 R-GPCD was 110 or more but less than 130 shall reduce its total potable water production by 24 percent for each month as compared to the amount used in the same month in 2013.~~

~~(8) Each urban water supplier whose average July-September 2014 R-GPCD was 130 or more but less than 170 shall reduce its total potable water production by 28 percent for each month as compared to the amount used in the same month in 2013.~~

~~(9) Each urban water supplier whose average July-September 2014 R-GPCD was 170 or more but less than 215 shall reduce its total potable water production by 32 percent for each month as compared to the amount used in the same month in 2013.~~

~~(10) Each urban water supplier whose average July-September 2014 R-GPCD was 215 or more shall reduce its total potable water production by 36 percent for each month as compared to the amount used in the same month in 2013.~~

(d)(1) Beginning June 1, 2015, each urban water supplier that does not submit a self-certification in compliance with section 864.5 shall comply with the conservation standard specified in subdivision (c), with any modifications to the conservation standard pursuant to subdivision (f) applying beginning March 1, 2016.

(2) Compliance with the requirements of this subdivision shall be measured monthly and assessed on a cumulative basis through ~~October 2016~~January 2017.

(e)(1) Each urban water supplier that provides potable water for commercial agricultural use meeting the definition of Government Code section 51201, subdivision (b), may subtract the amount of water provided for commercial agricultural use from its

potable water production total, provided that any urban water supplier that subtracts any water provided for commercial agricultural use from its total potable water production shall:

(A) Impose reductions determined locally appropriate by the urban water supplier, after considering the applicable urban water supplier conservation standard specified in subdivision (c), for commercial agricultural users meeting the definition of Government Code section 51201, subdivision (b) served by the supplier;

(B) Report its total potable water production pursuant to subdivision (b)(2) of this section, the total amount of water supplied for commercial agricultural use, and shall identify the reduction imposed on its commercial agricultural users and each recipient of potable water for commercial agricultural use;

(C) Certify that the agricultural uses it serves meet the definition of Government Code section 51201, subdivision (b); and

(D) Comply with the Agricultural Water Management Plan requirement of paragraph 12 of the April 1, 2015 Executive Order for all commercial agricultural water served by the supplier that is subtracted from its total potable water production.

(2) Submitting any information pursuant to subdivision (e)(1)(B) or (C) of this section that is found to be materially false by the Board is a violation of this regulation, punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(f) In consideration of the differences in climate affecting different parts of the state, growth experienced by urban areas and significant investments that have been made by some suppliers towards creating new, local, drought-resilient sources of potable water supply, an urban water supplier's conservation standard identified in subdivision (c) shall be reduced by an amount, not to exceed eight (8) percentage points total, as follows:

(1) For an urban water supplier whose service area evapotranspiration (ET<sub>o</sub>) for the months of July through September exceeds the statewide average evapotranspiration, as determined by the Board, for the same months by five (5) percent or more, the supplier's conservation standard identified in subdivision (c) shall be reduced:

(A) By two (2) percentage points if the supplier's service area evapotranspiration exceeds the statewide average by five (5) percent or more but less than ten (10) percent;

(B) By three (3) percentage points if the supplier's service area evapotranspiration exceeds the statewide average by ten (10) percent or more but less than twenty (20) percent;

(C) By four (4) percentage points if the supplier's service area evapotranspiration exceeds the statewide average by twenty (20) percent or more.

(D) Statewide average evapotranspiration is calculated as the arithmetic mean of all urban water suppliers' service area default evapotranspiration values for the months of July through September. Default service area evapotranspiration will be based on the California Irrigation Management System (CIMIS) ET<sub>o</sub> Zones Map zone for which the supplier's service area has the greatest area of overlap. In lieu of applying its default service area evapotranspiration, a supplier may use specific data from CIMIS stations within its service area that have at least a five-year period of record, or a three year continuous period of record, to identify a more specifically-applicable evapotranspiration

for its service area. If no CIMIS station exists within the supplier's service area, a weather station of comparable accuracy, meeting the preceding period of record requirements, may be used. To qualify for the in-lieu climate adjustment, the supplier shall submit the following data to the Board by March 15, 2016 for each station: station ID; station location; and monthly average evapotranspiration, in inches per month, for July, August, and September for either the five-year period of record or the three-year continuous period of record.

(2) To account for water efficient growth experienced in the state since 2013, urban water suppliers' conservation standards shall be reduced by the product of the percentage change in potable water production since 2013 and the percentage reduction in potable water use required pursuant to subdivision (c), rounded to the nearest whole percentage point. Change in potable water production since 2013 shall be calculated as the sum of the following:

(A) The number of additional permanent residents served since January 1, 2013, multiplied by the average residential water use per person for that supplier's service area during the months of February through October, 2015, in gallons; and

(B) The number of new commercial, industrial and institutional connections since January 1, 2013, multiplied by the average commercial, industrial and institutional water use per connection for that supplier's service area during the months of February through October, 2015, in gallons.

(C) To qualify for the growth credit the supplier shall submit to the Board the following data by March 15, 2016: the number of additional permanent residents served since January 1, 2013 and the number of new commercial, industrial and institutional connections since January 1, 2013.

(3) For an urban water supplier that supplies, contracts for, or otherwise financially invests in, water from a new local, drought-resilient source of supply, the use of which does not reduce the water available to another legal user of water or the environment, the conservation standard identified in subdivision (c) shall be reduced:

(A) By one (1) percentage point if the supplier's qualifying source of supply is one (1) percent or more but less than two (2) percent of the supplier's total potable water production;

(B) By two (2) percentage points if the supplier's qualifying source of supply is two (2) percent or more but less than three (3) percent of the supplier's total potable water production;

(C) By three (3) percentage points if the supplier's qualifying source of supply is three (3) percent or more but less than four (4) percent of the supplier's total potable water production;

(D) By four (4) percentage points if the supplier's qualifying source of supply is four (4) percent or more but less than five (5) percent of the supplier's total potable water production;

(E) By five (5) percentage points if the supplier's qualifying source of supply is five (5) percent or more but less than six (6) percent of the supplier's total potable water production;

(F) By six (6) percentage points if the supplier's qualifying source of supply is six (6) percent or more but less than seven (7) percent of the supplier's total potable water production;



(G) By seven (7) percentage points if the supplier's qualifying source of supply is seven (7) percent or more but less than eight (8) percent of the supplier's total potable water production;

(H) By eight (8) percentage points if the supplier's qualifying source of supply is eight (8) percent or more of the supplier's total potable water production.

(I) To qualify for this reduction the supplier must certify, and provide documentation to the Board upon request demonstrating, the percent of its total potable water production that comes from a local, drought-resilient source of supply developed after 2013, the supplier's investment in that local, drought-resilient source of supply, and that the use of that supply does not reduce the water available to another legal user of water or the environment. To qualify for this reduction an urban water supplier shall submit the required certification to the Board by March 15, 2016.

(J) Certifications that do not meet the requirements of subdivision (f)(3)(I), including certifications for which documentation does not support that the source of supply is a local, drought-resilient source of supply, the use of which does not reduce the water available to another legal user of water or the environment, will be rejected. Submitting a certification or supporting documentation pursuant to subdivision (f)(3)(I) that is found to be materially false by the Board is a violation of this regulation, punishable by civil liability of up to five hundred dollars (\$500) for each day in which the violation occurs. Every day that the error goes uncorrected constitutes a separate violation. Civil liability for the violation is in addition to, and does not supersede or limit, any other remedies, civil or criminal.

(4) No urban water supplier's conservation standard pursuant to this section shall drop below eight (8) percent as a consequence of the reductions identified in this subdivision. ~~No reduction pursuant to this subdivision shall be applied to any urban water supplier whose conservation standard is four (4) percent based on subdivision (e)(2).~~

~~(g)(1)~~ To prevent waste and unreasonable use of water and to promote water conservation, each distributor of a public water supply that is not an urban water supplier shall ~~take one or more of the following actions:~~

(1) Provide prompt notice to a customer whenever the supplier obtains information that indicates that a leak may exist within the end-user's exclusive control; and

~~—— (A) Limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week; or~~

~~—— (B) Reduce by 25 percent its total potable water production relative to the amount produced in 2013.~~

(2) Each distributor of a public water supply that is not an urban water supplier shall submit a report by ~~September~~ December 15, 2016, on a form provided by the Board, that either confirms compliance with subdivision (g)(1)(A) or identifies total potable water production, by month, from December, 2015 through ~~August~~ November, 2016, and total potable water production, by month, for the same months in 2013, and any actions taken by the supplier to encourage or require its customers to conserve water.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 102, 104, 105, 275, 350, 1846, 10617 and 10632, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

#### Sec. 866. Additional Conservation Tools.

(a)(1) To prevent the waste and unreasonable use of water and to promote conservation, when a water supplier does not meet its conservation standard required by section 864.5 or section 865 the Executive Director, or the Executive Director's designee, may issue conservation orders requiring additional actions by the supplier to come into compliance with its conservation standard.

(2) A decision or order issued under this article by the Board or an officer or employee of the Board is subject to reconsideration under article 2 (commencing with section 1122) of chapter 4 of part 1 of division 2 of the Water Code.

(b) The Executive Director, or his designee, may issue an informational order requiring water suppliers, or commercial, industrial or institutional properties that receive any portion of their supply from a source other than a water supplier subject to section 864.5 or 865, to submit additional information relating to water production, water use or water conservation. The failure to provide the information requested within 30 days or any additional time extension granted is a violation subject to civil liability of up to \$500 per day for each day the violation continues pursuant to Water Code section 1846.

(c) Orders issued under previous versions of this ~~subdivision~~section shall remain in effect and shall be enforceable as if adopted under this version. Changes in the requirements of this article do not operate to void or excuse noncompliance with orders issued before those requirements were changed.

Authority: Section 1058.5, Water Code.

References: Article X, Section 2, California Constitution; Sections 100, 102, 104, 105, 174, 186, 187, 275, 350, 1051, 1122, 1123, 1825, 1846, 10617 and 10632, Water Code; *Light v. State Water Resources Control Board* (2014) 226 Cal.App.4th 1463.

RESOLUTION NO. 15-21

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VISTA IRRIGATION DISTRICT AMENDING THE DISTRICT'S  
WATER SUPPLY RESPONSE PROGRAM

WHEREAS, article 10, section 2 of the California Constitution declares that waters of the State are to be put to beneficial use; that waste, unreasonable use, or unreasonable method of use of water be prevented; and that water be conserved for the public welfare; and

WHEREAS, conservation of current water supplies and minimization of the effects of water supply shortages are essential to the public health, safety and welfare; and

WHEREAS, regulation of the time of certain water use, manner of certain water use, design of rates, method of application of water for certain uses, and installation and use of water-saving devices, provide an effective and immediately available means of conserving water; and

WHEREAS, California Water Code sections 375 et seq. authorize water suppliers to adopt and enforce a comprehensive water conservation program; and

WHEREAS, the Board of Directors of the Vista Irrigation District amended its Drought Response Conservation Program and renamed it the Water Supply Response Program on June 1, 2011; and

WHEREAS, amendment and enforcement of a comprehensive water conservation program will allow the Vista Irrigation District (District) to delay or avoid implementing measures such as water rationing or more restrictive water use regulations pursuant to a declared water shortage emergency as authorized by California Water Code sections 350 et seq.; and

WHEREAS, San Diego County is a semi-arid region and local water resources are scarce. The region is dependent upon imported water supplies provided by the San Diego County Water Authority, which obtains a substantial portion of its supplies from the Metropolitan Water District of Southern California. Because the region is dependent upon imported water supplies, weather and other conditions in other portions of this State and of the Southwestern United States affect the availability of water for use in San Diego County; and

WHEREAS, the San Diego County Water Authority has an Urban Water Management Plan that includes water conservation as a necessary and effective component of the Water Authority's programs to provide a reliable supply of water to meet the needs of the Water Authority's 24 member public agencies, including the Vista Irrigation District. The Water Authority's Urban Water Management Plan also includes a contingency analysis of actions to be taken in response to water supply shortages. This resolution is consistent with the Water Authority's Urban Water Management Plan; and

WHEREAS, as anticipated by its Urban Water Management Plan, the San Diego County Water Authority, in cooperation and consultation with its member public agencies, has established a program for responding to water supply limitations; and

WHEREAS, this resolution contains levels and corresponding actions that will assist the District in meeting conservation targets; and

WHEREAS, the Vista Irrigation District, due to the geographic and climatic conditions within its territory and its dependence upon water imported and provided by the San Diego County Water Authority, may experience shortages due to drought conditions, regulatory restrictions enacted upon imported supplies and other factors. The Vista Irrigation District has adopted an Urban Water Management Plan that includes water conservation as a necessary and effective component of its programs to provide a reliable supply of water to meet the needs of the public within its service territory. The Vista Irrigation District's Urban Water Management Plan also includes a contingency analysis of actions to be taken in response to water supply shortages. This resolution is consistent with the Urban Water Management Plan adopted by the Vista Irrigation District; and

WHEREAS the water-use efficiency practices, water conservation measures and progressive restrictions on water use and method of use identified by this resolution provide certainty to water users and enable Vista Irrigation District to control water use, provide water supplies, and plan and implement water management measures in a fair and orderly manner for the benefit of the public; and

WHEREAS, this resolution contains water-use efficiency practices, water conservation measures and water use restrictions that will aid the Vista Irrigation District in complying with the Governor's April 1, 2015 Executive Order and State Water Resources Control Board emergency regulations implementing mandatory water conservation measures to reduce water usage by 25 percent statewide as well as Senate Bill 7 of the Seventh Extraordinary Session (SBX 7-7) which requires urban retail water suppliers to reduce urban per capita water use 20 percent by 2020 (20 X 2020); and

WHEREAS, a public hearing was held upon the proposed amended Water Supply Response Program at the special meeting on May 27, 2015, at which all present were given an opportunity to be heard on the proposed amended Program; and

WHEREAS, the Board of Directors has considered the proposed amended Water Supply Response Program and the evidence and testimony presented at the May 27, 2015 public hearing.

NOW, THEREFORE, the Board of Directors of the Vista Irrigation District does resolve as follows:

**ARTICLE ONE:** The Water Supply Response Program is amended and restated, in its entirety as follows:

**SECTION 1.0            DECLARATION OF NECESSITY AND INTENT**

(a) This resolution establishes water management requirements necessary to conserve water, enable effective water supply planning, assure reasonable and beneficial use of water, prevent waste of water, prevent unreasonable use of water, prevent unreasonable method of use of water within the Vista Irrigation District in order to assure adequate supplies of water to meet the needs of the public, and further the public health, safety, and welfare, recognizing that water is a scarce natural resource that requires careful management not only in times of drought, but at all times.

(b) This resolution establishes regulations to be implemented at all times including during times of declared water shortages or declared water shortage emergencies. It establishes four levels of actions, with increasing restrictions on water use in response to worsening water supply conditions and decreasing available supplies.

(c) During Levels 1 through 4, all water-use efficiency practices, water conservation measures and water use restrictions are mandatory and become increasingly restrictive in order to attain escalating conservation goals.

(d) During all Levels, violations of water-use efficiency practices, water conservation measures and water use restrictions established by this resolution are subject to criminal, civil, and administrative remedies and penalties, including fees specified in this resolution.

**SECTION 2.0            DEFINITIONS**

(a) The following words and phrases whenever used in this chapter shall have the meaning defined in this section:

1. "Grower" refers to those engaged in the growing or raising, in conformity with recognized practices of husbandry, for the purpose of commerce, trade, or industry, or for use by public educational or correctional institutions, of agricultural, horticultural or floricultural products, and produced: (1) for human consumption or for the market, or (2) for the feeding of fowl or livestock produced for human consumption or for the market, or (3) for the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market. "Grower" does not refer to customers who purchase water subject to the Water Authority's Special Agricultural Water Rate program.
2. "District" means the Vista Irrigation District
3. "Water Authority" means the San Diego County Water Authority.
4. "Metropolitan" means the Metropolitan Water District of Southern California.

5. "Person" means any natural person, corporation, public or private entity, public or private association, public or private agency, government agency or institution, school district, college, university, or any other user of water provided by the District.

### **SECTION 3.0 APPLICATION**

(a) The provisions of this resolution apply to any person in the use of any water provided by the District.

(b) This resolution is intended to maintain efficient water use practices and to further the conservation of water. It is not intended to implement any provision of federal, State, or local statutes, resolutions, or regulations relating to protection of water quality or control of drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on any stormwater resolutions and stormwater management plans.

(c) Nothing in this resolution is intended to affect or limit the ability of the District to declare and respond to an emergency, including an emergency that affects the ability of the District to supply water.

(d) The provisions of this resolution do not apply to use of water from private wells or to recycled water.

(e) Nothing in this resolution shall apply to use of water that is subject to a special supply program, such as the Water Authority's Special Agricultural Water Rate program. Violations of the conditions of special supply programs are subject to the penalties established under the applicable program. A person using water subject to a special supply program and other water provided by the District is subject to this resolution in the use of the other water.

(f) When the General Manager has determined that the District's water supply is in a water emergency condition, everyone shall be required to reduce their water consumption as prescribed by the General Manager.

(g) The General Manager shall have the authority and discretion to interpret and apply the provisions set forth in the Water Supply Response Program as long as the interpretations and applications of the measures meet the intent and goals of the Program.

### **SECTION 4.0 LEVEL 1 – WATER EFFICIENCY**

(a) Level 1 is also referred to as the "Water Efficiency" level. Level 1 applies at all times unless the District Board of Directors has declared another level, per the procedures set forth in this resolution. Level 1 is designed to ensure customers use water efficiently and eliminate water waste at all times.

(b) At Level 1, the District will utilize its public education and outreach efforts to raise public awareness of the following mandatory water-use efficiency practices:

1. No washing down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards or to maintain, repair, construct/reconstruct streets.
2. No water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, or overspray, etc. Similarly, water shall not flow onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
3. No irrigating residential or commercial landscapes during or within 48 hours following measurable rainfall.
4. Irrigate residential and commercial landscape with in-ground or hose-end sprinkler systems before 8 a.m. and after 8 p.m. only. Irrigation of new turf and/or plantings is exempt from these watering hour restrictions for a period of thirty (30) days following the date of planting. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used.
5. Irrigate nursery and commercial grower's products before 8 a.m. and after 8 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
6. Use potable water taken through construction meters to irrigate landscape before 8 a.m. and after 8 p.m. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used.
7. Irrigate landscape outside of newly constructed homes and buildings in a manner that is consistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.
8. Use re-circulated water to operate ornamental fountains.
9. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
10. Serve and refill water in restaurants and other food service establishments only upon request.
11. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily.

12. Repair all water leaks within forty-eight (48) hours of notification by the District unless other arrangements are made with the General Manager.

13. Use recycled or non-potable water for construction purposes when available.

## **SECTION 5.0 LEVEL 2 – WATER CONSERVATION**

(a) A Level 2 may be declared under the following conditions: 1) when the Water Authority notifies its member agencies that due to cutbacks caused by drought or other reduction in supplies, a consumer demand reduction is required in order to have sufficient supplies available to meet anticipated demands; 2) when a consumer demand reduction is required by a regulatory agency; or 3) when other conditions exist that require a consumer demand reduction. The consumer demand reduction amounts in Level 2 are typically up to 20 percent, although the District Board of Directors may declare Level 2 and implement the mandatory Level 2 conservation measures identified in this resolution to achieve a consumer demand reduction of a different amount. The General Manager shall have the authority and discretion to implement water conservation measures commensurate with the level of demand reduction required and/or the reduction targets achieved, as described in Section 5 (b) below. The General Manager shall inform the Board of Directors of the status of the implementation of the measures set forth in this section and the resulting water conservation in a timely manner.

(b) All persons using District water shall comply with Level 1 water-use efficiency practices during Level 2, and shall also comply with the following additional conservation measures:

1. Stop watering ornamental turf in public street medians with potable water.
2. Irrigate residential and commercial landscape with in-ground or hose-end sprinkler systems before 8 a.m. and after 8 p.m. only.
3. Irrigate nursery and commercial grower's products before 8 a.m. and after 8 p.m. only. Watering by nurseries and commercial growers is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
4. Irrigation of landscape on a construction project with potable water taken through a construction meter before 8 a.m. and after 8 p.m. only.
5. Limit residential and commercial landscape irrigation to assigned days per week and limited duration times on a schedule established by the General Manager and posted by the District. This section shall not apply to commercial growers or nurseries for water that they use for agricultural purposes.



6. Limit lawn watering and landscape irrigation using in-ground or hose-end sprinklers to time limits per watering station per assigned day as established by the General Manager and posted by the District. This provision does not apply to landscape irrigation systems using drip/micro-irrigation systems and stream rotor sprinklers.

7. Turf and/or plant establishment is allowed if required by a landscape permit or necessary for erosion control, landscape renovation after a natural disaster, or establishment, repair or renovation of public use fields for schools or parks. New turf and/or plantings are exempt from irrigation limitations set forth in sections 4 (b) (3), 5 (b) (1) and 5 (b) (2) for a period of thirty (30) days following the date of planting.

8. Water landscaped areas, including trees and shrubs located on residential and commercial properties, and not irrigated by a landscape irrigation system, before 8 a.m. and after 8 p.m. only by using a bucket, hand-held hose with positive shut-off nozzle, or low-volume non-spray irrigation per assigned day as established by the General Manager and posted by the District.

9. Repair all leaks within forty-eight (48) hours of notification by the District unless other arrangements are made with the General Manager.

10. Commercial and agricultural customers are asked to implement all measures practicable toward improving efficiency and conserving water.

## **SECTION 6.0 LEVEL 3 – WATER SHORTAGE**

(a) Level 3 may be declared under the following conditions: 1) when the Water Authority notifies its member agencies that due to increasing cutbacks caused by drought or other reduction of supplies, a serious water shortage condition exists that requires extensive consumer demand reductions in order to have sufficient supplies available to meet anticipated demands; 2) when a similar requirement is imposed by a regulatory agency; or 3) when other conditions exist that require a serious consumer demand reduction. The consumer demand reduction amounts in Level 3 are typically up to 40 percent, although the District Board of Directors may declare Level 3 and implement the Level 3 conservation measures identified in this resolution to achieve a consumer demand reduction of a different amount. The General Manager shall have the authority and discretion to implement water conservation measures commensurate with the level of demand reduction required and/or the reduction targets achieved, as described in Section 6 (b) below. The General Manager shall inform the Board of Directors of the status of the implementation of the measures set forth in this section and the resulting water conservation in a timely manner.

(b) All persons using District water shall comply with Level 1 water-use efficiency practices and Level 2 water conservation practices during Level 3 and shall also comply with the following additional mandatory conservation measures:

1. Comply with any new residential and commercial landscape irrigation restrictions relative to assigned days per week and limited duration times on a schedule established by the General Manager and posted by the District.

2. Stop re-filling pools/spas more than one foot per week. Draining and re-filling of pools and spas is not permitted except to repair leaks or for health and safety reasons.

3. Stop filling or re-filling ornamental lakes or ponds, except to the extent needed to sustain aquatic life, provided that such animals are of significant value and have been actively managed within the water feature prior to declaration of another level under this resolution.

4. Stop operating ornamental fountains or decorative water features. These types of fountains and water features may be operated on a limited basis for maintenance purposes only. The operation of fountains and water features that do not use re-circulated water is prohibited.

5. Stop washing vehicles except at commercial car washes that re-circulate water, or by high pressure/low volume wash systems.

6. Repair all leaks within forty-eight (48) hours of notification by the District unless other arrangements are made with the General Manager.

(c) Upon the declaration of Level 3, no new potable water service shall be provided, no new temporary meters or permanent meters shall be provided, and no statements of immediate ability to serve or provide potable water service (such as, will serve letters, certificates, or letters of availability) shall be issued, except under the following circumstances:

1. A valid, unexpired building permit has been issued for the project; or

2. The project is necessary to protect the public's health, safety, and welfare;  
or

3. The applicant participates in a District-approved demand offset program that produces or saves at least the same amount of water as is being used by the new development, prior to the issuance by the District of a new water meter or water meters for the project.

This provision shall not be construed to preclude the resetting or turn-on of meters to provide continuation of water service or to restore service that has been interrupted for a period of one year or less.

(d) Upon the declaration of Level 3, District will suspend consideration of annexations to its service area.

(e) The District may establish a water allocation for property served by the District using a method that does not penalize persons for the implementation of conservation methods or the installation of water saving devices. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a penalty for each billing unit of water in excess of the allocation. The penalty for excess water usage shall be cumulative to any other remedy or fee that may be imposed for violation of this resolution.

## **SECTION 7.0 LEVEL 4 – WATER EMERGENCY**

(a) Level 4 applies under the following conditions: 1) when the Water Authority Board of Directors declares a water shortage emergency pursuant to California Water Code section 350 and notifies its member agencies that Level 4 requires an emergency demand reduction in order for the District to maximize supplies available to meet anticipated demands; 2) when a similar requirement is imposed by a regulatory agency; or 3) when other conditions exist that require the Board of Directors to declare a water shortage emergency. The consumer demand reduction amounts in Level 4 typically exceed 40 percent, although the District Board of Directors shall declare a Level 4 emergency in the manner and on the grounds provided in California Water Code section 350.

(b) All persons using District water shall comply with water-use efficiency practices and conservation measures required under Level 1, Level 2, and Level 3 and shall also comply with the following additional mandatory conservation measures:

1. Stop all residential and commercial landscape irrigation, unless the District has determined that recycled water is available and may be lawfully applied to the use. This restriction shall not apply to the following categories of use.

A. Maintenance of trees and shrubs that are watered on the same schedule set forth in section 6 (b) (1) by using a bucket, hand-held hose with a positive shut-off nozzle, or low-volume non-spray irrigation;

B. Maintenance of existing landscaping necessary for fire protection as specified by the Fire Marshal of the local fire protection agency having jurisdiction over the property to be irrigated;

C. Maintenance of existing landscaping for erosion control;

D. Maintenance of plant materials identified to be rare or essential to the well being of rare animals;

E. Maintenance of landscaping within active public parks and playing fields, day care centers, school grounds, cemeteries, and golf course greens, provided that such irrigation does not exceed two (2) days per week according to the schedule established under section 6 (b) (1);

F. Watering of livestock; and

G. Public works projects and actively irrigated environmental mitigation projects.

H. Irrigation of crops and landscape products of commercial growers and nurseries.

2. Repair all water leaks within twenty-four (24) hours of notification by the District unless other arrangements are made with the General Manager.

(c) The District may establish a water allocation for property served by the District. If the District establishes a water allocation it shall provide notice of the allocation by including it in the regular billing statement for water service or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Following the effective date of the water allocation as established by the District, any person that uses water in excess of the allocation shall be subject to a penalty for each billing unit of water in excess of the allocation. The penalty for excess water usage shall be cumulative to any other remedy or fee that may be imposed for violation of this resolution.

## **SECTION 8.0 PROCEDURES FOR DETERMINATION AND NOTIFICATION OF LEVEL OF ACTION**

(a) Level 1 under this Program applies at all times unless the District Board of Directors has declared Level 2, 3 or 4, per the procedures set forth in this section. The District shall, at a minimum, provide notice of a Level 1 declaration and condition by news release and by posting information on the District's website.

(b) The existence of a Level 2 or Level 3 may be declared by resolution of the District Board of Directors adopted at a regular or special public meeting held in accordance with State law. The mandatory conservation measures applicable to Level 2 or Level 3 shall take effect on the tenth (10) day after the date the response level is declared. Within five (5) days following the declaration of the level, the District shall publish a copy of the resolution in a newspaper used for publication of official notices.

(c) The existence of Level 4 may be declared in accordance with the procedures specified in California Water Code sections 351 and 352. The mandatory conservation measures applicable to Level 4 shall take effect on the tenth (10) day after the date the response level is declared. Within five (5) days following the declaration of the level, the District shall publish a copy of the resolution in a newspaper used for publication of official notices. If the District establishes a water allocation, it shall provide notice of the allocation by including it in the

regular billing statement for the fee or charge or by any other mailing to the address to which the District customarily mails the billing statement for fees or charges for on-going water service. Water allocation shall be effective on the fifth (5) day following the date of mailing or at such later date as specified in the notice.

(d) The District Board of Directors may declare an end to a level by the adoption of a resolution at any regular or special meeting held in accordance with State law.

(e) The District shall notify customers of any changes in levels or water use restrictions using multiple communication methods.

## **SECTION 9.0 NON-COMPLIANCE AND FEES**

(a) Any person, who uses, causes to be used, or permits the use of water in violation of this resolution is guilty of an offense punishable as provided herein.

(b) Each day that a violation of this resolution occurs is a separate offense.

(c) Water Conservation Fees, as set forth in Section 4.4.17 of the District's Rules and Regulations, may be levied for each violation of a provision of this resolution as follows:

1. A first violation of any provision of this resolution shall result in a letter of warning.

2. A second violation of any provision of this resolution within one year shall result in the assessment of a Water Conservation Fee.

3. A third violation of this resolution within one year shall result in the assessment of an additional Water Conservation Fee.

4. Four or more violations of any provision of this resolution shall result in the assessment of additional Water Conservation Fees.

(d) Violation of a provision of this resolution is subject to enforcement through installation of a flow-restricting device in the meter. The cost of installing and removing a flow-restricting device will be paid for by the person, who uses, causes to be used, or permits the use of water in violation of this resolution.

(e) Each violation of this resolution may be prosecuted as a misdemeanor punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding \$1,000, or by both as provided in Water Code section 377.

(f) Willful violations of the mandatory conservation measures and water use restrictions as set forth in Section 7.0 and applicable during Level 4 may be enforced by discontinuing service to the property at which the violation occurs as provided by Water Code section 356. The cost of disconnecting and re-connecting water service be paid for by the person, who uses, causes to be used, or permits the use of water in violation of this resolution.

(g) All fees and costs associated with installing and removing a flow-restricting device and disconnecting and re-connecting water service will be added to the account of the person, who uses, causes to be used, or permits the use of water in violation of this resolution. Fees and costs will appear on and be payable with the first billing statement for the period the violation occurred and be subject to the same remedies that are imposed by the District for failure to pay other charges.

(h) All remedies provided for herein shall be cumulative and not exclusive.

## **SECTION 10.0 APPEALS**

(a) Any person complaining about fees and/or other remedies applied in accordance with Section 9 of this resolution shall have that complaint be first taken up with the General Manager before any action will be taken by the District's Board of Directors.

(b) The General Manager's determination may be appealed in writing within ten days of the mailing of a notice of determination. Any determination not timely appealed shall be final.

(c) The person appealing the General Manager's determination shall submit a written request to the Board Secretary to have his or her appeal considered as an item for discussion and action at an upcoming Board meeting. The written request shall include: 1) a description of the issues, 2) evidence supporting the claim, and 3) a request for resolution of the dispute.

(d) The District shall at least ten days before the date of the hearing mail an appropriate notice of the regular or special meeting at which the appeal will be heard. The Board may, in its discretion, affirm, reverse or modify the determination.

**ARTICLE TWO:** This resolution shall take effect immediately upon adoption or as otherwise established by State law for Vista Irrigation District.

**PASSED AND ADOPTED** by the following roll call vote of the Board of Directors of the Vista Irrigation District this 27th day of May, 2015:

AYES: Directors Miller, Vasquez, Dorey, Reznicek, and MacKenzie  
NOES: None  
ABSTAIN: None  
ABSENT: None

  
\_\_\_\_\_  
Jo MacKenzie, President

ATTEST:

  
\_\_\_\_\_  
Lisa R. Soto, Secretary  
Board of Directors  
Vista Irrigation District

RESOLUTION NO. 16-XX

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE VISTA IRRIGATION DISTRICT  
DECLARING AN END TO LEVEL 2 OF THE  
WATER SUPPLY RESPONSE PROGRAM

WHEREAS, on January 17, 2014, Governor Brown (Governor) declared a statewide drought emergency and called for all Californians to reduce their water use by 20%; and

WHEREAS, the Governor signed an Executive Order on April 25, 2014 stating that severe drought conditions continued to present urgent challenges and that immediate action was needed to ensure water suppliers and all Californians were taking sufficient actions to conserve water and preserve the State's water supply; and

WHEREAS, on July 15, 2014, the State Water Resources Control Board adopted statewide emergency regulations requiring water suppliers to implement their drought response plans at a level that activates mandatory outdoor water use restrictions and prohibits certain water wasting practices; and

WHEREAS, the Vista Irrigation District (District) adopted Resolution No. 14-19 declaring a Level 2 Water Conservation condition on August 6, 2014 and implemented mandatory water conservation measures effective August 16, 2014; and

WHEREAS, on April 1, 2015, the Governor issued an Executive Order that directed the State Water Resources Control Board (State Board) to impose restrictions on water suppliers to achieve a statewide 25 percent reduction in potable urban usage through February 2016; and

WHEREAS, on May 5, 2015, the State Board approved regulations, based on Governor Brown's Executive Order, mandating the Vista Irrigation District reduce its potable water consumption by 20 percent for June 2015 through February 2016 as compared to the same months in 2013; and

WHEREAS, on November 13, 2015, the Governor issued an Executive Order that directs the State Board to, if drought conditions persist through January 2016, extend until October 31, 2016 restrictions to achieve a statewide reduction in potable water usage; and

WHEREAS, on February 2, 2016, the State Board developed conservation standard credits for water suppliers meeting specific criteria, reducing District's conservation standard from 20 percent to 12 percent effective March 2016; and

WHEREAS, on May 9, 2016, the Governor issued Executive Order B-37-16 ordering state agencies to update temporary emergency water restrictions and transition to permanent, long-term improvements in water use, and directing the State Board to adjust the emergency conservation regulations through the end of January 2017; and

WHEREAS, on May 18, 2016, the State Board adopted an emergency water conservation regulation that will be in effect from June 2016 through January 2017 and requires locally developed conservation standards based upon each agency's specific circumstances; and

WHEREAS, the District, the San Diego County Water Authority (Water Authority), and its other member agencies have agreed to certify supply and demand as a region instead of on an individual basis. Using the State Board's self-certification methodology, the Water Authority has determined that regional



supply projections will exceed demand, leaving the District and all of its member agencies with no projected shortfall after three years. Therefore, once the self-certification documentation is submitted to the State Board by the District and Water Authority by June 22, 2016, the District will have a zero percent conservation standard retroactive to June 1, 2016; and

WHEREAS, on May 10, 2016, the Metropolitan Water District of Southern California (Metropolitan) rescinded Condition 3 under its water surplus and drought management plan and terminated water supply allocations to member agencies, including the Water Authority, for fiscal years 2016 and 2017; and

WHEREAS, following the State Board's and Metropolitan's actions, the Water Authority's Board of Directors, on May 26, 2016, rescinded Stage 3 of its drought management plan and declared a Stage 2, thus terminating water supply allocations to its member agencies, including the District; and

WHEREAS, based on the State Board's termination of water use reduction mandates as well as rescission of water supply allocations by Metropolitan and the Water Authority, the Vista Irrigation District Board of Directors has determined, consistent with its Water Supply Response Program, that it shall end the declaration of a Level 2 Water Conservation condition and implement a level of action commensurate with current water supply conditions.

NOW, THEREFORE, the Board of Directors of the Vista Irrigation District does resolve that:

1. Level 2 within the Vista Irrigation District's service area ends effective June 22, 2016; and;
2. The mandatory water conservation measures applicable during Level 2 are no longer applicable as of June 22, 2016; and
3. Level 1 water-use efficiency practices, such as watering landscape before 8 AM and after 8 PM, eliminating irrigation run-off, not using water to wash down paved surfaces and repairing leaks in a timely manner, remain in place to ensure the District has sufficient water supplies to meet its customers' current and future water demands.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors of the Vista Irrigation District this 22<sup>nd</sup> day of June, 2016:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Richard L. Vásquez, President

ATTEST:

---

Lisa R. Soto, Secretary  
Board of Directors  
Vista Irrigation District



## STAFF REPORT

Agenda Item: 13

<b>Board Meeting Date:</b>	<b>June 22, 2016</b>
<b>Prepared By:</b>	<b>Marlene Kelleher</b>
<b>Reviewed By:</b>	<b>Brett Hodgkiss</b>
<b>Approved By:</b>	<b>Eldon Boone</b>

**SUBJECT:** QUARTERLY BOARD EXPENSE REPORT

**RECOMMENDATION:** Consider eliminating the Quarterly Board Expense Report.

**PRIOR BOARD ACTION:** None

**FISCAL IMPACT:** There is no direct fiscal impact from elimination of this report. It is estimated that 240 staff hours per year would be saved with the elimination of this report.

**SUMMARY:** At the May 11, 2016 Board meeting, the General Manager discussed eliminating the manually compiled Quarterly Board Expense Report with computer generated reports (AB 1542 report and cash disbursement report) that provide similar information. The General Manager advised the Board that the AB 1542 report is prepared annually per Government Code and that this report discloses amounts reimbursed to Board members in excess of \$100. He also informed the Board that payments for Board member expenses, in addition to Board member benefits are included in the cash disbursement report that is included on every Board agenda. He explained that preparing the Quarterly Board Expense Report is not a legal requirement. This report was requested by the Board over 20 years ago and prior to the AB 1542 report being required. The Board requested that this matter be placed on the agenda for Board consideration.

**DETAILED REPORT:** AB 1542 requires that the District prepare a report annually that discloses reimbursements in excess of \$100 for each individual Board member and employee. The ability to produce this report is a standard feature on the District's financial system, Tyler Incode (Tyler). To comply with AB 1542, the report is produced annually and maintained by the Board Secretary. Preparation of information for the report takes approximately 10 minutes a month, or 2 hours per year. The District has been preparing the report since 2010.

The cash disbursement report is similar to an expanded check register with amounts, dates, payees and descriptions of expenditures. The report has evolved over the years and now presents detailed information disclosing the dollar amount of expenditures for each Board member. Payments for conferences, trainings, meetings and events are detailed by Board member on this report. Also, benefits such as health insurance are detailed by Board member on this report.

The Quarterly Board Expense Report is a report that has been produced by District staff for over 20 years and provided to the Board on a quarterly basis. Preparation of this report is not something that can be accomplished within the Tyler financial system; this report is manually compiled. The report takes a significant amount of time to prepare and review because data must be compiled not only from the Tyler financial system but also from insurance records and payroll records. The report also requires the manual compilation of Board member per diem amounts, travel and training expenses and Director submitted expense reimbursement forms. It is estimated that segregating, maintaining and compiling the data, inputting the data into worksheets, producing and reviewing the report for presentation to the Board takes in excess of 60 hours per quarter or 240 hours per year.

Eliminating the production of the Quarterly Board Expense Report would allow staff to attend to other duties and help the District maintain a reduced level of staffing.

**ATTACHMENTS:** Calendar Year 2015 AB 1542 Report  
Cash Disbursement Report – Sample Page  
Quarterly Board Expense Report



Payment Dates 1/1/2015 - 12/31/2015

Vendor DBA	Payment Date	Payment Number	Description (Item)	Account Number	Amount
<b>Vendor: 56183 - Brett Hodgkiss</b>					
Brett Hodgkiss	12/16/2015	52065	B Hodgkiss - ACWA Fall Conference 12/2015	1-520-7305	117.30
Brett Hodgkiss	12/16/2015	52065	Reimbursement for Retirement Gift - M Poggemeyer	1-540-7308	368.89
<b>Vendor 56183 - Brett Hodgkiss Total:</b>					<b>486.19</b>
<b>Vendor: 56070 - Christian Magill</b>					
Christian Magill	09/16/2015	51314	Footwear Program 09/2015 - C Magill	1-550-7208	175.00
<b>Vendor 56070 - Christian Magill Total:</b>					<b>175.00</b>
<b>Vendor: 56180 - Christopher Craghead</b>					
Christopher Craghead	12/16/2015	52071	CWEA Membership Renewal 12/2015	1-230-7308	164.00
<b>Vendor 56180 - Christopher Craghead Total:</b>					<b>164.00</b>
<b>Vendor: 55791 - Dan Wilson</b>					
Dan Wilson	01/28/2015	49493	D3 Certification	1-110-7308	120.00
<b>Vendor 55791 - Dan Wilson Total:</b>					<b>120.00</b>
<b>Vendor: 55743 - Don Smith</b>					
Don Smith	03/11/2015	49805	LSI Sustainable Groundwater Mgmt Act Seminar	1-200-7305	165.53
Don Smith	05/06/2015	50269	VID & Guest (9) - Tour of Warner Ranch 04/29/15	1-210-7305	256.56
Don Smith	05/06/2015	50269	R Vasquez - Tour of Warner Ranch 04/29/15	1-600-7305	28.51
Don Smith	05/06/2015	50269	P Dorey - Tour of Warner Ranch 04/29/15	1-600-7305	28.51
Don Smith	05/06/2015	50269	R Reznicek - Tour of Warner Ranch 04/29/15	1-600-7305	28.51
Don Smith	05/06/2015	50269	J MacKenzie - Tour of Warner Ranch 04/29/15	1-600-7305	28.51
Don Smith	05/06/2015	50269	M Miller - Tour of Warner Ranch 04/29/15	1-600-7305	28.51
Don Smith	05/06/2015	50269	Professional Engineer License Renewal	1-200-7308	115.00
Don Smith	05/13/2015	50327	D Smith - ACWA Spring Conference 05/2015	1-200-7305	27.34
Don Smith	05/13/2015	50327	R Reznicek - ACWA Spring Conference 05/2015	1-600-7305	27.36
Don Smith	05/13/2015	50327	J MacKenzie - ACWA Spring Conference 05/2015	1-600-7305	27.36
Don Smith	05/13/2015	50327	M Miller - ACWA Spring Conference 05/2015	1-600-7305	27.36
Don Smith	07/08/2015	50752	GPS Units & Software for Henshaw (2)	1-210-7601	833.46
Don Smith	07/29/2015	50932	SLR Settlement Mtg 07/20/2015 - 07/22/2015	1-200-7305	169.50
<b>Vendor 55743 - Don Smith Total:</b>					<b>1,792.02</b>
<b>Vendor: 55881 - Donald Gordon</b>					
Donald Gordon	04/15/2015	50080	D3 Certification Renewal	1-140-7308	120.00
<b>Vendor 55881 - Donald Gordon Total:</b>					<b>120.00</b>
<b>Vendor: 55639 - Eldon Boone</b>					
Eldon Boone	09/30/2015	51450	R Reznicek - CSDA Annual Conf 09/21/15-09/24/15	1-600-7305	116.80
Eldon Boone	09/30/2015	51450	R Coox - CSDA Annual Conf 09/21/15-09/24/15	1-700-7305	77.51

**AB 1542 Report**

**Payment Dates: 1/1/2015 - 12/31/2015**

Vendor DBA	Payment Date	Payment Number	Description (Item)	Account Number	Amount
Eldon Boone	09/30/2015	51450	E Boone - CSDA Annual Conf 09/21/15-09/24/15	1-700-7305	164.33
Eldon Boone	12/16/2015	52080	P Dorey - ACWA Fall Conference 12/2015	1-600-7305	45.73
Eldon Boone	12/16/2015	52080	J MacKenzie - ACWA Fall Conference 12/2015	1-600-7305	45.73
Eldon Boone	12/16/2015	52080	R Reznicek - ACWA Fall Conference 12/2015	1-600-7305	45.73
Eldon Boone	12/16/2015	52080	E Boone - ACWA Fall Conference 12/2015	1-700-7305	760.21
<b>Vendor 55639 - Eldon Boone Total:</b>					<b>1,256.04</b>
<b>Vendor: 55800 - Frank Wolinski</b>					
Frank Wolinski	02/04/2015	49549	D5 & Connection Control Renewals	1-200-7308	185.00
<b>Vendor 55800 - Frank Wolinski Total:</b>					<b>185.00</b>
<b>Vendor: 55824 - Glenn Miller</b>					
Glenn Miller	02/25/2015	49707	D3 Certification Renewal	1-110-7308	120.00
<b>Vendor 55824 - Glenn Miller Total:</b>					<b>120.00</b>
<b>Vendor: 55756 - Jessica Sherwood</b>					
Jessica Sherwood	01/08/2015	49340	Tuition Reimbursement- Water Treatment Plant OP	1-540-7211	171.00
Jessica Sherwood	01/08/2015	49340	Tuition Reimbursement - Business English	1-540-7211	260.00
Jessica Sherwood	12/22/2015	52169	Tuition Reimbursement 12/2015	1-540-7211	200.00
<b>Vendor 55756 - Jessica Sherwood Total:</b>					<b>631.00</b>
<b>Vendor: 55481 - Jo MacKenzie</b>					
Jo MacKenzie	01/14/2015	49406	CRWUA Conference 12/2014 - J MacKenzie	1-600-7305	193.39
Jo MacKenzie	02/18/2015	49649	J MacKenzie - ACWA Workshop/Board of Directors Mtg	1-600-7305	573.31
Jo MacKenzie	03/04/2015	49765	ACWA Local Govt & State Legislative Committee Mtgs	1-600-7305	554.22
Jo MacKenzie	04/08/2015	50032	ACWA Local Govt & State Legislative Committee Mtgs	1-600-7305	12.00
Jo MacKenzie	03/25/2015	49932	ACWA Symposium 03/2015	1-600-7305	437.40
Jo MacKenzie	04/29/2015	50232	ACWA Board of Directors Mtg 03/27/15	1-600-7305	513.05
Jo MacKenzie	05/20/2015	50398	D Smith - ACWA Spring Conf 05/04/15-05/08/15	1-200-7305	25.00
Jo MacKenzie	05/20/2015	50398	R Vasquez - ACWA Spring Conf 05/04/15-05/08/15	1-600-7305	25.00
Jo MacKenzie	05/20/2015	50398	P Dorey - ACWA Spring Conf 05/04/15-05/08/15	1-600-7305	25.00
Jo MacKenzie	05/20/2015	50398	M Miller - ACWA Spring Conf 05/04/15-05/08/15	1-600-7305	57.00
Jo MacKenzie	05/20/2015	50398	R Reznicek - ACWA Spring Conf 05/04/15-05/08/15	1-600-7305	57.00
Jo MacKenzie	05/20/2015	50398	J MacKenzie - ACWA Spring Conf 05/04/15-05/08/15	1-600-7305	708.20
Jo MacKenzie	06/02/2015	50494	CSDA Legislative Days	1-600-7305	774.22
Jo MacKenzie	06/02/2015	50494	ACWA Board of Directors Meeting 05/29/2015	1-600-7305	422.45
Jo MacKenzie	07/08/2015	50763	California Water Forum 06/24/15	1-600-7305	65.00
Jo MacKenzie	07/08/2015	50763	ACWA Legislative Committee Mtg 06/26/2015	1-600-7305	652.17
Jo MacKenzie	08/06/2015	50996	J MacKenzie - ACWA Legislative Mtg 07/17/2015	1-600-7305	595.69
Jo MacKenzie	08/19/2015	51126	Acwa Board of Directors & Board Mtg 07/30-07/31/15	1-600-7305	606.28

**AB 1542 Report**

**Payment Dates: 1/1/2015 - 12/31/2015**

<b>Vendor DBA</b>	<b>Payment Date</b>	<b>Payment Number</b>	<b>Description (Item)</b>	<b>Account Number</b>	<b>Amount</b>
Jo MacKenzie	10/07/2015	51518	J MacKenzie- CSDA Annual Conference 09/2015	1-600-7305	596.97
Jo MacKenzie	10/07/2015	51518	ACWA Board Workshop/Board of Directors Mtg 09/2015	1-600-7305	509.51
Jo MacKenzie	11/04/2015	51742	Regulatory Summit & Legislative Committee Mtg	1-600-7305	748.47
Jo MacKenzie	12/02/2015	52000	J MacKenzie- ACWA Board of Directors Mtg 11/20/15	1-600-7305	451.30
Jo MacKenzie	12/11/2015	52040	B Hodgkiss - ACWA Fall Conference 12/2015	1-520-7305	69.50
Jo MacKenzie	12/11/2015	52040	M Miller - ACWA Fall Conference 12/2015	1-600-7305	69.50
Jo MacKenzie	12/11/2015	52040	J MacKenzie - ACWA Fall Conference 12/2015	1-600-7305	69.50
Jo MacKenzie	12/11/2015	52040	R Reznicek - ACWA Fall Conference 12/2015	1-600-7305	69.50
Jo MacKenzie	12/11/2015	52040	R Vasquez - ACWA Fall Conference 12/2015	1-600-7305	69.50
Jo MacKenzie	12/11/2015	52040	J MacKenzie - ACWA Fall Conference 12/2015	1-600-7305	847.88
Jo MacKenzie	12/11/2015	52040	R Coox - ACWA Fall Conference 12/2015	1-700-7305	69.50
Jo MacKenzie	12/30/2015	52204	J MacKenzie - CRWUA Annual Conference 12/2015	1-600-7305	345.79
Jo MacKenzie	12/30/2015	52204	R Reznicek - CRWUA Annual Conference 12/2015	1-600-7305	21.50
<b>Vendor 55481 - Jo MacKenzie Total:</b>					<b>10,234.80</b>
<b>Vendor: 55941 - Johnna Pokojni</b>					
Johnna Pokojni	05/20/2015	50400	Tyler Connect 2015 Conference 05/2015	1-410-7305	152.29
Johnna Pokojni	11/10/2015	51799	CA UserGroup Training Incode Version 10	1-410-7305	141.53
<b>Vendor 55941 - Johnna Pokojni Total:</b>					<b>293.82</b>
<b>Vendor: 55758 - Jose Ramirez</b>					
Jose Ramirez	01/08/2015	49342	Certification Renewal - D3	1-110-7308	120.00
<b>Vendor 55758 - Jose Ramirez Total:</b>					<b>120.00</b>
<b>Vendor: 55485 - Judy Miller</b>					
Judy Miller	07/08/2015	50764	Reimburse for VID picnic prizes	1-520-7308	186.51
<b>Vendor 55485 - Judy Miller Total:</b>					<b>186.51</b>
<b>Vendor: 55602 - Kurt Casto</b>					
Kurt Casto	02/25/2015	49716	Reimburse for Stove Repair 02/2015	1-210-7502	267.20
<b>Vendor 55602 - Kurt Casto Total:</b>					<b>267.20</b>
<b>Vendor: 55790 - Manny Macias</b>					
Manny Macias	01/28/2015	49511	D3 Certification Renewal	1-300-7308	120.00
<b>Vendor 55790 - Manny Macias Total:</b>					<b>120.00</b>
<b>Vendor: 55527 - Marlene Kelleher</b>					
Marlene Kelleher	05/06/2015	50284	ACWA 2014 Fall Conference & Exhibition 12/2014	1-410-7305	101.46
Marlene Kelleher	04/08/2015	50035	CSMFO Conference 02/17/2015-02/20/2015	1-410-7305	976.42
Marlene Kelleher	11/10/2015	51803	Register www.vidwater.org Domain Name	1-510-7501	114.95
Marlene Kelleher	11/18/2015	51875	iPad Covers (5) - Board	1-600-7601	426.60
<b>Vendor 55527 - Marlene Kelleher Total:</b>					<b>1,619.43</b>
<b>Vendor: 55751 - Michael Bagshaw</b>					
Michael Bagshaw	01/08/2015	49350	Certification Renewal - Distribution Grade 3	1-110-7308	120.00
Michael Bagshaw	03/25/2015	49941	Metal Detectors (2), Batteries	1-110-7601	222.39
<b>Vendor 55751 - Michael Bagshaw Total:</b>					<b>342.39</b>

**AB 1542 Report**

**Payment Dates: 1/1/2015 - 12/31/2015**

<b>Vendor DBA</b>	<b>Payment Date</b>	<b>Payment Number</b>	<b>Description (Item)</b>	<b>Account Number</b>	<b>Amount</b>
<b>Vendor: 55840 - Richard Gangloff</b>					
Richard Gangloff	03/11/2015	49839	D4 & T3 Certification Renewals	1-230-7308	195.00
<b>Vendor 55840 - Richard Gangloff Total:</b>					<b>195.00</b>
<b>Vendor: 55480 - Roy Coox</b>					
Roy Coox	05/13/2015	50355	R Coox - ACWA Conference 05/2015	1-700-7305	365.11
Roy Coox	09/30/2015	51476	R Coox - CSDA Annual Conf 09/24/15-09/24/15	1-700-7305	154.08
Roy Coox	10/14/2015	51583	R Coox - CSDA Conference 9/22/15-9/24/15	1-700-7305	131.24
Roy Coox	11/04/2015	51756	Travel to Washington DC, Mtg	1-700-7305	326.48
Roy Coox	12/11/2015	52050	ACWA Fall Conference	1-700-7305	217.08
<b>Vendor 55480 - Roy Coox Total:</b>					<b>1,193.99</b>
<b>Vendor: 56024 - Sharon Turner</b>					
Sharon Turner	08/06/2015	51012	Reimburse D2 Certification Renewal	1-140-7308	80.00
<b>Vendor 56024 - Sharon Turner Total:</b>					<b>80.00</b>
<b>Vendor: 55494 - Sherry Thorpe</b>					
Sherry Thorpe	01/22/2015	49474	Recruitment Ads (3) - Welder 1	1-540-7308	250.00
Sherry Thorpe	02/18/2015	49671	Recruitment Ads (2) - Facility Worker	1-540-7308	250.00
Sherry Thorpe	03/18/2015	49892	Refreshments for Pesticide Class	1-550-7308	6.34
Sherry Thorpe	03/18/2015	49892	Batteries, Books, Pencils	1-550-7601	167.93
Sherry Thorpe	05/06/2015	50299	Retirement Luncheon 04/30/2015 - J Trujillo	1-550-7308	276.75
Sherry Thorpe	07/08/2015	50781	Cal-JPIA Conference 09/2015	1-550-7305	162.00
Sherry Thorpe	09/02/2015	51240	Recruitment Advertisement - Laborer	1-540-7308	200.00
Sherry Thorpe	10/07/2015	51532	Recruitment Ads (2)	1-540-7308	400.00
Sherry Thorpe	10/07/2015	51532	Cal/JPIA Conference	1-550-7305	152.66
Sherry Thorpe	10/21/2015	51647	Recruitment Ads (2) GIS Specialst, IS Supervisor	1-540-7308	140.00
Sherry Thorpe	10/21/2015	51647	Items purchased w/Grant Funds/Anthem to reimburse	1-550-7308	662.38
Sherry Thorpe	10/21/2015	51647	Health/Wellness Decorations	1-550-7308	69.74
Sherry Thorpe	10/28/2015	51700	Health & Wellness Fair Supplies 10/27/2015	1-550-7308	191.13
Sherry Thorpe	11/10/2015	51822	Recruitment Ads (2) - Engineer Project Mgr	1-540-7308	270.00
Sherry Thorpe	12/22/2015	52182	Reimburse - Service Fees for Gift Cards	1-540-7308	82.95
Sherry Thorpe	12/22/2015	52182	Reimburse - Training Refreshments	1-550-7308	75.45
Sherry Thorpe	12/22/2015	52182	Reimburse - Safety Award Gift Cards	1-550-7308	161.85
<b>Vendor 55494 - Sherry Thorpe Total:</b>					<b>3,519.18</b>
<b>Vendor: 55740 - Steve Frey</b>					
Steve Frey	04/02/2015	50000	Tuition Reimbursement 03/2015	1-540-7211	238.93
Steve Frey	08/13/2015	51089	Tuition Reimbursement 08/2015	1-540-7211	171.00
Steve Frey	10/21/2015	51650	Tuition Reimbursement 10/2015	1-540-7211	286.07
Steve Frey	12/16/2015	52118	Tuition Reimbursement	1-540-7211	239.87
<b>Vendor 55740 - Steve Frey Total:</b>					<b>935.87</b>

Vendor DBA	Payment Date	Payment Number	Description (Item)	Account Number	Amount
Vendor: 55699 - Steve Wuerth Steve Wuerth	08/13/2015	51090	Diaphragm Gasket Die For Regulator Maintenance	1-230-7604	165.00
				<b>Vendor 55699 - Steve Wuerth Total:</b>	<u>165.00</u>
				<b>Grand Total:</b>	<u><u>24,322.44</u></u>

# Report Summary

## Fund Summary

Fund	Payment Amount
1 - GENERAL	24,322.44
<b>Grand Total:</b>	<b>24,322.44</b>

## Account Summary

Account Number	Account Name	Payment Amount
1-110-7308	Employment Related	480.00
1-110-7601	Supplies - General	222.39
1-140-7308	Employment Related	200.00
1-200-7305	Travel	387.37
1-200-7308	Employment Related	300.00
1-210-7305	Travel	256.56
1-210-7502	Services - Buildings and	267.20
1-210-7601	Supplies - General	833.46
1-230-7308	Employment Related	359.00
1-230-7604	Supplies - Transmission	165.00
1-300-7308	Employment Related	120.00
1-410-7305	Travel	1,371.70
1-510-7501	Services - General	114.95
1-520-7305	Travel	186.80
1-520-7308	Employment Related	186.51
1-540-7211	Tuition Reimbursement	1,566.87
1-540-7308	Employment Related	1,961.84
1-550-7208	Uniforms and Boots	175.00
1-550-7305	Travel	314.66
1-550-7308	Employment Related	1,443.64
1-550-7601	Supplies - General	167.93
1-600-7305	Travel	10,549.42
1-600-7601	Supplies - General	426.60
1-700-7305	Travel	2,265.54
<b>Grand Total:</b>		<b>24,322.44</b>

## Project Account Summary

Project Account Key	Payment Amount
**None**	24,322.44
<b>Grand Total:</b>	<b>24,322.44</b>



Payment Number	Payment Date	Vendor	Description	Amount
53402	06/01/2016	Statewide Traffic Safety and Signs, Inc	Traffic Safety Items	878.37
53403	06/01/2016	Steve Frey	Tuition Reimbursement	139.00
53404	06/01/2016	TS Industrial Supply	Striping Paint (84)	338.23
53405	06/01/2016	UniFirst Corporation	Uniform Service	329.84
53406	06/01/2016	Verizon Wireless	Aircards 05/13/16-06/12/16	76.02
53407	06/01/2016	Vista Firestone Brake & Smog	Tires & Mounting (3) - Truck 66	717.54
53408	06/01/2016	Vulcan Materials Company and Affiliates	Cold Mix	1,997.78
53409	06/01/2016	William Lucidi Trust	Customer Refund - Overpayment	28.98
53410	06/08/2016	ABABA Bolt	Bolts for Valve Installations	227.09
	06/08/2016		Hardware & Supplies	66.55
53411	06/08/2016	ACWA/JPIA	Medical & Dental Insurance 07/2016 - Cobra	69.09
	06/08/2016		Medical & Dental Insurance 07/2016 - Cobra	627.44
	06/08/2016		Medical & Dental Insurance 07/2016 - Employees	139,664.60
	06/08/2016		Medical & Dental Insurance 07/2016 - Retirees	36,432.56
	06/08/2016		Medical & Dental Insurance 07/2016 - J MacKenzie	1,554.56
	06/08/2016		Medical & Dental Insurance 07/2016 - P Dorey	1,314.08
	06/08/2016		Medical & Dental Insurance 07/2016 - R Reznicek	2,119.43
	06/08/2016		Medical & Dental Insurance 07/2016 - R Vasquez	1,314.08
	06/08/2016		Medical & Dental Insurance 07/2016 - M Miller	1,554.56
53412	06/08/2016	Allied Electronics Inc	SCADA Terminal Blocks (88)	137.15
53413	06/08/2016	AT&T	20 Mbps Internet Service 05/19/16-06/18/16	1,062.10
53414	06/08/2016		Web Security 05/2016	66.00
53415	06/08/2016		Calnet3 04/13/16-05/12/16	971.06
53416	06/08/2016	Boot World Inc	Footwear Program (2)	340.12
53417	06/08/2016	Brett Hodgkiss	Reimbursement for Retirement Gift	379.74
53418	06/08/2016	Capital One Commercial	TV Mounting Hardware	43.39
	06/08/2016		Warehouse Supplies	832.78
	06/08/2016		Warehouse Supplies	271.80
	06/08/2016		Training Supplies	191.28
	06/08/2016		All Hands & CPR Training Refreshments	33.26
	06/08/2016		All Hands & Respirator Training Refreshments	45.67
	06/08/2016		Television	472.79
53419	06/08/2016	CI Solutions	ID Cards	1,370.45
53420	06/08/2016	Cecilia's Safety Service Inc	Traffic Control - Gold Dr	185.00
	06/08/2016		Traffic Control - Tower Dr	3,405.50
	06/08/2016		Traffic Control - Buena Creek Rd	2,414.00
	06/08/2016		Traffic Control - Calavo Dr	787.50
	06/08/2016		Traffic Control - Deodor	2,394.00
	06/08/2016		Traffic Control - N Santa Fe	630.00
	06/08/2016		Traffic Control - Mar Vista Dr	315.00

**Vista Irrigation District  
BOARD EXPENSE REPORT  
Six Months Ended December 31, 2015**

<u>Division</u>	<u>Board Member</u>	<u>Amount</u>
1	Charles "Marty" Miller	\$ 14,991.52
2	Richard Vasquez	18,406.04
3	Paul Dorey	18,977.89
4	Randy Reznicek	23,600.44
5	Jo MacKenzie	<u>27,094.83</u>
	<b>Total</b>	<b><u>\$ 103,070.72</u></b>

**Vista Irrigation District**  
**BOARD EXPENSE REPORT**  
**Six Months Ended December 31, 2015**

<u>ACTIVITY DATE</u>	<u>DESCRIPTION</u>	<u>DIV 1 MILLER</u>	<u>DIV 2 VASQUEZ</u>	<u>DIV 3 DOREY</u>	<u>DIV 4 REZNICEK</u>	<u>DIV 5 MACKENZIE</u>
<b><u>DIRECTORS' FEES</u></b>						
<b>Subtotal - 1st Quarter</b>		<b>\$ 1,789.00</b>	<b>\$ 2,589.00</b>	<b>\$ 3,178.00</b>	<b>\$ 2,400.00</b>	<b>\$ 4,778.00</b>
10/04-06/15	Finding New Water Seminar - Anaheim	\$ -	\$ 600.00	\$ -	\$ -	\$ -
10/05-07/15	Groundwater Resources Association of California - Sacramento	-	-	600.00	-	-
10/07/15	VID Board Meeting	200.00	200.00	-	200.00	200.00
10/13-14/15	ACWA Regulatory Summit	-	400.00	-	-	200.00
10/14/15	Upper San Luis Rey Watershed Authority - Yuima	-	-	200.00	-	-
10/15/15	San Diego County Water Association Water Symposium	-	-	-	200.00	-
10/19/15	CSDA San Diego Chapter Board Meeting - Rancho Santa Fe	-	-	-	-	200.00
10/21/15	VID Board Meeting	200.00	200.00	200.00	200.00	200.00
10/23/15	ACWA Legislative Committee Meeting - Sacramento	-	-	-	-	200.00
10/26/15	San Luis Rey Watershed Council Meeting- Fallbrook	-	-	200.00	-	-
10/29/15	Southern CA Water Committee Annual Meeting - Universal City	-	-	200.00	-	-
11/03/15	VID Website Workshop	200.00	200.00	200.00	200.00	200.00
11/04/15	VID Board Meeting	200.00	200.00	200.00	200.00	200.00
11/05/15	Special Districts Leadership Foundation Board Meeting	-	-	-	-	200.00
11/05/15	Warner Springs Grand Opening	-	-	-	200.00	-
11/06/15	CSDA Legislative Committee Meeting	-	-	-	-	200.00
11/10/15	ACWA Proposition 218 Webinar	-	-	-	200.00	-
11/11/15	Upper San Luis Rey Watershed Authority Board of Directors Meeting	-	-	200.00	-	-
11/12/15	CSDA Finance Corp Board of Directors Meeting	-	-	-	-	200.00
11/13/15	CSDA Board of Directors Meeting	-	-	-	-	200.00
11/17/15	VID Ad Hoc Committee Meeting - GM Negotiations	200.00	-	-	-	200.00
11/18/15	VID Board Meeting	200.00	200.00	200.00	200.00	200.00
11/20/15	ACWA Board of Directors Meeting	-	-	-	-	200.00
11/24/15	VID Public Affairs Committee Meeting	200.00	-	-	200.00	-
11/30/15	ACWA/JPIA Fall Conference	-	200.00	200.00	200.00	200.00
12/01-04/15	ACWA Fall Conference - Indian Wells	-	800.00	800.00	800.00	800.00
12/07/15	San Luis Rey Indian Settlement, Principles	200.00	-	-	-	200.00
12/08/15	Council of Water Utilities Nominating Committee	-	-	200.00	-	-
12/09/15	VID Board Meeting	-	200.00	200.00	200.00	200.00
12/14/15	San Diego County Water Association Desal Grand Opening	-	-	-	200.00	200.00
12/16-18/15	Colorado River Water Users Association Conference- Las Vegas	-	-	-	600.00	600.00
<b>Subtotal - 2nd Quarter</b>		<b>\$ 1,600.00</b>	<b>\$ 3,200.00</b>	<b>\$ 3,600.00</b>	<b>\$ 3,800.00</b>	<b>\$ 5,000.00</b>
<b>TOTAL - DIRECTORS' FEES</b>		<b>\$ 3,389.00</b>	<b>\$ 5,789.00</b>	<b>\$ 6,778.00</b>	<b>\$ 6,200.00</b>	<b>\$ 9,778.00</b>

**Vista Irrigation District  
BOARD EXPENSE REPORT  
Six Months Ended December 31, 2015**

<u>ACTIVITY DATE</u>	<u>DESCRIPTION</u>	<u>DIV 1 MILLER</u>	<u>DIV 2 VASQUEZ</u>	<u>DIV 3 DOREY</u>	<u>DIV 4 REZNICEK</u>	<u>DIV 5 MACKENZIE</u>
<b><u>BENEFITS</u></b>						
<b>HEALTH BENEFITS:</b>						
1st Quarter		\$ 4,279.80	\$ 3,961.86	\$ 3,961.86	\$ 5,933.61	\$ 4,279.80
2nd Quarter		4,279.80	3,961.86	3,961.86	5,933.61	4,279.80
3rd Quarter		-	-	-	-	-
4th Quarter		-	-	-	-	-
<b>TOTAL HEALTH BENEFITS</b>		<b><u>\$ 8,559.60</u></b>	<b><u>\$ 7,923.72</u></b>	<b><u>\$ 7,923.72</u></b>	<b><u>\$ 11,867.22</u></b>	<b><u>\$ 8,559.60</u></b>
<b>PENSION:</b>						
1st Quarter		\$ -	\$ -	\$ -	\$ -	\$ 777.09
2nd Quarter		-	-	-	-	813.20
3rd Quarter		-	-	-	-	-
4th Quarter		-	-	-	-	-
<b>TOTAL PENSION BENEFITS</b>		<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,590.29</u></b>
<b>TOTAL - BENEFITS</b>		<b><u>\$ 8,559.60</u></b>	<b><u>\$ 7,923.72</u></b>	<b><u>\$ 7,923.72</u></b>	<b><u>\$ 11,867.22</u></b>	<b><u>\$ 10,149.89</u></b>

**Vista Irrigation District**  
**BOARD EXPENSE REPORT**  
**Six Months Ended December 31, 2015**

<u>ACTIVITY DATE</u>	<u>DESCRIPTION</u>	<u>DIV 1 MILLER</u>	<u>DIV 2 VASQUEZ</u>	<u>DIV 3 DOREY</u>	<u>DIV 4 REZNICEK</u>	<u>DIV 5 MACKENZIE</u>
<b><u>TRAVEL</u></b>						
<b>Subtotal - 1st Quarter</b>		<b>\$ 664.79</b>	<b>\$ 748.31</b>	<b>\$ 628.42</b>	<b>\$ 1,634.77</b>	<b>\$ 2,405.62</b>
10/04-06/15	Finding New Water Seminar - Anaheim	\$ -	\$ 443.02	\$ -	\$ -	\$ -
10/05-07/15	Groundwater Resources Association of California - Sacramento	-	-	458.65	-	-
10/13-14/15	ACWA Regulatory Summit	-	262.50	-	-	860.60
10/14/15	Upper San Luis Rey Watershed Authority - Yuima	-	-	32.66	-	-
10/15/15	San Diego County Water Association Water Symposium	-	-	-	34.50	-
10/19/15	CSDA San Diego Chapter Board Meeting - Rancho Santa Fe	-	-	-	-	20.70
10/20/15	Council of Water Utilities- Poway	-	-	46.85	-	41.10
10/26/15	San Luis Rey Watershed Council Meeting- Fallbrook	-	-	16.45	-	-
10/29/15	Southern CA Water Committee Annual Meeting - Universal City	-	-	386.20	-	-
11/05/15	Warner Springs Grand Opening	-	-	-	65.55	-
11/11/15	Upper San Luis Rey Watershed Authority Board of Directors Meeting	-	-	16.56	-	-
11/17/15	Council of Water Utilities- Poway	-	25.00	46.85	-	-
11/19/15	CSDA Quarterly Dinner	30.00	-	-	66.80	-
11/20/15	ACWA Board of Directors Meeting	-	-	-	-	451.30
11/30/15	ACWA/JPIA Fall Conference	-	67.56	52.33	58.08	-
12/01-04/15	ACWA Fall Conference - Indian Wells	705.41	1,131.93	1,162.91	1,021.19	963.11
12/08/15	Council of Water Utilities Nominating Committee	-	-	28.29	-	-
12/16-18/15	Colorado River Water Users Association Conference- Las Vegas	277.72	-	-	668.33	659.51
<b>Subtotal - 2nd Quarter</b>		<b>\$ 1,013.13</b>	<b>\$ 1,930.01</b>	<b>\$ 2,247.75</b>	<b>\$ 1,914.45</b>	<b>\$ 2,996.32</b>
<b>TOTAL - TRAVEL</b>		<b>\$ 1,677.92</b>	<b>\$ 2,678.32</b>	<b>\$ 2,876.17</b>	<b>\$ 3,549.22</b>	<b>\$ 5,401.94</b>
<b><u>TRAINING</u></b>						
<b>Subtotal - 1st Quarter</b>		<b>\$ 225.00</b>	<b>\$ 525.00</b>	<b>\$ 100.00</b>	<b>\$ 844.00</b>	<b>\$ 425.00</b>
10/04-06/15	Finding New Water Seminar - Anaheim	\$ -	\$ 595.00	\$ -	\$ -	\$ -
10/05-07/15	Groundwater Resources Association of California - Sacramento	-	-	405.00	-	-
10/13-14/15	ACWA Regulatory Summit	-	200.00	-	-	200.00
10/29/15	Southern CA Water Committee Annual Meeting - Universal City	-	-	200.00	-	-
12/01-04/15	ACWA Fall Conference - Indian Wells	695.00	695.00	695.00	695.00	695.00
12/16-18/15	Colorado River Water Users Association Conference- Las Vegas	445.00	-	-	445.00	445.00
<b>Subtotal - 2nd Quarter</b>		<b>\$ 1,140.00</b>	<b>\$ 1,490.00</b>	<b>\$ 1,300.00</b>	<b>\$ 1,140.00</b>	<b>\$ 1,340.00</b>
<b>TOTAL - TRAINING</b>		<b>\$ 1,365.00</b>	<b>\$ 2,015.00</b>	<b>\$ 1,400.00</b>	<b>\$ 1,984.00</b>	<b>\$ 1,765.00</b>



**Agenda Item: 14**

**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Eldon Boone**

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: 15.A**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Lisa Soto**  
**Approved By: Eldon Boone**

**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**

**Board Meeting Date:** June 22, 2016  
**Prepared By:** Marian Schmidt  
**Approved By:** Eldon Boone

**SUBJECT:** SCHEDULE OF UPCOMING MEETINGS AND EVENTS AND DIRECTORS ATTENDING

**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.

	<b>SCHEDULE OF UPCOMING MEETINGS AND EVENTS</b>	<b>ATTENDEES</b>
1	<b>LAFCO 101 for Special Districts Webinar (CSDA)</b> <i>June 29, 2016 – 10:00 a.m. – 11:30 a.m.</i> <i>Registration deadline: 6/23/16</i>	
2	<b>Special District Leadership Academy Conference #2 (CSDA)</b> <i>July 10-13, 2016 – Embassy Suites Napa Valley, Napa</i> <i>Registration deadline: 7/1/16</i>	
3 *	<b>Council of Water Utilities Meeting</b> <i>July 19, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 7/14/16</i>	
4	<b>What is Public Engagement and Why Do It? Webinar (CSDA)</b> <i>July 21, 2016, 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 7/14/16</i>	
5	<b>Legislative Round-Up Webinar (CSDA)</b> <i>Aug. 11, 2016 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 8/4/16</i>	
6 *	<b>Council of Water Utilities Meeting</b> <i>Aug. 16, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 8/11/16</i>	
7 *	<b>CSDA Quarterly Dinner Meeting</b> <i>Aug. 18, 2016 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 8/11/16</i>	MacKenzie
8	<b>Urban Water Institute’s Annual Water Conference</b> <i>Aug. 24-26, 2016 – Hilton San Diego</i> <i>Registration deadline: 8/10/16</i>	Vásquez (H) MacKenzie (H)
9	<b>The Who, What, Where, When, Why and How of Public Engagement (CSDA)</b> <i>Sept. 7, 2016 – CSDA Training Center, Sacramento</i> <i>Registration deadline: 9/1/16</i>	
10 *	<b>Council of Water Utilities Meeting</b> <i>Sept. 20, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 9/15/16</i>	
11	<b>CEQA – California Environmental Quality Act (CSDA)</b> <i>Sept. 21, 2016 – CSDA Training Center, Sacramento</i> <i>Registration deadline: 9/15/16</i>	
12	<b>Groundwater Annual Conference &amp; GRA Annual Meeting</b> <i>Sept. 28-29, 2016 – Hilton Concord</i> <i>Registration deadline: TBD</i>	Dorey (A,H)
13	<b>ACWA Regulatory Summit</b> <i>Oct. 3-4, 2016 – Bay Area (location TBD)</i>	



<b>14</b>	<b>WaterSmart Innovations Conference</b> <i>Oct. 5-7, 2016 – Las Vegas, Nevada</i> <i>Registration deadline: None</i>	
<b>15</b>	<b>CSDA Annual Conference</b> <i>Oct. 10-13, 2016 – Sheraton San Diego Hotel</i> <i>Registration deadline: 9/9/16</i>	MacKenzie (H) Miller (T, H) Reznicek (T, H)
<b>16 *</b>	<b>Council of Water Utilities Meeting</b> <i>Oct. 18, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 10/13/16</i>	
<b>17</b>	<b>Northern California Tour</b> (Water Education Foundation) <i>Oct. 19-21, 2016 – Tour starts at Sacramento Airport</i> <i>Registration deadline: 9/19/16</i>	
<b>18</b>	<b>ACWA Region 10 Program</b> <i>Oct. 28, 2016 – Vista Irrigation District</i>	
<b>19</b>	<b>San Joaquin Restoration Tour</b> (Water Education Foundation) <i>Nov. 2-3, 2016 – Tour starts at Sacramento Airport</i> <i>Registration deadline: 10/2/16</i>	
<b>20</b>	<b>Ethics AB 1234 Compliance Training Webinar</b> (CSDA) <i>Nov. 8, 2016 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 11/3/16</i>	
<b>21 *</b>	<b>Council of Water Utilities Meeting</b> <i>Nov. 15, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 11/10/16</i>	
<b>22 *</b>	<b>CSDA Quarterly Dinner Meeting</b> <i>Nov. 17, 2016 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 11/10/16</i>	
<b>23</b>	<b>ACWA Fall Conference</b> <i>Nov. 29-Dec. 2, 2016 – Anaheim Marriott Hotel</i> <i>Registration deadline: TBD</i>	
<b>24</b>	<b>Colorado River Water Users Association Annual Conference</b> <b><u>NOTE DATE CHANGE: Dec. 14-16, 2016</u></b> – Caesar's Palace, Las Vegas <i>Registration deadline: TBD</i>	Miller (T)
<b>25 *</b>	<b>Council of Water Utilities Meeting</b> <i>Dec. 20, 2016, 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 12/15/16</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:

**A**=Airline; **R**=Registration; **C**=Car; **H**=Hotel; **T**=Tentative



**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Lisa Soto**

**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:*

- Update on Hydration Station Installations at Vista Unified School District Sites
- Groundwater Study update
- Development of policy on sale/lease of District properties



**Agenda Item: 17**

**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Lisa Soto**

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: 18**

**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Eldon Boone**

SUBJECT: COMMENTS BY GENERAL COUNSEL

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



**Agenda Item: 19**

**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Eldon Boone**

SUBJECT: COMMENTS BY GENERAL MANAGER

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



**Agenda Item: 20**

**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Eldon Boone**

SUBJECT: CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL

SUMMARY: Conference with legal counsel per paragraph (1) of subdivision (d) of Government Code section 54956.9 to discuss the following existing litigation:

- A. San Luis Rey Indian Water Rights Litigation (Settlement)



**STAFF REPORT**

**Board Meeting Date: June 22, 2016**  
**Prepared By: Eldon Boone**

SUBJECT: LEGAL SERVICES AGREEMENT WITH WILMERHALE

RECOMMENDATION: Ratify and approve the Attorney and Professional Services Agreement with Wilmer Cutler Pickering Hale and Dorr LLP for the period of January 1, 2016 to June 30, 2017.

PRIOR BOARD ACTION:

- 1/20/16 Discussed WilmerHale engagement
- 2/3/16 Discussed WilmerHale engagement
- 2/17/16 Provided direction on WilmerHale engagement

FISCAL IMPACT: This agreement with WilmerHale includes a flat fee of \$43,500 and two success fees of \$43,500 and \$94,250. The total fiscal impact to the District for this agreement is \$181,250 plus expenses.

SUMMARY: The Board has discussed the legal and other professional services provided by the firm Wilmer Cutler Pickering Hale and Dorr LLP (WilmerHale) to assist in making effective the San Luis Rey Settlement and Implementing Agreements as authorized in the San Luis Rey Indian Water Rights Settlement Act, Public Law 100-675, and executed by the parties of the United States, the San Luis Rey Indian Bands, the City of Escondido, and the Vista Irrigation District. On February 17, 2016, the Board provided direction to staff regarding entering into a new agreement with WilmerHale. On February 18, 2016, staff signed an agreement with WilmerHale (see agreement attached) to provide legal and other professional services to the District for the period January 1, 2016 to June 30, 2017.

Per the District's Purchasing Policy, this agreement requires Board approval due to the contract amount of \$181,250 exceeding the General Manager's authority of \$50,000.

DETAILED REPORT: This agreement for legal services with WilmerHale is made by and between the San Luis Rey Indian Water Authority (the Authority), the City of Escondido (Escondido) and the Vista Irrigation District (District). This agreement is a supplement to an engagement letter with WilmerHale dated June 5, 2012 and covers the period January 1, 2016 to June 30, 2017. The District has entered into other supplement agreements with WilmerHale covering the periods December 1, 2013 to July 31, 2014 and January 1, 2015 to December 31, 2015.

Historically, shared costs for legal and consultant costs to make the Indian Water Rights settlement effective have been shared 50% - 25% - 25% between the Authority, Escondido and the District, respectively. The Authority fronted a \$100,000 flat fee to WilmerHale under the third agreement. The parties agreed in this new (fourth) agreement with WilmerHale to an apportionment of fees of 42% - 29% - 29% so that at the conclusion of this engagement, with all success fees earned, all parties will have effectively paid the historical split of 50% - 25% - 25%.

Per this new agreement with WilmerHale, the District is required to make installment payments for the flat fee portion of the contract on March 1, May 1 and July 1 of 2016. The District has paid the March 1 installment payment (\$14,500, plus \$511 of expenses), but the May 1 installment (\$14,500, plus \$74 of expenses) is currently due and payable.

ATTACHMENT: Attorney and Professional Services Agreement with WilmerHale

## ATTORNEY AND PROFESSIONAL SERVICES AGREEMENT

This 2016 agreement is made by and between the San Luis Rey Indian Water Authority ("the Authority"), the City of Escondido ("Escondido"), and the Vista Irrigation District ("Vista or "VID"), the three collectively referred to as "the Clients", and Wilmer Cutler Pickering Hale and Dorr LLP ("WilmerHale" or the "Firm"). This Agreement shall be considered as a supplement to the Engagement Letter dated June 5, 2012 and that was countersigned by the Clients in June 2012. All terms and conditions of the Engagement Letter (including, for example, those terms relating to joint representation) apply to the Matter, defined below, as modified and supplemented herein. Agreements executed by the Clients in December 2013 and the Firm in January 2014, and by the Firm in January 2015 and by the Clients in February 2015, are of no further force or effect.

1. Scope of Representation:

The Firm agrees to provide legal and other professional services to assist in making effective the San Luis Rey Settlement and Implementing Agreements as authorized in the San Luis Rey Indian Water Rights Settlement Act, Public Law 100-675 (the "Settlement Act"), and executed by all of the Parties: the United States, the San Luis Rey Indian (Rincon, Pala, Pauma, San Pasqual, and La Jolla) Bands, the City of Escondido, and the Vista Irrigation District.

2. Term:

The term of this agreement shall be from January 1, 2016 to June 30, 2017, or to the date on which all of the conditions required for the San Luis Rey Indian Water Rights Settlement to become effective are satisfied, whichever occurs first. It is further understood that this term may be extended by written agreement of all Clients and WilmerHale (the "Parties"). Notwithstanding the above, any Party to this agreement, on its own behalf, may terminate the Agreement at any time, with or without cause, by providing written notice, and subject only to payment of any portion of fees that have accrued to that date, plus, in the event the Clients collectively terminate the Agreement, payment of any Success Fee (described below) that would otherwise have been earned based on efforts made by the Firm through the date of termination.

3. Fees and Costs:

The parties agree that the Firm shall charge a flat fee of One Hundred Fifty Thousand Dollars (\$150,000), as payment for all services rendered. Such payment shall be made in three (3) equal installments of Fifty Thousand Dollars (\$50,000). These installments shall be due and payable on March 1, May 1, and July 1 of calendar year 2016.

4. Additional Success Fee Compensation:

The parties agree that the Firm shall be entitled to two separate additional Success Fees in sums of One Hundred Fifty Thousand Dollars (\$150,000) and Three Hundred Twenty-Five Thousand Dollars (\$325,000), respectively. The first success fee amount of \$150,000 is expressly contingent upon HR 1296 being



passed by the 114<sup>th</sup> Congress and signed by the President of the United States during the President's current term of office. The second success fee amount of \$325,000 is expressly contingent upon the San Luis Rey Indian Water Rights Settlement taking effect no later than June 30, 2017. The additional compensation for each success fee shall be payable immediately upon the occurrence of the corresponding triggering event identified above.

5. Division of Fees and Expenses:

The Clients agree to apportion the payment of the fees owed, including the additional success fee compensation, in the following manner:

Apportionment of Flat Fee:

San Luis Rey Indian Water Authority	\$63,000
Vista Irrigation District	\$43,500
City of Escondido	\$43,500

Apportionment of First Success Fee:

San Luis Rey Indian Water Authority	\$63,000
Vista Irrigation District	\$43,500
City of Escondido	\$43,500

Apportionment of Second Success Fee:

San Luis Rey Indian Water Authority	\$136,500
Vista Irrigation District	\$94,250
City of Escondido	\$94,250

The Clients agree, however, that (subject to a Client's right to terminate the Agreement) they are each jointly and severally responsible for the entire amounts of the Firm's agreed upon fees.

6. Reporting Requirement:

The Firm agrees to provide regular conference call and written reports to the Clients detailing activities in furtherance of this Agreement, and shall provide these and other types of reports promptly upon request by the Clients.

7. Non Assignment:


The services contracted for shall be performed by Seth P. Waxman, Daniel Volchok, Ken Salazar, Tom Strickland, Jonathan Yarowsky, Neil Potts, Rob Lehman, and other such professionals as are approved by the Clients. It is understood by the Parties that Mr. Waxman shall serve as the supervising partner and that Mr. Volchok shall be the project manager for all services performed except for those pertaining to enactment of the necessary Federal legislation.

8. Governing Law:


This Agreement is entered into in San Diego County, California, and is governed by California law and applicable federal law.

**AGREED TO AND ACCEPTED:**


**SAN LUIS REY INDIAN WATER AUTHORITY:**

By:  3-18-14  
Bo Mazzetti, President Date  
San Luis Rey Indian Water Authority

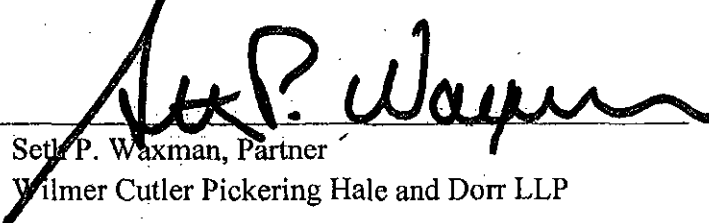
**CITY OF ESCONDIDO:**

By:  2-20-16  
Jeffrey R. Epp, City Attorney Date  
City of Escondido

**VISTA IRRIGATION DISTRICT:**

By:  2/19/16  
Roy A. Coox, General Manager Date  
Vista Irrigation District

**WILMER CUTLER PICKERING HALE AND DORR LLP:**

By:  2/4/16  
Seth P. Waxman, Partner Date  
Wilmer Cutler Pickering Hale and Dorr LLP