Yucaipa Valley Water District

Notice and Agenda of a Board Workshop

Tuesday, January 10, 2012 at 4:00 p.m.

MEETING LOCATION:	District Administration Building 12770 Second Street, Yucaipa
MEMBERS OF THE BOARD:	Director Ian Cuthbertson, Division 1 Director Bruce Granlund, Division 2 Director Jay Bogh, Division 3 Director Lonni Granlund, Division 4 Director Hank Wochholz, Division 5

I. Call to Order

II. Public Comments At this time, members of the public may address the Board of Directors on matters within its jurisdiction; however, no action or significant discussion may take place on any item not on the meeting agenda.

III. Staff Comments

IV. Presentations

A. Overview of Commercial Sewer Rate Structure [Workshop Memorandum No. 12-001 - Page 3 of 124]

V. Operational Updates

A. Yucaipa Valley Water District Operational Overview for December 2011 [Workshop Memorandum No. 12-002 - Page 16 of 124]

B. Purchase of Replacement Lamps for the Ultraviolet Disinfection Process at the Wochholz Regional Water Recycling Facility [Workshop Memorandum No. 12-003 - Page 17 of 124]

VI. Capital Improvement Projects

A. Status Report on the Construction of the Yucaipa Valley Regional Brineline [Workshop Memorandum No. 12-004 - Page 19 of 124]

B. Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex [Workshop Memorandum No. 12-005 - Page 23 of 124]

Any person with a disability who requires accommodation in order to participate in this meeting should telephone Erin Anton at (909) 797-5117, at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

Materials related to an item on this agenda submitted to the Board of Directors after distribution of the workshop packet are available for public inspection during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting material is also be available on the District's website at www.yvwd.dst.ca.us

C. Status Report on the Construction of the Crow Street Pipeline Facilities [Workshop Memorandum No. 12-006 - Page 25 of 124]

D. Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project [Workshop Memorandum No. 12-007 - Page 26 of 124]

VII. Administrative Issues

A. Unaudited Financial Report for December 2011 [Workshop Memorandum No. 12-008 - Page 28 of 124]

B. Single Audit Report for Period Ending June 30, 2011 [Workshop Memorandum No. 12-009 - Page 58 of 124]

C. Appointment of Individuals as Representatives in Small Claims Court [Workshop Memorandum No. 12-010 - Page 74 of 124]

D. Statement of Investment Policy for the Yucaipa Valley Water District [Workshop Memorandum No. 12-011 - Page 76 of 124]

E. Biological Compliance Services by Dudek Related to the Construction of the Yucaipa Valley Regional Brineline - Phase 3 [Workshop Memorandum No. 12-012 - Page 86 of 124]

F. Construction Management Services by Krieger & Stewart for the Pressure Zone 10 Recycled Water Reservoirs and Booster Station Complex [Workshop Memorandum No. 12-013 - Page 96 of 124]

G. Construction Management Services by Separation Processes, Inc. for the Construction of the Wochholz Improved Salinity Effluent (WISE) Facility [Workshop Memorandum No. 12-014 - Page 110 of 124]

H. Damage Claim Related to a Leak on Private Property at 12555 Fremont Street, Yucaipa [Workshop Memorandum No. 12-015 - Page 116 of 124]

VIII. Director Comments

IX. Closed Session

A. Conference with Real Property negotiator(s) (Government Code 54956.8)
Property: Assessor's Parcel Number: 301-201-29
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Palmer General Corporation
Under Negotiation: Terms of Payment and Price

X. Adjournment

Yucaipa Valley Water District

Workshop Memorandum 12-001

Date: **January 10, 2012**

Subject: **Overview of Commercial Sewer Rate Structure**

On August 17, 2011, the Board of Directors adopted Resolution No. 18-2001 setting rates, fees and charges for water, sewer and recycled water service. At the board workshop meeting held on December 13, 2011, the District staff presented concepts for revising the rate structure for single unit and multiple unit commercial buildings. At the board workshop, the District staff received comments from the public, business owners and board members.

During the discussion of this workshop agenda item, the District staff will be providing an overview of the sewer rate structure used for commercial customers and possible alternatives for modifying the formulas used to determine the commercial sewer rates for single unit and multiple unit commercial complexes.

RESOLUTION NO. 18-2011

RESOLUTION OF THE BOARD OF DIRECTORS OF THE YUCAIPA VALLEY WATER DISTRICT SETTING RATES FEES AND CHARGES FOR WATER, SEWER AND RECYCLED WATER SERVICE

WHEREAS, the Yucaipa Valley Water District (the "District") is a public agency of the State of California organized and existing pursuant to the provisions of the County Water District Law of this State (Section 30000, et seq. of the Water Code); and

WHEREAS, pursuant to the requirements of Article XIII D, Section 6 of the California Constitution and Section 53755 of the Government Code, the District provided mailed notice of the proposed rate adjustments to its customers who would be affected by said rates, advising them of a public hearing to be conducted by the Board of Directors on August 17, 2011, and the opportunity to protest the proposed rates in writing, which notice was mailed more than 45 days prior to the public hearing; and

WHEREAS, on August 17, 2011, the Board of Directors conducted a public hearing on the proposed rate adjustments as provide in the notice mailed to customers who would be affected by the rates, considered all written protests to the propose rate adjustments filed with the District prior to the conclusion of the public hearing, and has determined that the written protests filed with the District represent fewer than fifty percent (50%) of the number of parcels that would be affected by the proposed rate adjustment; and

WHEREAS, Assembly Bill 3030 went into effect as of January 1, 2009, adding Section 53756 to the Government Code. Pursuant to Government Code Section 53756, the District may adopt a schedule of fees or charges that authorizes automatic adjustments that pass through increases in wholesale charges for water or adjustments for inflation for a period not to exceed five (5) years

NOW, THEREFORE, the Board of Directors of Yucaipa Valley Water District do hereby RESOLVE, DETERMINE, AND ORDER as follows:

1. Purpose and Implementation:

1.1 Purpose of Resolution. The fees and charges set forth herein are for the purpose of meeting all of the District's water, sewer and recycled water operating expenses, including but not limited to: distribution system maintenance; collection system maintenance; purchase of vehicles and equipment; pump maintenance; well maintenance; groundwater management; vehicle and equipment maintenance; facility maintenance; regulatory compliance; permitting compliance; staffing; purchase of imported water; water filtration and purification; sewer treatment; brine disposal; material costs; administrative costs; long-term debt repayment; and reserve fund needs. Upon the effective date below, the contents of this resolution shall replace Resolution No. 37-2005.

1.2 Implementation of Rates, Fees and Charge. The water, sewer and recycled water related rates, fees and charges shall be effective based on the date(s) provided

herein. Implementation of rate changes will occur on the effective date regardless of the service period.

1.3 Repeal and Rescind. Upon adoption of this Resolution, Yucaipa Valley Water District Resolution No. 37-2005, Yucaipa Valley Water District Resolution No. 20-2009, and Yucaipa Valley Water District Resolution No. 03-2010 shall be repealed and rescinded, effective September 1, 2011.

1.4 Validity. If any section, subsection, clause, phrase, or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Resolution.

2. Construction Related Fees, Charges and Deposits

2.1 Sub-Regional / Project Specific Master Plan. The District shall collect a deposit for the purpose of conducting a sub-regional or project specific master plan to evaluate water, sewer and recycled water service requirements. This service shall be required of projects in areas with insufficient service capacity or within areas where water, sewer or recycled water services do not currently exist. If the actual cost of this service is greater than the deposit provided, then an additional deposit shall be required prior to completing the written evaluation. At the conclusion of the evaluation, the District will provide a refund equal to the amount of deposited funds which were not utilized by the District, or apply the difference to plan check services. If at the conclusion of the evaluation, the District has exhausted all deposited funds and a balance due remains, then the property owner or developer shall remit that balance due immediately upon receipt of an invoice from the District.

2.2 Plan Check Services. The District shall collect a plan check deposit for the purpose of plan checking services by the District staff or a representative authorized by the District. If the actual cost of plan check services is greater than the deposit applied, the District will require an additional deposit be made prior to continuing plan checking services. At the conclusion of the plan check review process, the District will provide a refund equal to the amount of deposited funds which were not utilized by the District for plan checking services, or apply the difference to future inspection services. If at the conclusion of the evaluation, the District has exhausted all deposited funds and a balance due remains, then the property owner or developer shall remit that balance due immediately upon receipt of an invoice from the District.

2.2.1 Residential, commercial, institutional, and industrial developments. For development related projects, the plan check deposit shall be 3% of the estimated water and sewer construction value. The estimated construction value shall be reviewed and approved by the District prior to recordation.

2.2.2 Storage Reservoirs. For water storage reservoirs, the plan check deposit shall be 2% of the estimated construction cost or $10,000.00 whichever is greater.

2.2.3 Wells, Pump Equipment and/or Boosters. For water and sewer related pumping equipment the plan check deposit shall be 2% of the estimated construction cost or $10,000.00 whichever is greater.

2.2.4 Plan Rechecking. The District requires a resubmittal of all construction plans every year after being initially approved. Rechecking of plans after plans have been approved by the District shall be performed on a cost basis with a deposit paid prior to initiating this service. The District will not approve the plans until all unpaid plan checking service charges have been paid.

2.3 Inspection Services. The District requires an inspection deposit for the purpose of conducting inspection services by the District staff or a representative authorized by the District. If the actual cost of the inspection services provided by the District is greater than the deposit applied, the District will require an additional deposit be made prior to continuing inspection services. At the conclusion of the project, the District will provide a refund equal to the amount of deposited funds which were not utilized by the District for inspection services. If at the conclusion of the evaluation, the District has exhausted all deposited funds and a balance due remains, then the property owner or developer shall remit that balance due immediately upon receipt of an invoice from the District.

2.3.1 Residential, Commercial, Institutional and Industrial Water & Sewer Facilities. For installation of residential, commercial, institutional, and industrial water and sewer facilities, a deposit in the amount equal to seven percent (7.0%) of the estimated construction cost shall be provided to the District prior to recordation.

2.3.2 New Water Service Lines and Sewer Laterals. For water service lines and sewer laterals constructed by contractors between the public water/sewer mainline and the property line, the owner shall provide a $500.00 deposit and be responsible for the actual cost of inspection services.

2.3.3 Connecting to an Existing Sewer Lateral. For verifying a proper sewer lateral connection to an existing sewer lateral, the owner shall provide a $180.00 flat fee for the cost of inspection services.

2.3.4 Water and Sewer Pump Stations. A deposit for the inspection of water and sewer pump stations shall be 7.0% of the estimated construction cost.

2.3.5 Reinspection. Where reinspection is required due to test failures, damage, litigation or other causes beyond normal construction, the cost of reinspection will be paid by owner at the actual cost incurred.

2.3.6 Overtime Inspection Services. Any overtime inspection provided, including Saturday, holiday, evening, and night will be provided if inspectors are available and 72 hour advance notification is given to the District. All costs for overtime inspection shall be paid by owner.

2.4 Water and Sewer Mainline Extension Charges. When a water or sewer mainline is extended past or to properties not contributing toward the cost of the mainline, and those properties have not paid a direct assessment or its equivalent, the property owner or developer who paid for the mainline extension shall be reimbursed, pursuant to the active reimbursement agreement for a portion of the cost of such extension. The amount of reimbursement shall not exceed the cost of an equal length and depth of 8-inch diameter mainline, as determined by the General Manager, or designee. In the event an active reimbursement agreement does not exist, the District shall be paid the mainline extension charges.

2.5 Water Service Line and Sewer Lateral Installation Charges. The cost associated with the installation of a water service line (potable and recycled), fire service line, and/or a sewer lateral shall be the actual cost of all labor, material, and equipment charges, plus employee benefits, overhead and administrative surcharges per District Resolution. A deposit shall be made with the District equal to the estimated cost of installation, as determined by the District, prior to initiating installation. Final job costs will be determined and the customer will be billed or refunded the difference in cost.

2.6 Fire Hydrant and Fire Service Installation Charge. The cost associated with the installation of a fire hydrant and/or fire service shall be the actual cost of all labor, material, and equipment charges, plus employee benefits, overhead and administrative surcharges per District Resolution. A deposit shall be made with the District equal to the estimated cost of installation, as determined by the District, prior to initiating installation. Final job costs will be determined and the customer will be billed or refunded the difference in cost.

2.7 Potable Water & Recycled Water Meter Installation Charge. The cost associated with the installation of a ¾" water meter shall be $325 per meter and $375 for a 1" water meter. The cost associated with the installation of larger water meters shall be the actual cost of all labor, material, and equipment charges, plus employee benefits, overhead and administrative surcharges per District Resolution with a deposit collected prior to installation.

2.8 Construction Meter Deposit, Demand Charge and Consumption Charge.

2.8.1 Construction Meter Deposit. A construction meter deposit of $1,500 per meter shall be paid prior to the District installing the temporary construction meter at a fire hydrant as determined by the District.

2.8.2 Daily Demand Charge. A service charge of $2.30 per calendar day shall be charged for the rental and fixed costs associated with this service.

2.8.3 Potable Construction Water Consumption Charge. Potable water used for construction purposes is considered to be interruptible and charged at a rate per thousand gallons equal to 1.2 times the highest tier of potable water charged to District customers.

2.8.4 Recycled Construction Water Consumption Charge. Recycled water used for construction purposes is considered to be reliable and less subject to interruptions. This water shall be charged at a rate per thousand gallons

equal to 1.2 times the highest tier of recycled water charged to District customers.

3. Administrative Charges

3.1 Credit Card / Check Card Payment Surcharge. A $1.75 charge shall be added to all payment transactions completed by credit card or check card.

3.2 Delinquent Payment Charge. The District shall charge a basic penalty of ten percent (10%) of the amount of each service billing not paid on time, plus an additional penalty of one-half of one percent (0.5%) per month on each late billing and its associated basic penalty.

3.3 Returned Check Charge. The charge for a returned check shall be $35.00 per item.

3.4 Disconnection and Reconnection Charge. For potable water and recycled water service, the disconnection charge is hereby established at a rate of $35.00 per occurrence.

A water reconnection charge of $40.00 will be charged per occurrence with the payment of all delinquent fees and charges if received by 3:00 p.m. on a regular business day. A reconnection charge of $50.00 will be charged per occurrence when the payment of all delinquent fees and charges is made after 3:00 p.m. on a regular business day and the customer requests reconnection of water service between the hours of 4:00 p.m. and 8:00 a.m. or on weekends/holidays.

The disconnection and reconnection charge associated with sewer service is established at cost plus 15%.

3.5 Unauthorized Use of Water & Sewer Services. The unauthorized use of water and/or sewer service shall be charged to any person, organization, corporation, or agency for each unauthorized use of District water or for tampering in any manner with any meter belonging to the District. The unauthorized use of water charge is hereby established at a rate of $750.00, or $65 per day, whichever is greater.

3.6 Property Liens. A delinquent utility account that results in a property tax lien shall be charged $100 per lien per property for administrative and processing costs.

3.7 Security Deposit. A security deposit charge of $60.00 will be assessed on all accounts that have either of the following: (1) water service disconnected for non-payment; (2) a property lien for delinquent collections; or (3) a returned check for insufficient funds. The security deposit charge will be credited to the account after eighteen (18) months with no late charges or upon closing the account.

4. Water and Recycled Water Charges

4.1 Water and Recycled Water Service Charge. The monthly water service charge shall be applied to the greater of (1) meter size or (2) number of Equivalent Dwelling Units served. This charge shall be applicable to potable water and recycled water users.

Water Service Charge	Effective 9/1/2011	Effective 7/1/2012	Effective 7/1/2013	Effective 7/1/2014
Service Charge per EDU	$11.00	$12.00	$13.00	$14.00
Water Meter Based Charge:				
¾" Water Meter - 1.00 EDU	$11.00	$12.00	$13.00	$14.00
1" Water Meter - 1.67 EDU	$18.37	$20.04	$21.71	$23.38
1½" Water Meter - 3.33 EDU	$36.63	$39.96	$43.29	$46.62
2" Water Meter - 5.33 EDU	$58.63	$63.96	$69.29	$74.62
3" Water Meter - 10.00 EDU	$110.00	$120.00	$130.00	$140.00
4" Water Meter - 16.67 EDU	$183.37	$200.04	$216.71	$233.38
6" Water Meter - 33.33 EDU	$366.63	$399.96	$433.29	$466.62
8" Water Meter - 53.33 EDU	$586.63	$639.96	$693.29	$746.62

4.1.1 Multiple Residential Water Service Charge. Multiple Residential Dwellings of more than 30 dwelling units on the same parcel constructed prior to May 1, 2005 shall be calculated based on the formula provided in Section 4.1 multiplied by the Multiple Residential Water Service Charge Factor of 0.80 to calculate the Multiple Residential Water Service Charge.

4.2 Potable Water Commodity Charge. The water commodity charge rate is the charge per one thousand gallons (kgal) for all water registered by the customer's water meter in a monthly billing cycle and is herein established as follows:

Potable Water Consumption (kgal)	Commodity Rate ($/kgal)
1 – 15 Billing Units	$1.429
16 – 60 Billing Units	$1.919
61 – 100 Billing Units	$2.099
101 and greater Billing Units	$2.429

4.2.1 Multiple Residential Water Commodity Charge. Multiple Residential Dwellings of more than 30 dwelling units on the same parcel constructed prior to May 1, 2005 shall be calculated based on the formula provided in Section 5.2 multiplied by the Multiple Residential Water Service Charge Factor of 0.80 to calculate the Multiple Residential Water Commodity Charge.

4.3 Recycled Water Commodity Charge. The recycled water (recycled) commodity charge rate is the charge per one thousand gallons (kgal) for all recycled (recycled) water registered by the customer's recycled (recycled) water meter in a monthly billing cycle and is herein established as follows:

Recycled Water Consumption	Commodity Rate ($/kgal)
Current Rate	$1.235
Effective 1/1/2012	$1.265
Effective 1/1/2013	$1.305
Effective 1/1/2014	$1.375
Effective 1/1/2015	$1.425

4.4 Imported Water Commodity Charge. The imported water commodity charge shall be applied to all Yucaipa Valley Water District potable water consumption recorded at individual potable water meters including, but not limited to, all residential, commercial, industrial, institutional, and construction users. Since imported water rates are set at the sole discretion of the San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency, it will be necessary for the Imported Water Commodity Charge to be adjusted automatically following any change by either of those two Agencies.

4.4.1 Frequency of Calculation. The frequency of the calculation in the following section will be applied automatically upon adoption of an imported water rate change by either the San Bernardino Valley Municipal Water District or the San Gorgonio Pass Water Agency.

4.4.2 Calculation Methodology. The calculation definitions and methodology is applicable to the Imported Water Rates charged by both the San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency as follows.

Definitions:

- *Imported Water Commodity Charge* (expressed in units of $/kgal) represents the calculated charge implemented by the Yucaipa Valley Water District and applied to customer utility bills within the respective service area of the San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency.
- *Imported Water Rate* (expressed in units of $/acre-foot) represents the rate charged by the San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency for water delivered to the Yucaipa Valley Regional Water Filtration Facility.

4.4.3 Implementation. The Imported Water Commodity Charge shall be effective based on the effective date the Imported Water Rate is set by the Board of Directors of either the San Bernardino Valley Municipal Water District or the San Gorgonio Pass Water Agency. The Yucaipa Valley Water District shall implement the Imported Water Commodity Charge on the effective date regardless of the service period.

4.4.4 Notification by State Water Contractors. By this Resolution, the District requests that the San Bernardino Valley Municipal Water District and the San Gorgonio Pass Water Agency provide at least 90 days written notice to the Yucaipa Valley Water District of any future increases to the wholesale imported water rates charged to the Yucaipa Valley Water District.

4.5 Meter Test Charge. The cost associated with testing water meters shall be not less than the actual cost incurred by the District.

4.6 Fire Service Demand Charge. The fire service standby charge shall be a daily charge per inch diameter of the main fire line detector check valve installed to the premises as provided below:

Description	Fire Service Demand Charge
Charge per inch diameter	$0.084/day

Water usage through the bypass meter is billed at two times the highest potable water rate.

4.7 Fire Flow Measurements and Reports. The charge for providing results of each fire flow test shall be $75.00. The charge must be paid prior to the District providing any fire flow data to the requesting party.

4.8 Water Meter Reactivation/Conversion Charge. Prior to converting a water meter that has been locked off by the District for greater than one year within the previous five years, the customer requesting meter conversion to one or more smaller water meters shall be required to pay the current water/recycled water service charge multiplied by the number of days the meter was locked off.

5. Sewer Charges

5.1 Sewer Service Charge. A daily sewer service charge shall apply to all customers based on the number of equivalent dwelling units.

Sewer Service Charge	Effective 9/1/2011	Effective 7/1/2012	Effective 7/1/2013	Effective 7/1/2014
Service Charge per EDU	$39.43	$40.43	$41.43	$42.43

5.1.1 Multiple Residential Sewer Service Charge. Multiple Residential Dwellings of more than 30 dwelling units on the same parcel constructed prior to May 1, 2005 shall be calculated based on the formula provided in Section 5.1 multiplied by a Multiple Residential Sewer Service Charge Factor of 0.925.

5.2 Sewer Septage Receiving Charge. A sewer septage receiving charge is herein established as follows:

5.2.1. Deposit and Annual Permit Fee. Septic tank pumpers shall post with the District a $500.00 deposit and will be charged an annual permit fee per vehicle as provided in Section 5.3 below.

5.2.2 Sewage Disposal Fee. Septic tank pumpers will be charged at the rate of four cents ($0.04) per gallon for septage originating from within the Yucaipa Valley Water District Sewer boundaries. For septage pumping originating outside the District's sewer boundary, the charge is established at eight cents ($0.08) per gallon. In all cases, the minimum charge shall be the total rated tank capacity of the truck.

5.3 Sewer Pretreatment Fees. The Yucaipa Valley Water District has adopted an ordinance which regulates the discharge of non-domestic sewer into the sewerage system of the District in accordance with General Pretreatment Regulations (40 CFR Part 403). In order to enforce the requirements of the District's Industrial Sewer Pretreatment Ordinance, it is necessary to issue five separate classes of Industrial User Permits and charges as follows:

Permit Class	Industrial User type	Pretreatment Fees
I	Federal Categorical	$500.00 plus sampling costs
II	Significant User	$500.00 plus sampling costs
III	Non-significant User	$270.00 plus sampling costs
IV	Temporary User	$200.00 plus sampling costs
V	Septage Waste Hauler	$170.00 per vehicle

5.4 Commercial and Industrial Sewer Service Charge. The sewer service charge shall apply to all identified commercial and industrial customers based on the following formula using the sewer service charge identified in Section 5.1, the commercial rate factors and water consumption.

Commercial / Industrial Sewer Service Charge = *Sewer Service Charge (Section 5.1)* x *Commercial / Industrial Rate Factor (see Table 1)* x *Water Consumption (kgal)*

5.4.1 Commercial and Industrial Minimum Charge. Each commercial and industrial unit shall be charged a minimum amount based on the number of Equivalent Dwelling Units assigned.

5.5 School Sewer Service Charge. The sewer service charge for schools shall be based upon the number of student's enrolled and total staff members at each facility based on fall enrollment figures for the school year. Elementary schools shall use a factor of 30 students and staff members per Equivalent Dwelling Unit and high schools shall use a factor of 15 students and staff members per Equivalent Dwelling Unit. Colleges shall be based on water consumption as illustrated in Table 1.

Elementary School Sewer Service Charge = *Total Number of Students and Staff Members* ÷ *30* x *Monthly Sewer Service Charge (Section 5.1)*

High School Sewer Service Charge = *Total Number of Students and Staff Members* ÷ *15* x *Monthly Sewer Service Charge (Section 5.1)*

5.6 Other Discharges to the Sewer System. The Yucaipa Valley Water District reserves the sole right and discretion to calculate monthly sewer rates for other sewer rate discharges not included specifically herein. Examples of such discharges are not limited to the following: water treatment processes, sewer treatment processes, brine disposal, commercial/industrial customers and other discharges to the sewer system originating outside of the Yucaipa Valley Water District service area.

Table 1
Commercial Sewer Rate Factors

Type of Business	BOD (mg/l)	SS (mg/l)	Commercial Rate Factors without a separate landscape meter	Commercial Rate Factors with a separate landscape meter
Automobile - Car Wash	20	150	2.06	2.74
Automobile - Repair Shop	180	280	3.67	4.89
Automobile - Gas Station	150	150	2.78	3.70
Automobile - Steam Cleaning	1150	1250	14.44	19.26
Bakery	1000	600	10.00	13.33
College	130	100	2.39	3.19
Commercial, Single Unit	290	290	4.33	5.78
Commercial, Multiple Units	410	315	5.14	6.85
Department / Retail Store	150	150	2.78	3.70
Fast Food	340	315	4.75	6.33
Hospital & Convalescent	250	100	3.06	4.07
Hotel with Dining Facility	500	600	7.22	9.63
Hotel without Dining Facility	310	120	3.50	4.67
Laundromat - Commercial	670	680	8.61	11.48
Laundromat - Local	150	110	2.56	3.41
Mortuary	800	800	10.00	13.33
Professional Office	130	80	2.28	3.04
Restaurant	1,000	600	10.00	13.33
Rest Stop	200	200	3.33	4.44
Supermarket	800	800	10.00	13.33

PASSED, APPROVED and ADOPTED this 17th day of August 2011.

YUCAIPA VALLEY WATER DISTRICT

Jay Bogh, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager

Yucaipa Valley Water District

Workshop Memorandum 12-002

Date: **January 10, 2012**

Subject: **Yucaipa Valley Water District Operational Overview for December 2011**

The District staff is in the process of updating the monthly operational report. A copy of the report will be provided at the board workshop for review and discussion.

Yucaipa Valley Water District

Workshop Memorandum 12-003

Date: **January 10, 2012**

Subject: **Purchase of Replacement Lamps for the Ultraviolet Disinfection Process at the Wochholz Regional Water Recycling Facility**

The Wochholz Regional Water Recycling Facility utilizes a Trojan 3000+ ultraviolet system for disinfecting the final recycled water produced at the facility. The California Department of Public Health regulates ultraviolet disinfection systems in the State of California and requires the individual ultraviolet lamps be replaced prior to exceeding 9,000 hours of operation, or approximately one year of continuous usage.

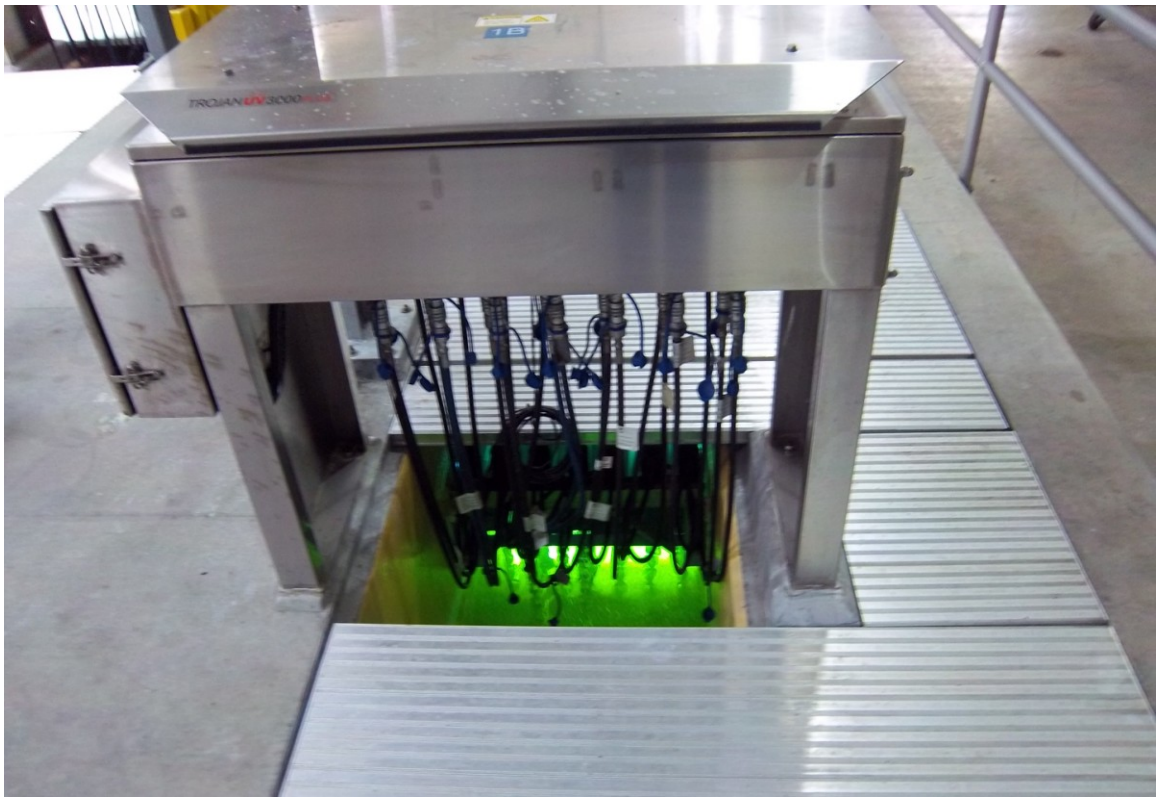
The Wochholz Regional Water Recycling Facility was designed with two ultraviolet disinfection channels with each channel containing 180 lamps, or 360 lamps total for the entire facility.

The original procurement documents for the ultraviolet disinfection system provided for guaranteed replacement pricing on the ultraviolet lamps. The current guaranteed replacement pricing is scheduled to expire on January 21, 2012. Lamps purchased before this date cost $121.80 per lamp, for a total cost (including tax) of $23,623 per channel, or $47,246 for both channels. Lamps purchased after this date will cost $268.00 per lamp, for a total (including tax) of $51,978 per channel, or $103,956 for both channels.

The District staff has been staggering the usage of the ultraviolet lamps in each channel to insure disinfection compliance and reduce the impacts of a negative cash flow throughout each fiscal year. Based on current conditions, the District staff expects to change one channel of ultraviolet lamps during the last half of this fiscal year and the other channel of ultraviolet lamps during the first half of next fiscal year (August 2012).

At a minimum, the District should purchase at least 720 ultraviolet lamps at the guaranteed price for a total of $94,492. This should provide sufficient quantities to last about two years, or through December 2013. The purchase of 900 ultraviolet lamps at a total cost of $118,115 would provide sufficient quantities to last through the end of fiscal year 2014 (June 2014).





Yucaipa Valley Water District

Workshop Memorandum 12-004

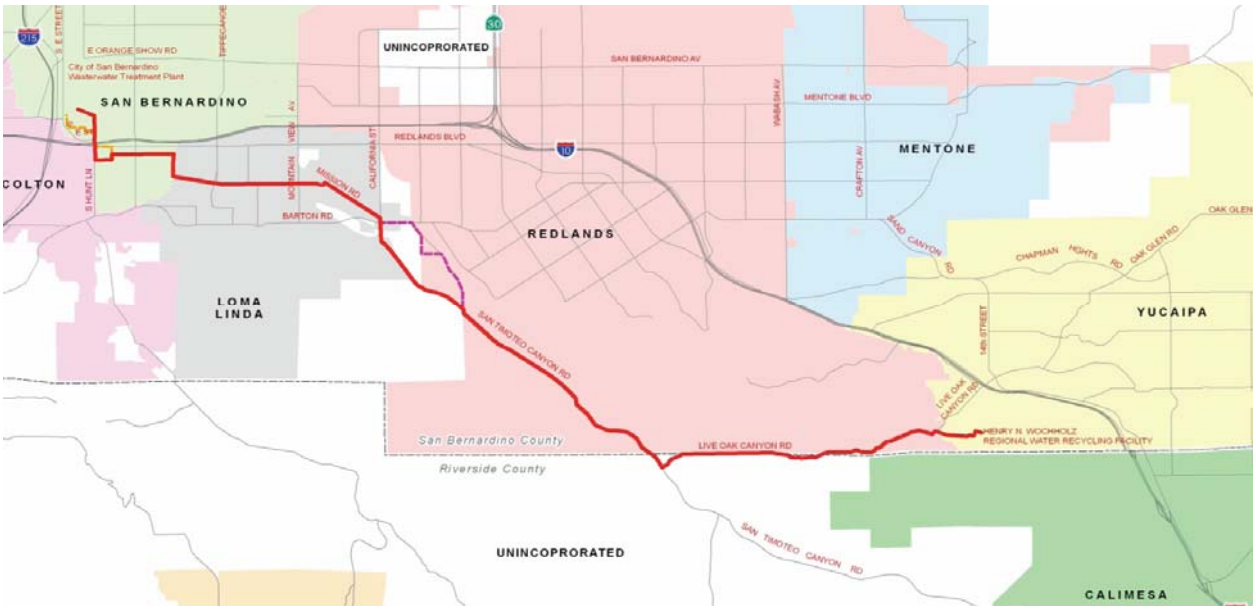
Date: **January 10, 2012**

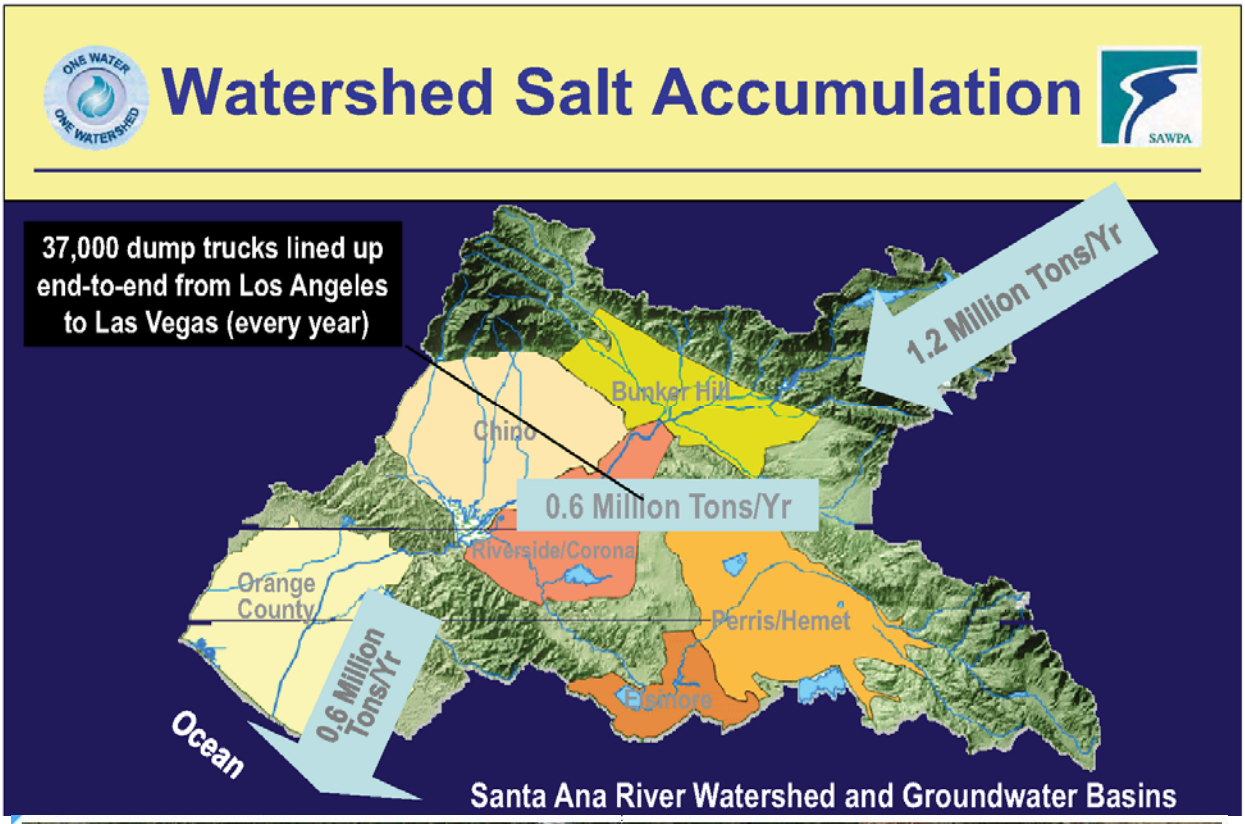
Subject: **Status Report on the Construction of the Yucaipa Valley Regional Brineline**

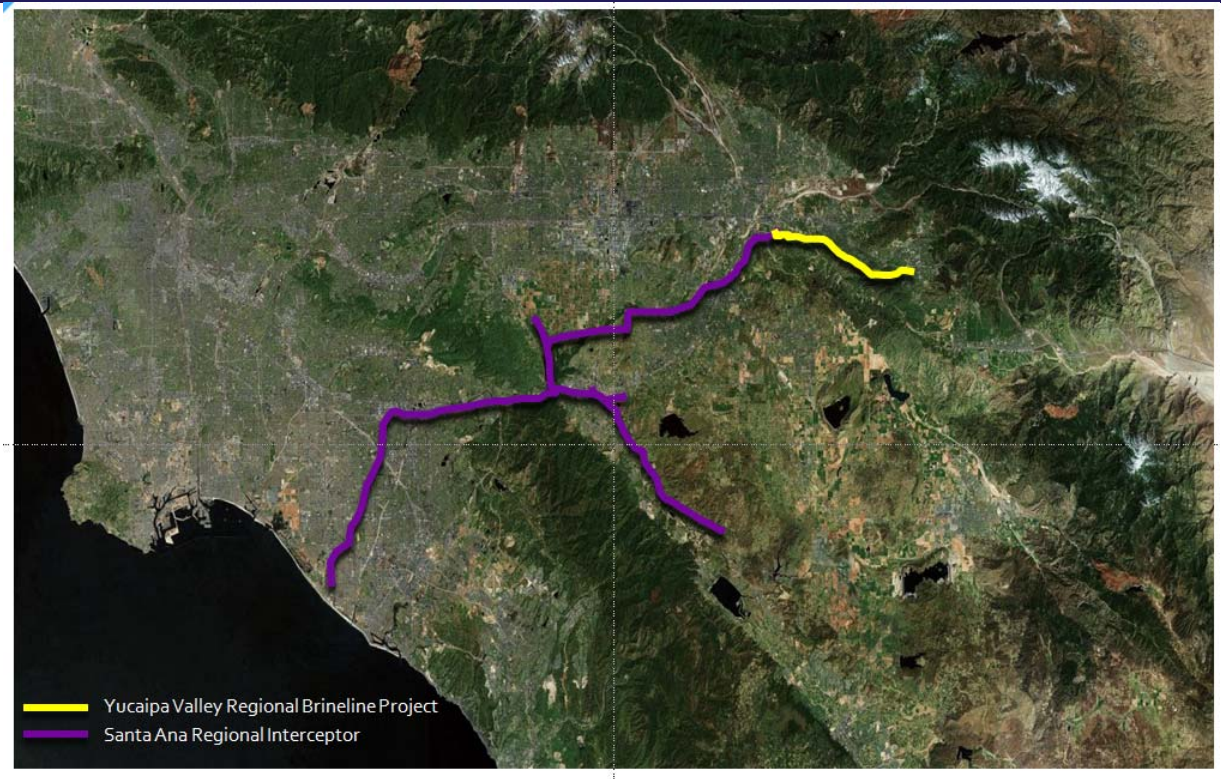
Yucaipa Valley Water District is in the process of constructing the Yucaipa Valley Regional Brineline in order to produce recycled water that complies with groundwater basin objectives as established by the Regional Water Quality Control Board. In order to comply with these limits, the District is required to add a reverse osmosis process to the wastewater treatment plant. This will enable the District to remove salts and minerals from depositing in to the groundwater basin. The proposed reverse osmosis system will produce salt water, referred to as "brine", that must be sent to the Pacific Ocean so it does not impact any fresh water supplies downstream of the Yucaipa Valley.

The Yucaipa Valley Regional Brineline Project consists of a 15-mile pipeline through which the District can safely and effectively dispose of the salt water produced. This pipeline will commence at the Wochholz Regional Water Recycling Facility and terminate at an existing brine disposal pipeline near the I-215 and I-10 Interchange. At this point the existing brineline extends another 73 miles traversing San Bernardino, Riverside and Orange counties to Orange County Sanitation District Wastewater Treatment Plant No. 2 in Huntington Beach, where the salt water is treated with domestic sewage and then sent to the ocean or reclaimed by Orange County Water District.

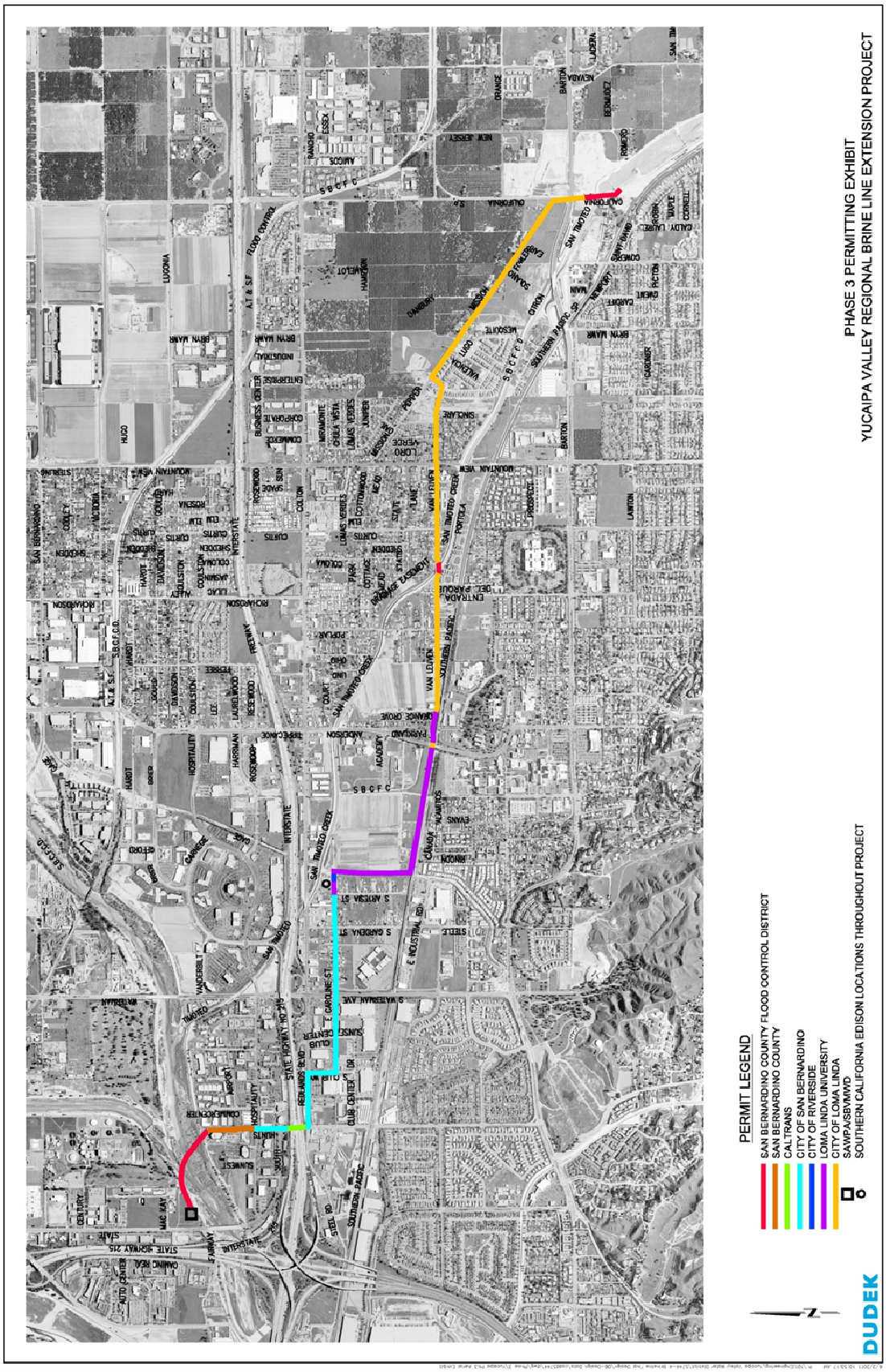
During this agenda item, the District staff will be providing an update of the construction status of the Yucaipa Valley Regional Brineline Project.

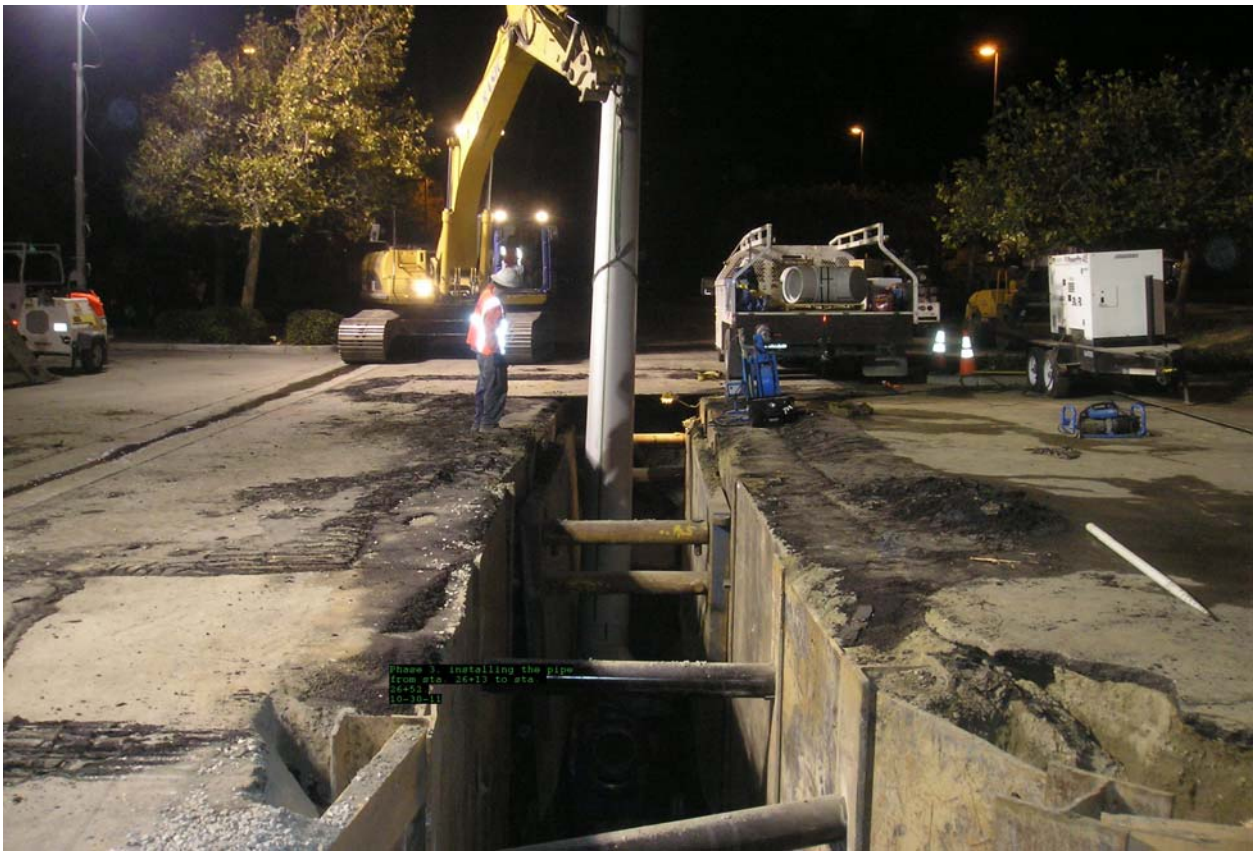






Yucaipa Valley Regional Water Supply Renewal Project


PHASE 3 PERMITTING EXHIBIT
YUCAIPA VALLEY REGIONAL BRINE LINE EXTENSION PROJECT
PERMIT LEGEND
SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT
SAN BERNARDINO COUNTY
CALTRANS
CITY OF SAN BERNARDINO
CITY OF RIVERSIDE
LOMA LINDA UNIVERSITY
CITY OF LOMA LINDA
SAWPA/SBMWD
SOUTHERN CALIFORNIA EDISON LOCATIONS THROUGHOUT PROJECT
DUDEK


Phase 3: installing the pipe
from sta. 24+13 to sta



Yucaipa Valley Water District

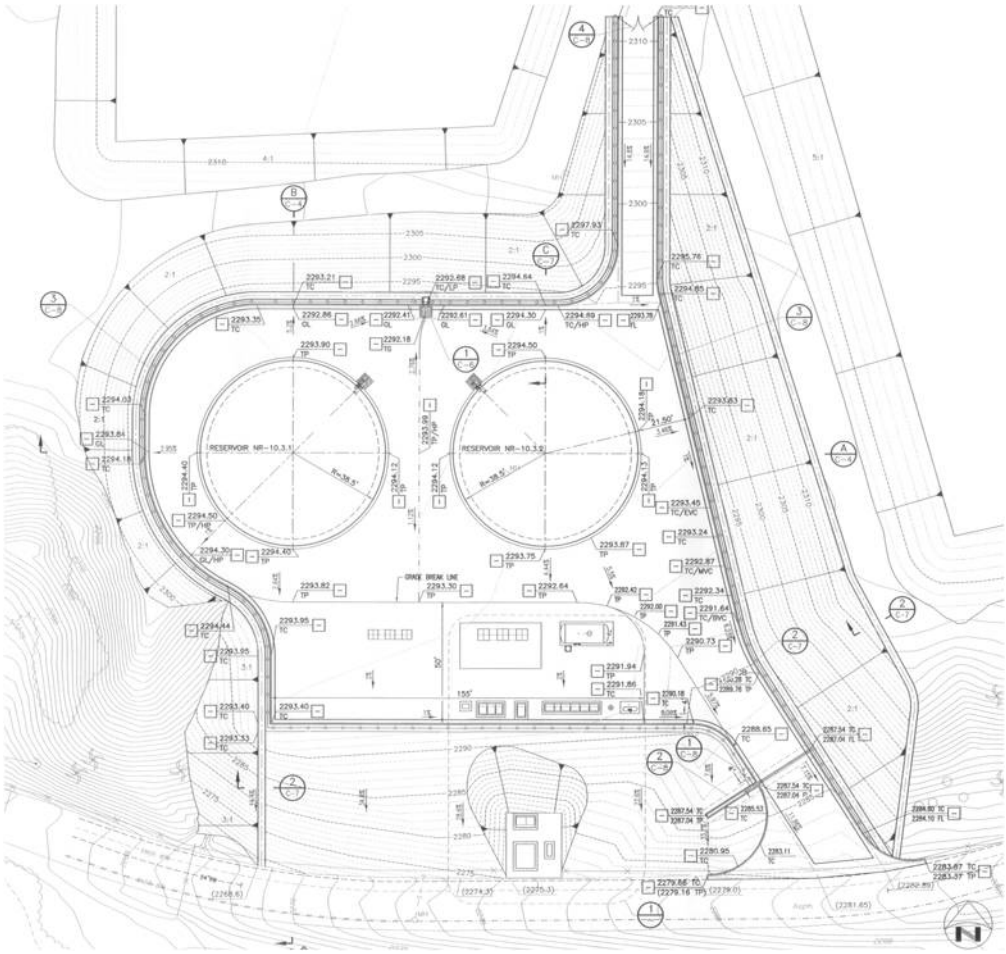
Workshop Memorandum 12-005

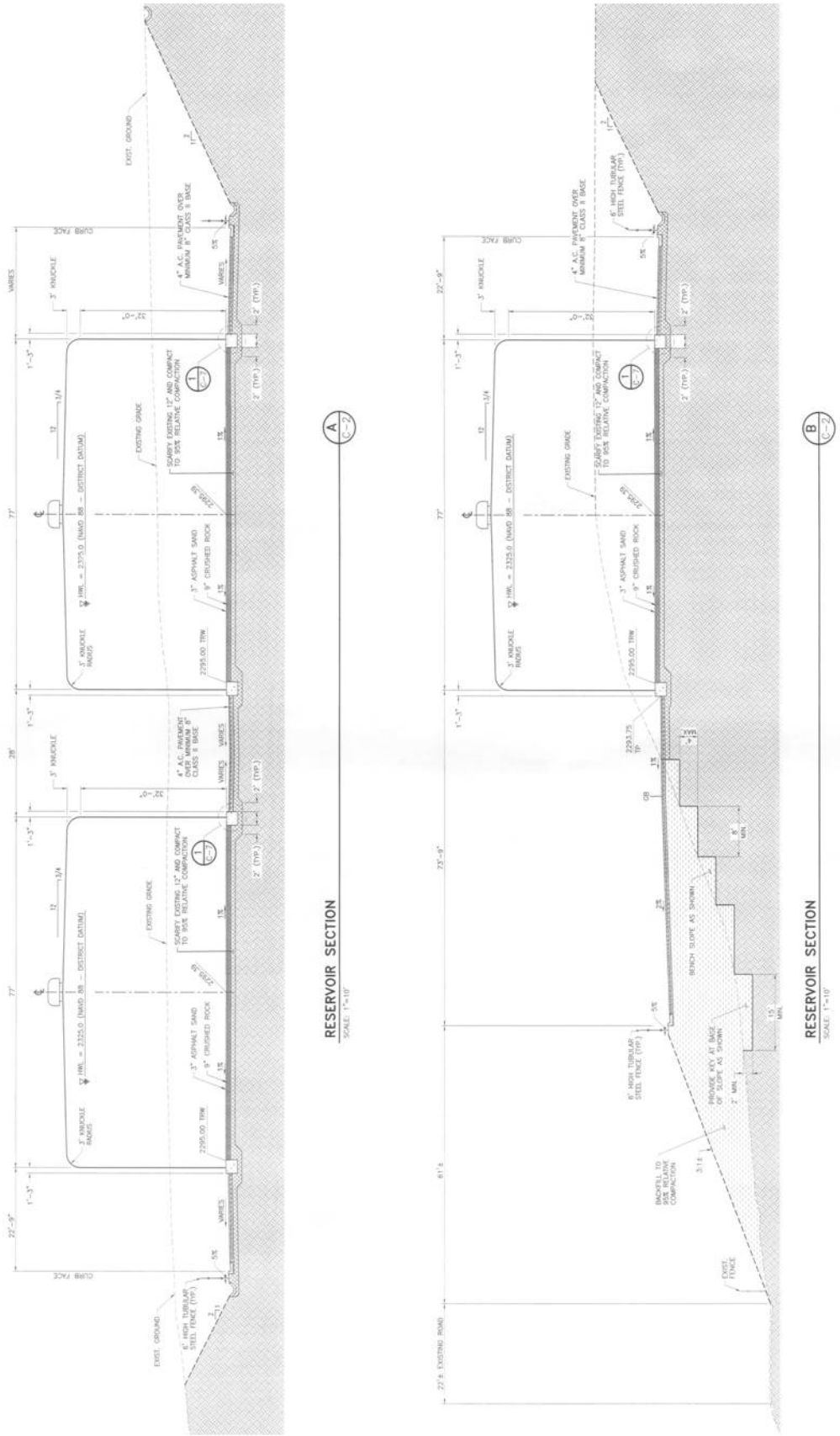
Date: **January 10, 2012**

Subject: **Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex**

Yucaipa Valley Water District is in the process of constructing several recycled water facilities to prepare the community for the next drought cycle. By connecting the available recycled water supply at the Wochholz Regional Water Recycling Facility to the existing recycled water system, the District will be able to immediately reduce our dependency on imported water by more than 1,000 acre feet per year. Overall, the aggressive use of recycled water is an important element in our water resource planning.

One of the projects planned for completion over the next year is the R-10 Reservoir Complex. This facility is located at the western end of County Line Road in the City of Calimesa. During this agenda item, the District staff will be providing an update of the status of this important project.




RESERVOIR SECTION
SCALE: 1"=10'
RESERVOIR SECTION
SCALE: 1"=10'

Yucaipa Valley Water District

Workshop Memorandum 12-006

Date: **January 10, 2012**

Subject: **Status Report on the Construction of the Crow Street Pipeline**

The Yucaipa Valley Water District is in the process of constructing several recycled water facilities to prepare the community for the next drought cycle. By connecting the available recycled water supply at the Wochholz Regional Water Recycling Facility to the existing recycled water system, the District will be able to immediately reduce our dependency on imported water by more than 1,000 acre feet per year. Overall, the aggressive use of recycled water is an important element in our water resource planning.

One of the projects planned for completion over the next year is the Crow Street Pipeline. During this agenda item, the District staff will be providing an update of the status of this important project.

Yucaipa Valley Water District

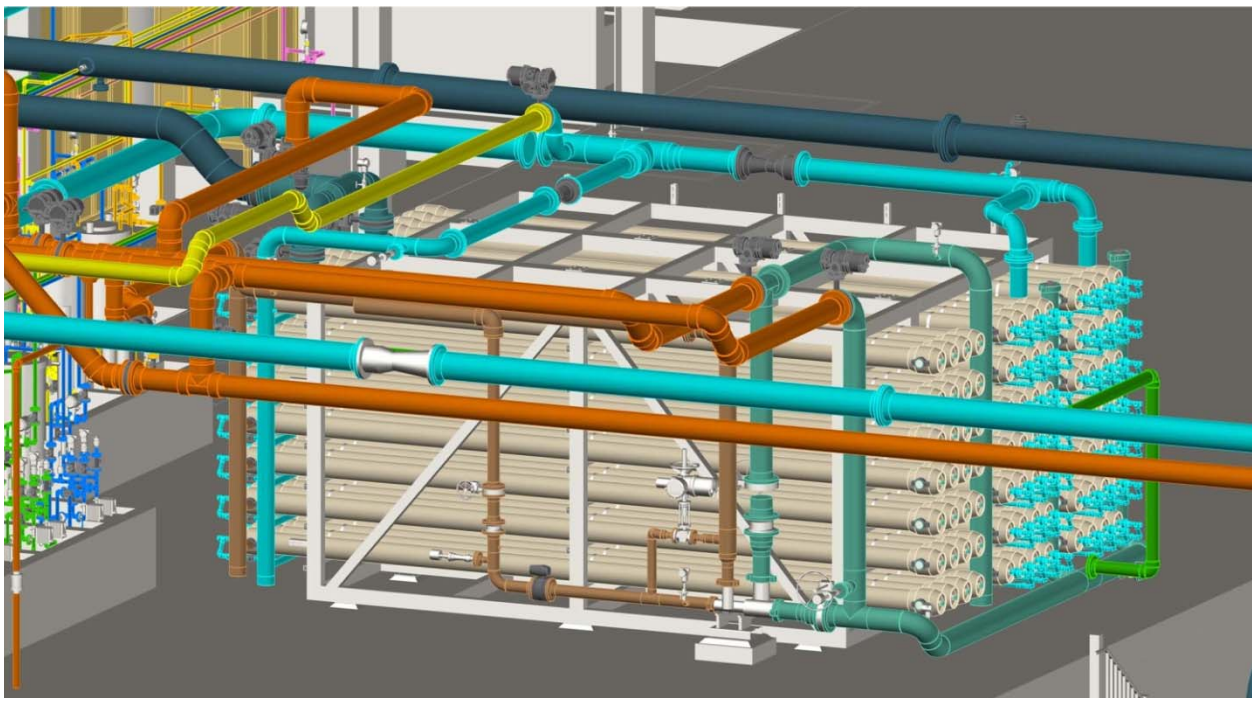
Workshop Memorandum 12-007

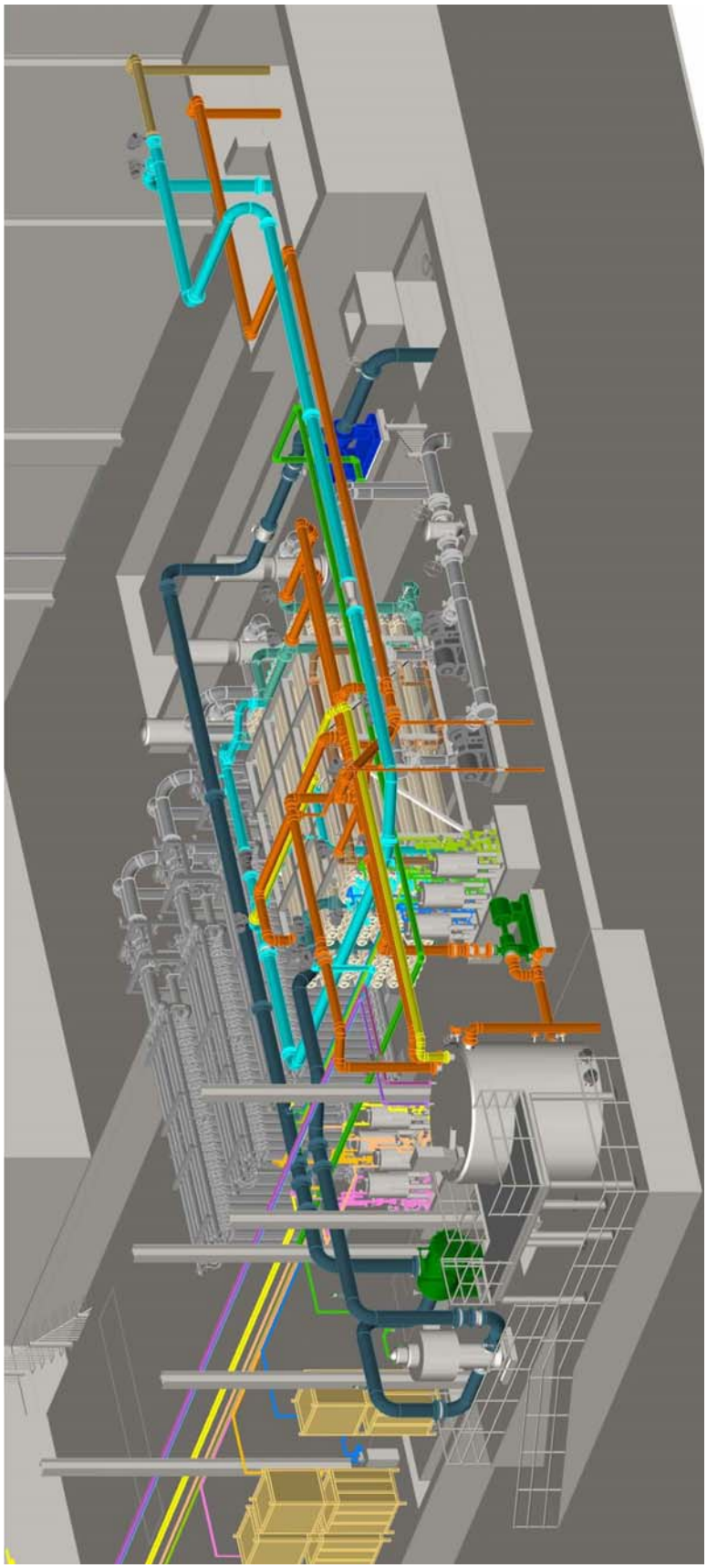
Date: **January 10, 2012**

Subject: **Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project**

Yucaipa Valley Water District is in the process of constructing the Yucaipa Valley Regional Brineline in order to produce recycled water that complies with groundwater basin objectives as established by the Regional Water Quality Control Board. In order to comply with these limits, the District is required to add a reverse osmosis process to the wastewater treatment plant. This will enable the District to remove salts and minerals from depositing in to the groundwater basin. The proposed reverse osmosis system will produce salt water, referred to as "brine", that must be sent to the Pacific Ocean so it does not impact any fresh water supplies downstream of the Yucaipa Valley.

The first phase of the reverse osmosis equipment is being designed as part of the Wochholz Improved Salinity Effluent (WISE) Project. This project is currently scheduled for the completion of the construction phase by November 2012.





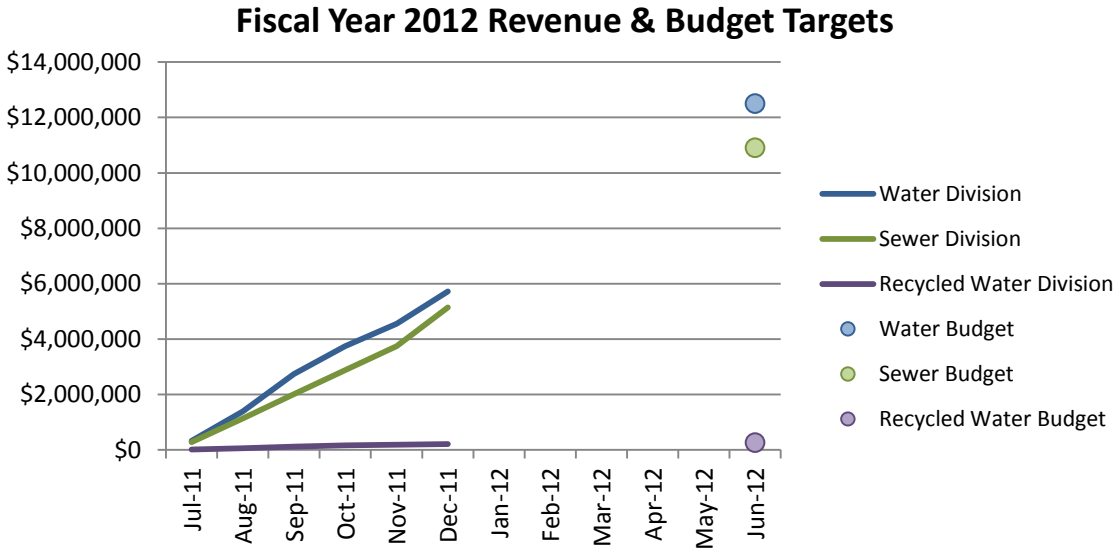
Yucaipa Valley Water District

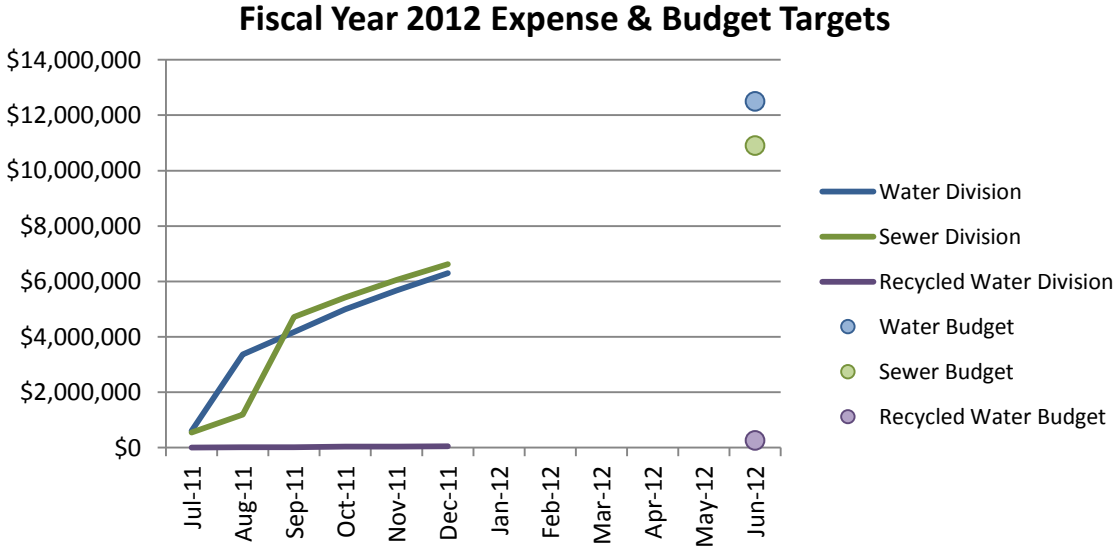
Workshop Memorandum 12-008

Date: **January 10, 2012**

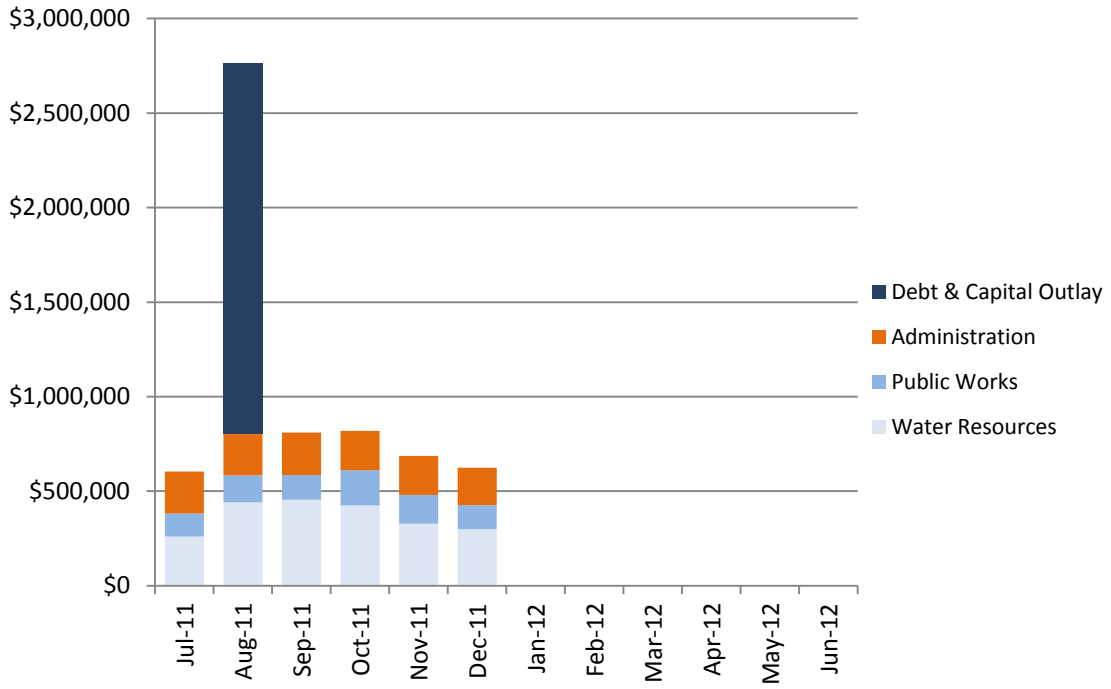
Subject: **Unaudited Financial Report for December 2011**

The District staff has prepared the attached Unaudited Financial Report for December 2011. A graphical summary of the financial information is provided below and detailed information follows as part of the monthly unaudited financial report.

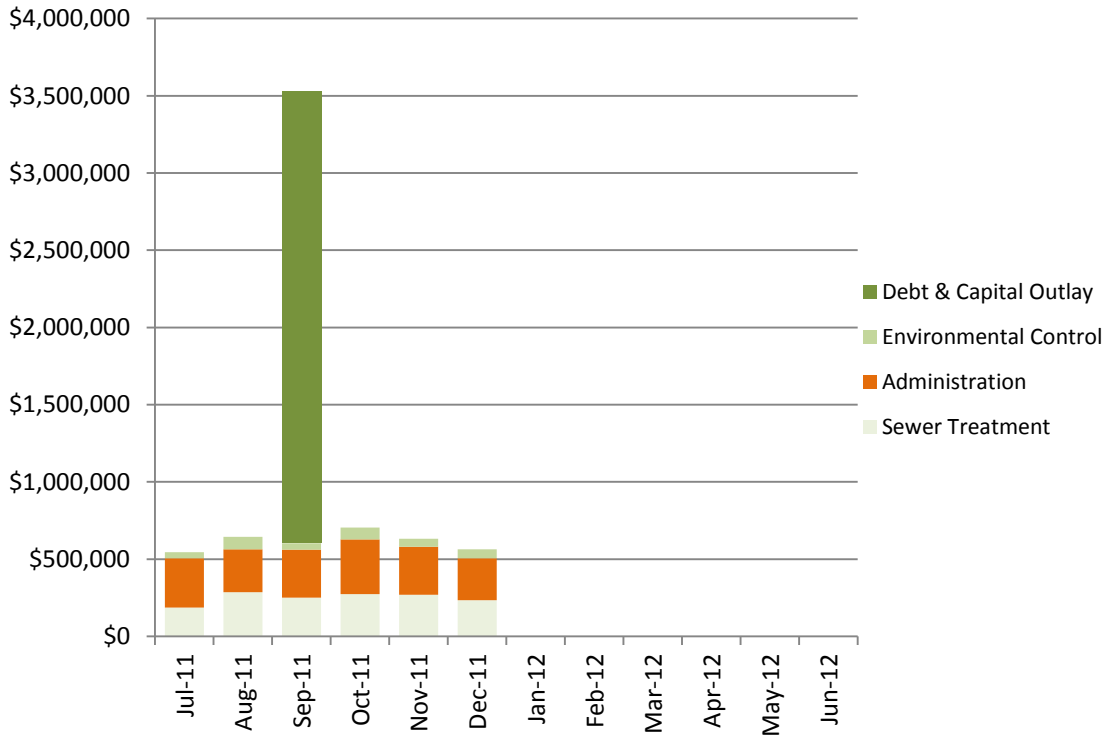




Water Division Monthly Expense Summary - FY 2012



Sewer Division Monthly Expense Summary - FY 2012



Yucaipa Valley Water District

Director Memorandum 12-0xx

Date: January 18, 2012 **Job:** Not Applicable

Prepared By: Vicky Elisalda, Controller
Peggy Little, Administrative Supervisor **G/L:** Not Applicable

Subject: Unaudited Financial Report for December 2011

Recommendation: That the Board receives and files the unaudited financial report as presented.

The following unaudited financial report has been prepared by the Administrative Department for your review. The report has been divided into six sections to clearly disseminate information pertaining to the financial status of the District. Please remember that the following financial information has not been audited.

Cash Fund Balance Report

The Cash Fund Balance Report provides a summary of how the total amount of funds maintained by financial institutions is distributed throughout the enterprise and non-enterprise funds of the District. A summary of the report is as follows:

Fund Source	Operating Funds	Restricted Funds	Total Funds
Water Division	$439,431.78	$6,229,011.31	$6,668,443.09
Sewer Division	($3,345,883.59)	$6,501,571.80	$3,155,688.21
Recycled Water Division	($2,255,464.50)	$681,959.60	($1,573,504.90)
Total	**($5,161,916.31)**	**$13,412,542.71**	**$8,250,626.40**

Most of the funds reflected in the Cash Fund Balance Report are designated for specific purposes and are therefore restricted, either by law or by District policy.

Check Register

The check register lists each check processed during the month of December 2011. The District processed 237 checks during the month of December for a total sum of $2,419,592.73. All checks are reviewed by District staff for accuracy and completeness, and usually signed by the General Manager and one Director, but may be signed by two Directors.

The Controller will make any check, invoice or supporting documentation available for review to any board member upon request.

Financial Account Information

The District currently deposits all revenue received into the Deposit Checking account. The General Checking account is used as a sole processing account for all District checks and electronic payroll. The Investment Checking account is used for the purchase and redemption of US treasury notes and bills and for the transfer of LAIF funds. The US treasury notes and bills are booked at cost.

The LAIF investment account is a pooled money account administered by the State of California. Additional information on the LAIF account is provided below in the investment summary report.

Investment Summary

The investment summary report illustrates the District's investments in US treasury notes and bills in addition to the investments held by the Local Agency Investment Fund or LAIF. The yields for the treasury notes and bills are provided for each individual transaction. The historical annual yield for funds invested with LAIF is also provided.

Separate pooled money investment reports prepared by the State of California are maintained by the District and available for review.

Monthly Revenue Allocation

During the month of December 2011 the District received a sum total of $2,607,145.66 in revenues from the following categories:

- A total of $1,537,796.57 was received from 13,932 customers for utility bill payments. This is the total amount of utility bill payments received from water, sewer and recycled services.
- A total of $2,523.00 was received for construction meter deposits, customer deposits and internet fee payments.
- A total of $1,029,091.21 was received from miscellaneous water related activities (other than utility bill charges). This total includes $38,226.39 for Riverside property taxes and $964,204.95 for San Bernardino property taxes.
- A total of $17,614.08 was received from miscellaneous sewer related activities (other than utility bill charges).
- A total of $20,120.80 was received from miscellaneous recycled related activities (other than utility bill charges). This total includes $19,521 facility capacity fees received from City of Yucaipa for uptown irrigation service
- The District received ARRA draw #17 in the amount of $245,984 on December 22nd..

Fiscal Year 2012 Budget Status

The revenue and expense budget status for the 2012 Fiscal Year is provided for your review.

Summary of Revenue Budget
As of December 31, 2011 (46% of Budget Cycle)

Division	Budget Amount	Current Month	Year-To-Date	Percentage
Water	12,503,170	1,157,819	5,717,078	45.7
Sewer	10,908,600	1,393,385	5,144,801	47.2
Recycled Water	265,250	24,240	211,766	79.8
District Revenue	**23,677,020**	**2,575,444**	**11,073,645**	**46.8**

Summary of Water Budget
As of December 31, 2011 (46% of Budget Cycle)

Department	Budget Amount	Current Month	Year-To-Date	Percentage
Water Resources	4,359,935	298,914	2,208,312	50.7
Public works	2,147,165	127,112	860,746	40.1
Administration	3,028,695	198,625	1,276,138	42.1
Long Term Debt	2,932,375	0	1,934,813	66.0
Asset Acquisition	35,000	15,771	39,222	112.1
TOTAL	**12,503,170**	**640,422**	**6,319,231**	**50.5**

Summary of Sewer Budget
As of December 31, 2011 (46% of Budget Cycle)

Department	Budget Amount	Current Month	Year-To-Date	Percentage
Treatment	3,413,225	233,568	1,501,719	44.0
Administration	3,724,350	272,196	1,844,037	49.5
Environmental Control	824,775	58,380	351,292	42.6
Long Term Debt	2,946,250	2,923,669	2,923,669	99.2
Asset Acquisition	0	0	0	0.0
TOTAL	**10,908,600**	**3,487,813**	**6,620,717**	**60.7**

Summary of Recycled Water Budget
As of December 31, 2011 (46% of Budget Cycle)

Department	Budget Amount	Current Month	Year-To-Date	Percentage
Administration	265,250	7,039	48,440	18.3
TOTAL	**265,250**	**7,039**	**48,440**	**18.3**
District Expenses	**23,677,020**	**4,135,274**	**12,988,388**	**54.9**

Investment Policy Disclosure

The District is currently compliant with the portfolio of its Investment Policy and State Law.

The District is using Sandy Gage with Merrill Lynch Wealth Management (Bank of America Corporation) for Treasury investments. The District expects to meet its expenditure requirements for the next six months.

Questions or Comments

If you have any questions about a particular budget account, please do not hesitate to contact the Controller directly. If you need additional information, the members of the Administrative Department would be happy to provide you with any detailed information you may desire.

Cash Fund Balance Report - December 2011

Water Division	GL#		Balance
Project Fund - Encumbered	02-10215	$	720,977.22
ID 1 Construction Funds	02-10216	$	293,145.85
ID 2 Construction Funds	02-10217	$	80,409.31
Depreciation Reserves	02-10310	$	2,439,239.43
Infrastructure Reserves	02-10311	$	198,969.00
Sustainability Fund	02-10313	$	126,097.92
Rate Stabilization Fund	02-10314	$	493,209.14
Imported Water Fund - MUNI	02-10315	$	(192,518.93)
Imported Water Fund - SGPWA	02-10316	$	291,553.25
FCC - Debt Service YVRWFF Phase I	02-10401	$	35,316.56
FCC - Future YVRWFF Phase II & III	02-10403	$	120,342.55
FCC - Recycled System	02-10410	$	186,161.84
FCC - Booster Pumping Plants	02-10411	$	203,084.62
FCC - Pipeline Facilities	02-10412	$	452,137.79
FCC - Water Storage Reservoirs	02-10413	$	780,885.76
Operating Funds:	- -		- -
Checking Account	02-11001	$	30,000.00
LAIF	02-11019	$	5,933,500.93
Savings	02-11020	$	(5,524,069.15)
	Total Water Division	**$**	**6,668,443.09**

Sewer Division	GL#		Balance
Project Fund - Encumbered	03-10215	$	751,424.20
Depreciation Reserves	03-10310	$	2,939,786.97
Infrastructure Reserves	03-10311	$	393,150.00
Rate Stabilization Fund	03-10314	$	1,464,313.38
FCC - Debt Service WWTP Expansion & Upgrade	03-10405	$	52,619.99
FCC - Future WWTP Expansion	03-10407	$	274,457.32
FCC - Sewer Interceptors	03-10415	$	136,814.51
FCC - Lift Stations	03-10416	$	67,513.56
FCC - Effluent Disposal Facilities	03-10417	$	88,937.96
FCC - Salt Mitigation Facilities	03-10418	$	332,553.91
Operating Funds:	- -		- -
Savings	03-11020	$	(3,345,883.59)
	Total Wastewater Division	**$**	**3,155,688.21**

Recycled Water Division	GL#		Balance
Depreciation Reserves	04-10310	$	479,900.80
Infrastructure Reserves	04-10311	$	26,460.00
FCC - Recycled System	04-10410	$	14,948.78
FCC - Booster Pumping Plants	04-10411	$	16,085.99
FCC - Pipeline Facilities	04-10412	$	80,051.54
FCC - Water Storage Reservoirs	04-10413	$	64,512.49
Operating Funds:	- -		
Savings	04-11020	$	(2,255,464.50)
	Total Recycled Water Division	**$**	**(1,573,504.90)**

DISTRICT TOTAL	**$**	**8,250,626.40**

Future Obligations	Due Date		Amount
2004A Bond Payment - Water Division	02/23/2012	$	997,562.50
SBVMWD - SARI Pipeline Capacity (FINAL Payment)	06/01/2012	$	19,710.00
2004A Bond Payment - Water Division	08/27/2012	$	1,952,562.50
SRF Payment - Sewer Division	09/10/2012	$	2,923,688.75

Check Register - December 2011

Check Date	Check Number	Name	Check Amount
12/02/2011	13882	Boot Barn #4	129.59
12/02/2011	13883	Rodd Greene	370.21
12/02/2011	13884	UnitedHealthcare of California	39,600.59
12/02/2011	13885	Standard Insurance Company	2,221.36
12/02/2011	13886	Western Dental Services, Inc.	314.33
12/02/2011	13887	Anthem Blue Cross L and H	350.60
12/02/2011	13888	Standard Insurance Company	2,840.02
12/02/2011	13889	Standard Insurance Vision Plan	449.36
12/02/2011	13890	MetLife Small Business Center	122.58
12/02/2011	13891	PAYROLL CHECK	1,931.81
12/02/2011	13892	CA-PERS 457 Deferred Comp	13,267.13
12/02/2011	13893	CA-Franchise Tx Bd-Vehicle Reg	193.00
12/02/2011	13894	Public Employees' Retirement S	26,027.00
12/02/2011	13895	Hong Nelson	125.00
12/02/2011	13896	Katherine Kostelecky	500.00
12/02/2011	13897	United Student Aid Funds, Inc.	168.43
12/02/2011	13898	IBEW Local 1436	345.00
12/02/2011	13899	Franchise Tax Board	150.00
12/05/2011	13900	Addiction Medicine Consultants	1,725.00
12/05/2011	13901	California Water Environment A	396.00
12/05/2011	13902	Watereuse Association	2,242.50
12/05/2011	13903	American Messaging Services, L	100.82
12/05/2011	13904	Ameripride Uniform Services	424.56
12/05/2011	13905	Crown Ace Hardware - Yucaipa	660.85
12/05/2011	13906	Daily Journal Corporation	565.40
12/05/2011	13907	East Valley Water District	50.00
12/05/2011	13908	Fedex	201.62
12/05/2011	13909	Groundwater Resources Associat	300.00
12/05/2011	13910	House Of Quality, Parts Plus	2,118.73
12/05/2011	13911	VOID CHECK	0.00
12/05/2011	13912	Kelly Services, Inc.	469.60
12/05/2011	13913	Krieger & Stewart	23,386.12
12/05/2011	13914	Press-Enterprise	626.40
12/05/2011	13915	SCCI, Inc.	350.00
12/05/2011	13916	South Coast A.Q.M.D.	1,249.23
12/05/2011	13917	Sims Welding & Supply Co., Inc	153.50
12/05/2011	13918	Association of San Bernardino	341.00
12/05/2011	13919	The Gas Company	463.09
12/05/2011	13920	Underground Service Alert Of S	100.50
12/05/2011	13921	George F. Siddle	113.25
12/05/2011	13922	Verizon	695.22
12/05/2011	13923	Yucaipa Disposal, Inc.	1,262.31
12/05/2011	13924	Bob Walker	75.43
12/05/2011	13925	Brenntag Pacific, Inc	19,475.71
12/05/2011	13926	Cemex Inc. USA	683.16
12/05/2011	13927	Center Electric	10,173.55
12/05/2011	13928	Edward S Babcock & Sons, Inc.	1,403.00
12/05/2011	13929	G&G Environmental Compliance,I	7,384.14
12/05/2011	13930	Harrington Ind. Plastic, LLC	1,167.63
12/05/2011	13931	Myers & Sons Hi-Way Safety Inc	210.11
12/05/2011	13932	Hydrotex Partners, Ltd.	1,829.60
12/05/2011	13933	Inland Water Works Supply Co.	3,317.84
12/05/2011	13934	Innerline Engineering	4,350.00
12/05/2011	13935	Interflon USA Inc.	278.60
12/05/2011	13936	KV'S Paint & Decorating Center	193.73
12/05/2011	13937	Leroy's Landscape Services	6,660.00
12/05/2011	13938	Lowe's Companies, Inc.	69.23

Check Register - December 2011

Check Date	Check Number	Name	Check Amount
12/05/2011	13939	VOID CHECK	0.00
12/05/2011	13940	Nagem, Inc.	37.50
12/05/2011	13941	P & R Paper Supply Co., Inc.	635.89
12/05/2011	13942	R & R Anderson Trucking	1,543.55
12/05/2011	13943	PowerPlan	316.13
12/05/2011	13944	Red Alert Special Couriers	962.25
12/05/2011	13945	Sterling Water Technologies LL	2,761.57
12/05/2011	13946	Tri County Pump Company	2,374.04
12/05/2011	13947	Alfred Ramirez	90.00
12/05/2011	13948	Merit Oil Company	1,729.31
12/05/2011	13949	John Hull	578.83
12/12/2011	13950	Robert Austin	2,541.88
12/12/2011	13951	Southwest Membrane Operator As	650.00
12/12/2011	13952	Casa Blanca Ranch, LLC	15,771.00
12/12/2011	13953	Ameripride Uniform Services	424.56
12/12/2011	13954	Central Communications	220.95
12/12/2011	13955	Coverall North America, Inc.	1,021.00
12/12/2011	13956	First American Data Tree, LLC	50.00
12/12/2011	13957	Fox Occupational Medical Cente	100.00
12/12/2011	13958	Neopost USA Inc.	203.65
12/12/2011	13959	InfoSend, Inc.	5,114.09
12/12/2011	13960	Kelly Services, Inc.	375.68
12/12/2011	13961	Konica Minolta Business Soluti	273.25
12/12/2011	13962	NetComp Technologies,Inc.	2,070.00
12/12/2011	13963	San Gorgonio Pass Water Agency	10,657.41
12/12/2011	13964	Southern CA Emergency Medicine	150.00
12/12/2011	13965	The Counseling Team Internatio	360.00
12/12/2011	13966	The Gas Company	16.77
12/12/2011	13967	UPS Store#1504/ Mail Boxes Etc	50.22
12/12/2011	13968	USDA Forest Service	60.00
12/12/2011	13969	Verizon	1,153.93
12/12/2011	13970	WESTCAS	750.00
12/12/2011	13971	Atlas Copco Compressors, LLC	1,827.03
12/12/2011	13972	Auto Care Clinic	687.06
12/12/2011	13973	Bernell Hydraulics, Inc.	72.58
12/12/2011	13974	Bioscience Inc.	13,066.00
12/12/2011	13975	Brenntag Pacific, Inc	8,682.50
12/12/2011	13976	Center Electric	947.28
12/12/2011	13977	Victor James Valenti	3,271.60
12/12/2011	13978	CS Associated Municipal Sale C	469.08
12/12/2011	13979	DC Frost Associates, Inc.	407.97
12/12/2011	13980	Dinosaur Tire Inc.	30.25
12/12/2011	13981	EnviroTech	3,490.55
12/12/2011	13982	Fastenal Company	299.98
12/12/2011	13983	Gallade Chemical	1,064.57
12/12/2011	13984	GEI Consultants, Inc.	2,099.81
12/12/2011	13985	Industrial Fabricators	210.00
12/12/2011	13986	Inland Water Works Supply Co.	9,785.22
12/12/2011	13987	James John Brothers	5,631.00
12/12/2011	13988	JR Freeman Co. Inc.	864.80
12/12/2011	13989	Merit Oil Company	1,562.60
12/12/2011	13990	Merlin Johnson Construction,In	787.00
12/12/2011	13991	Nagem, Inc.	1,329.05
12/12/2011	13992	Oily's Automotive Service & Re	585.00
12/12/2011	13993	Pro-Pipe & Supply, Inc.	362.60
12/12/2011	13994	Heritage Holdings	3,144.02
12/12/2011	13995	Q Versa, LLC	12,725.83

Check Register - December 2011

Check Date	Check Number	Name	Check Amount
12/12/2011	13996	Radioshack Corp.	64.60
12/12/2011	13997	Rosemount Analytical, Inc.	372.31
12/12/2011	13998	SB & Riv Counties Fire Equipme	808.00
12/12/2011	13999	Smart & Final Stores, LLC	228.28
12/12/2011	14000	T.T. Technologies, Inc.	4,876.00
12/12/2011	14001	Test America Laboratories, Inc	355.00
12/16/2011	14002	AWWA CA-NV (Rancho Cucamonga)	1,420.00
12/16/2011	14003	Boot Barn #4	150.00
12/16/2011	14004	US Healthworks Medical Group,	145.42
12/16/2011	14005	Workboot Warehouse	300.00
12/16/2011	14006	Padgett-Thompson	747.00
12/16/2011	14007	PAYROLL CHECK	2,185.27
12/16/2011	14008	PAYROLL CHECK	526.92
12/16/2011	14009	KAD PAVING COMPANY	1,433.30
12/16/2011	14010	LARUE, GARY AND BETT	44.24
12/16/2011	14011	OSBORNE, SAMANTHA	32.78
12/16/2011	14012	CA-PERS 457 Deferred Comp	13,628.09
12/16/2011	14013	Public Employees' Retirement S	26,132.65
12/16/2011	14014	Hong Nelson	125.00
12/16/2011	14015	Katherine Kostelecky	500.00
12/16/2011	14016	United Student Aid Funds, Inc.	168.43
12/16/2011	14017	Franchise Tax Board	150.00
12/19/2011	14018	Aklufi & Wysocki	9,880.00
12/19/2011	14019	California Bank & Trust	137,166.30
12/19/2011	14020	Delta Partners, LLC	7,500.00
12/19/2011	14021	Dudek & Associates, Inc	44,043.26
12/19/2011	14022	VOID CHECK	0.00
12/19/2011	14023	Krieger & Stewart	189,052.88
12/19/2011	14024	One Stop Landscape Supply Inc	26,948.50
12/19/2011	14025	Platinum Advisors, LLC	5,125.00
12/19/2011	14026	RMC Water and Environment	16,255.00
12/19/2011	14027	Separation Processes, Inc.	47,964.01
12/19/2011	14028	Soboba Band of Luiseno Indians	12,296.38
12/19/2011	14029	VTD, Vavrinek, Trine, Day & CO	2,245.00
12/19/2011	14030	W.A. Rasic Construction Co., I	1,234,496.68
12/19/2011	14031	Ralph C. Casas	35.00
12/19/2011	14032	Ameripride Uniform Services	424.56
12/19/2011	14033	AT&T Mobility	5,797.69
12/19/2011	14034	Corelogic Information Solution	300.00
12/19/2011	14035	Fedex	52.57
12/19/2011	14036	Incode Division-Tyler Technolo	350.00
12/19/2011	14037	Kelly Services, Inc.	469.60
12/19/2011	14038	Konica Minolta Business Soluti	474.94
12/19/2011	14039	NAPA Genuine Parts Company	71.04
12/19/2011	14040	NetComp Technologies,Inc.	2,790.00
12/19/2011	14041	Priority Mailing Systems Inc.	242.44
12/19/2011	14042	RFI	525.00
12/19/2011	14043	South Coast A.Q.M.D.	832.82
12/19/2011	14044	Separation Processes, Inc.	2,390.00
12/19/2011	14045	Thomson West	1,564.64
12/19/2011	14046	Verizon	159.76
12/19/2011	14047	Agriserve Pest Control	380.00
12/19/2011	14048	Brenntag Pacific, Inc	1,819.36
12/19/2011	14049	Calolympic Glove & Safety Co.,	209.46
12/19/2011	14050	Clinical Laboratory of San Ber	2,279.00
12/19/2011	14051	Evans-Hydro Inc.	7,327.87
12/19/2011	14052	Fisher Scientific Co.	56.49

Check Register - December 2011

Check Date	Check Number	Name	Check Amount
12/19/2011	14053	G&G Environmental Compliance,I	2,647.75
12/19/2011	14054	Graybar Electric Co., Inc.	113.10
12/19/2011	14055	Alan L. Grubel Automotive Inc.	415.67
12/19/2011	14056	Hewlett-Packard Co.-Public Sec	376.05
12/19/2011	14057	Inland Water Works Supply Co.	347.61
12/19/2011	14058	James John Brothers	4,293.25
12/19/2011	14059	MBC Applied Environmental Scie	1,200.00
12/19/2011	14060	Nagem, Inc.	468.04
12/19/2011	14061	NCL Of Wisconsin Inc	631.23
12/19/2011	14062	Odyssey Power Corporation	6,589.30
12/19/2011	14063	P & R Paper Supply Co., Inc.	14.61
12/19/2011	14064	Polydyne Inc.	2,602.16
12/19/2011	14065	Pro-Pipe & Supply, Inc.	1,933.50
12/19/2011	14066	Red Alert Special Couriers	1,797.66
12/19/2011	14067	Tattletale Portable Alarm Syst	270.00
12/19/2011	14068	Test America Laboratories, Inc	505.00
12/19/2011	14069	Addiction Medicine Consultants	139.00
12/19/2011	14070	American Water Works Assoc.	3,657.00
12/19/2011	14071	California Water Environment A	792.00
12/19/2011	14072	CWEA-TCP (OAKPORT ST.)	760.00
12/19/2011	14073	Water Environment Federation	220.00
12/19/2011	14074	Inland Potable Services, Inc.	19,498.00
12/21/2011	14075	MC INTOSH, WILLIAM	800.00
12/21/2011	14076	HEYREND, KAREN	13.49
12/26/2011	14077	Ameripride Uniform Services	426.21
12/26/2011	14078	BofA Credit Card	83.07
12/26/2011	14079	InfoSend, Inc.	3,390.11
12/26/2011	14080	Kelly Services, Inc.	469.60
12/26/2011	14081	VOID CHECK	0.00
12/26/2011	14082	SCCI, Inc.	350.00
12/26/2011	14083	Vanessa Finney	150.00
12/26/2011	14084	Auto Care Clinic	199.80
12/26/2011	14085	Brenntag Pacific, Inc	23,005.31
12/26/2011	14086	Center Electric	340.53
12/26/2011	14087	Clean Harbors Environmental Sv	484.54
12/26/2011	14088	Donegan Tree Service	400.00
12/26/2011	14089	Fastenal Company	28.17
12/26/2011	14090	G&G Environmental Compliance,I	8,471.19
12/26/2011	14091	Innerline Engineering	1,450.00
12/26/2011	14092	James John Brothers	11,467.75
12/26/2011	14093	JR Freeman Co. Inc.	618.04
12/26/2011	14094	Merit Oil Company	4,509.25
12/26/2011	14095	Polydyne Inc.	2,602.16
12/26/2011	14096	Pro-Pipe & Supply, Inc.	30.45
12/26/2011	14097	Redlands Ford	73.01
12/26/2011	14098	City of San Bernardino	150.00
12/26/2011	14099	Siemens Industry, Inc.	1,142.33
12/26/2011	14100	Tom Malloy Corp.	395.50
12/26/2011	14101	HD Supply Facilities Maintenan	502.16
12/26/2011	14102	ZEP Manufacturing Company	323.10
12/27/2011	14103	CA-OCP HEALTH SERVICES	55.00
12/27/2011	14104	MBC Applied Environmental Scie	1,200.00
12/27/2011	14105	BofA Credit Card	241.84
12/27/2011	14106	BofA Credit Card	176.46
12/27/2011	14107	Pro-Pipe & Supply, Inc.	141.66
12/27/2011	14108	SCE Rosemead	119,694.62
12/27/2011	14109	Verizon	606.93

Check Register - December 2011

Check Date	Check Number	Name	Check Amount
12/30/2011	14110	PAYROLL CHECK	2,612.88
12/30/2011	14111	CA-PERS 457 Deferred Comp	8,604.05
12/30/2011	14112	Public Employees' Retirement S	26,500.73
12/30/2011	14113	United Student Aid Funds, Inc.	168.43
12/30/2011	14114	Franchise Tax Board	150.00
12/30/2011	14115	American Family Life Assurance	2,980.71
12/30/2011	14116	YVWD-Petty Cash	165.38
12/30/2011	14117	Workboot Warehouse	128.52
12/30/2011	14118	SeaBright Insurance Company	18,280.00
		December 2011 Check Register Total	**2,419,592.73**

Financial Account Information - December 2011

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
11/30/2011	**bal forward**	**720,536.71**	**30,020.00**	**13,190.90**	**5,663,037.61**	**1,833,500.93**	**8,260,286.15**
11/30	*rev retained in MM*				*(1,889.81)*		**(1,889.81)**
12/01/2011	Deposit	41,450.42					**41,450.42**
	Credit Card-11/30	1,109.72					**1,109.72**
	Credit Card-12/1	1,220.16					**1,220.16**
	Electronic	12,206.52					**12,206.52**
	Website-12/1	2,060.76					**2,060.76**
	Website-12/2	1,113.71					**1,113.71**
12/02/11-PR	Federal Taxes		(34,729.56)				**(34,729.56)**
12/02/11-PR	State Taxes		(6,564.14)				**(6,564.14)**
12/02/11-PR	PR Direct Deposit		(96,971.04)				**(96,971.04)**
12/02/11-PR	ING 457		(8,618.50)				**(8,618.50)**
	Cks#13882-13899		(89,106.01)				**(89,106.01)**
	TRF#1051-AP&PR	**(235,989.25)**	**235,989.25**				**0.00**
12/02/2011	Deposit	50,795.89					**50,795.89**
	Credit Card-12/1	60.82					**60.82**
	Credit Card-12/2	1,666.01					**1,666.01**
	Electronic	20,712.45					**20,712.45**
	Website-12/2	1,540.39					**1,540.39**
	Website-12/3	55.53					**55.53**
	Website-12/3	969.49					**969.49**
	Website-12/4	1,592.26					**1,592.26**
	Website-12/5	165.66					**165.66**
	Website-12/5	70.87					**70.87**
	ETS Fees	(773.19)					**(773.19)**
	ETS Fees	(691.87)					**(691.87)**
12/05/2011	Deposit	88,868.84					**88,868.84**
	Deposit-M/C	845.22					**845.22**
	Credit Card-12/2	560.41					**560.41**
	Credit Card-12/5	2,270.96					**2,270.96**
	Electronic	23,633.68					**23,633.68**
	Website-12/5	1,443.36					**1,443.36**
	Website-12/6	150.00					**150.00**
	Website-12/6	185.26					**185.26**
	ACH pmts	32,044.41					**32,044.41**
12/06/2011	Deposit	71,969.02					**71,969.02**
	Deposit-M/C	23,045.80					**23,045.80**
	Credit Card -12/5	474.55					**474.55**
	Credit Card -12/6	2,339.74					**2,339.74**
	Electronic	23,027.26					**23,027.26**
	Website-12/6	1,589.43					**1,589.43**
	Website-12/7	142.30					**142.30**
	Website-12/7	238.13					**238.13**
12/07/2011	Deposit	59,307.73					**59,307.73**
	Deposit-Riv taxes	313.72					**313.72**
	Credit Card-12/6	474.48					**474.48**
	Credit Card-12/7	4,150.58					**4,150.58**
	Electronic	10,127.08					**10,127.08**
	Website-12/7	1,574.52					**1,574.52**
	Website-12/8	411.15					**411.15**
	Cks#13900-13949		(106,296.50)				**(106,296.50)**
	TRF#1052-AP	**(106,276.50)**	**106,276.50**				**0.00**

Financial Account Information - December 2011

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
11/30/2011	bal forward	720,536.71	30,020.00	13,190.90	5,663,037.61	1,833,500.93	8,260,286.15
12/08/2011	Deposit	31,063.01					31,063.01
	Deposit-Riv taxes	306.37					306.37
	Credit Card-12/7	1,137.52					1,137.52
	Credit Card-12/8	1,252.45					1,252.45
	Electronic	7,837.31					7,837.31
	Website-12/8	1,801.11					1,801.11
	Website-12/9	92.50					92.50
12/09/2011	Deposit	19,959.65					19,959.65
	Credit Card-12/8	312.19					312.19
	Credit Card-12/9	1,109.76					1,109.76
	Electronic	10,223.09					10,223.09
	Website-12/9	1,037.79					1,037.79
	Website-12/10	122.95					122.95
	Website-12/10	861.44					861.44
	Website-12/11	736.96					736.96
	Website-12/12	57.23					57.23
	Website-12/12	1,043.59					1,043.59
12/12/2011	Deposit	79,374.73					79,374.73
	Credit Card-12/9	1,047.78					1,047.78
	Credit Card-12/12	4,198.25					4,198.25
	Electronic	9,726.93					9,726.93
	Website-12/12	1,764.06					1,764.06
	Website-12/13	78.10					78.10
	Website-12/13	86.75					86.75
	ACH pmts	48,724.75					48,724.75
12/9	**TRF#1053 - VOID**						0.00
12/9	**TRF#1054-Cusip#9127953X7**			3,962,911.00			3,962,911.00
12/12	**TRF#1055**	(500,000.00)		500,000.00			0.00
12/12	**TRF#1056**			(4,400,000.00)		4,400,000.00	0.00
12/13/2011	Deposit	53,830.73					53,830.73
	Deposit-SB taxes	484,394.94					484,394.94
	Credit Card-12/12	525.11					525.11
	Credit Card-12/13	1,292.65					1,292.65
	Electronic	15,877.74					15,877.74
	Website-12/13	1,635.78					1,635.78
	Website-12/14	430.71					430.71
12/14/2011	Deposit	56,000.77					56,000.77
	Credit Card-12/13	816.96					816.96
	Credit Card-12/14	3,805.84					3,805.84
	Electronic	10,042.92					10,042.92
	Website-12/14	1,786.30					1,786.30
	Website-12/15	60.68					60.68
12/15/2011	Deposit	20,207.22					20,207.22
	Credit Card-12/14	589.02					589.02
	Credit Card-12/15	1,301.44					1,301.44
	Electronic	10,777.55					10,777.55
	Website-12/15	785.36					785.36
	Website-12/16	204.46					204.46
12/15	ACH pmts	39,941.69					39,941.69
12/16/11-PR	Federal Taxes		(34,560.31)				(34,560.31)
12/16/11-PR	State Taxes		(6,322.22)				(6,322.22)
12/16/11-PR	ING 457		(7,612.07)				(7,612.07)
12/16/11-PR	PR Direct Deposit		(99,559.65)				(99,559.65)

Financial Account Information - December 2011

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
11/30/2011	bal forward	720,536.71	30,020.00	13,190.90	5,663,037.61	1,833,500.93	8,260,286.15
12/15	Cks#13950-14017		(169,811.06)				**(169,811.06)**
12/15	**TRF#1057-AP&PR**	**(317,865.31)**	**317,865.31**				**0.00**
12/16/2011	Deposit	36,496.34					**36,496.34**
	Deposit-M/C	6,335.40					**6,335.40**
	Deposit-Riv taxes	37,606.30					**37,606.30**
	Credit Card-12/15	296.36					**296.36**
	Credit Card-12/16	1,543.60					**1,543.60**
	Electronic	11,992.37					**11,992.37**
	Website-12/16	1,717.70					**1,717.70**
	Website-12/17	80.00					**80.00**
	Website-12/17	1,056.41					**1,056.41**
	Website-12/18	872.47					**872.47**
	Website-12/19	203.21					**203.21**
12/19/2011	Deposit	53,622.41					**53,622.41**
	Dep-SGPWA-BB Mgt Zone	3,500.00					**3,500.00**
	Credit Card-12/16	373.00					**373.00**
	Credit Card-12/19	1,501.30					**1,501.30**
	Electronic	15,664.86					**15,664.86**
	Website-12/19	1,605.41					**1,605.41**
	Website-12/20	164.85					**164.85**
	Website-12/20	165.95					**165.95**
12/20/2011	Deposit	37,892.80					**37,892.80**
	Credit Card-12/19	307.24					**307.24**
	Credit Card-12/20	1,417.03					**1,417.03**
	Electronic	14,659.94					**14,659.94**
	Website-12/20	1,205.11					**1,205.11**
	Website-12/21	154.32					**154.32**
	Website-12/21	397.60					**397.60**
	ACH pmts	21,254.59					**21,254.59**
12/21/2011	Deposit	40,325.14					**40,325.14**
	Deposit-SB taxes	479,810.01					**479,810.01**
	Credit Card-12/20	478.19					**478.19**
	Credit Card-12/21	121.38					**121.38**
	Credit Card-12/21	4,587.64					**4,587.64**
	Electronic	8,416.18					**8,416.18**
	Website-12/21	913.73					**913.73**
	Website-12/22	205.71					**205.71**
	TRF#1058-Laif to Inv Ck			300,000.00		(300,000.00)	**0.00**
	TRF#1059-Inv Ck to Dep Ck	300,000.00		(300,000.00)			**0.00**
	Cks#14018-14076		(1,811,609.67)				**(1,811,609.67)**
	TRF#1060-AP	**(1,811,609.67)**	**1,811,609.67**				**0.00**
12/22/2011	Deposit	18,337.36					**18,337.36**
	Credit Card-12/21	154.66					**154.66**
	Credit Card-12/22	611.25					**611.25**
	Electronic	7,268.86					**7,268.86**
	Website-12/22	6,602.14					**6,602.14**
	Website-12/23	134.00					**134.00**
	Website-12/23	234.28					**234.28**
12/22	ARRA -Draw #17		245,984.00				**245,984.00**
	TRF#1061-ARRA Draw #17	**245,984.00**	**(245,984.00)**				**0.00**

Financial Account Information - December 2011

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
11/30/2011	**bal forward**	**720,536.71**	**30,020.00**	**13,190.90**	**5,663,037.61**	**1,833,500.93**	**8,260,286.15**
12/23/2011	Deposit	28,938.79					**28,938.79**
	Credit Card	823.17					**823.17**
	Electronic	12,220.42					**12,220.42**
	Website-12/23	684.62					**684.62**
	Website-12/24	604.01					**604.01**
	Website-12/25	177.52					**177.52**
	Website-12/25	59.03					**59.03**
	Website-12/26	1,699.14					**1,699.14**
	Website-12/27	62.00					**62.00**
	Website-12/27	445.30					**445.30**
12/27/2011	Deposit	46,064.69					**46,064.69**
	Credit Card-12/23	382.18					**382.18**
	Credit Card-12/27	3,835.44					**3,835.44**
	Electronic	13,632.16					**13,632.16**
	Website-12/27	1,778.05					**1,778.05**
	Website-12/28	125.88					**125.88**
	ACH pmts	53,583.02					**53,583.02**
12/28/2011	Deposit	34,972.86					**34,972.86**
	Credit Card-12/27	583.11					**583.11**
	Credit Card-12/28	4,266.56					**4,266.56**
	Electronic	17,222.78					**17,222.78**
	Website-12/28	1,203.85					**1,203.85**
	Website-12/29	39.43					**39.43**
	Website-12/29	71.75					**71.75**
12/29/2011	Deposit	31,647.78					**31,647.78**
	Deposit-M/C	38,363.90					**38,363.90**
	Credit Card-12/28	1,491.78					**1,491.78**
	Credit Card-12/29	2,269.82					**2,269.82**
	Electronic	10,023.96					**10,023.96**
	Website-12/29	1,269.15					**1,269.15**
	Website-12/30	594.57					**594.57**
12/30/11-PR	Federal Taxes		(34,614.90)				**(34,614.90)**
12/30/11-PR	State Taxes		(6,451.40)				**(6,451.40)**
12/30/11-PR	ING 457		(5,340.08)				**(5,340.08)**
12/30/11-PR	PR Direct Deposit		(100,939.30)				**(100,939.30)**
	Cks#14077-14118		(242,769.49)				**(242,769.49)**
12/29	**TRF#1062-AP&PR**	**(390,115.17)**	**390,115.17**				**0.00**
12/30/2011	Deposit	45,574.39					**45,574.39**
	Credit Card-12/29	68.43					**68.43**
	Credit Card-12/30	1,411.58					**1,411.58**
	Electronic	10,300.44					**10,300.44**
	Website-12/30	2,799.24					**2,799.24**
	Website-12/31	1,841.79					**1,841.79**
	Website-1/1	1,048.74					**1,048.74**
	Website-1/2	2,706.65					**2,706.65**
	Website-1/3	352.77					**352.77**
	December '11 NSF's	(2,624.62)					**(2,624.62)**
12/16	Cusip #9127953X7 Maturity				(3,961,448.61)		**(3,961,448.61)**
12/31	*retained in MM*				*978.97*		**978.97**
	TOTALS	**510,345.41**	**30,000.00**	**76,101.90**	**1,700,678.16**	**5,933,500.93**	**8,250,626.40**

Investment Summary - December 2011

U.S. TREASURIES

Quantity	Description	Cusip	Maturity Date	Yield	Cost of Purchase	Market Value
1,700,000	US Treasury Bill	912795Y62	January 19, 2012	0.030%	1,699,699.19	1,699,983.00
1,700,000			**Total Values**		**1,699,699.19**	**1,699,983.00**

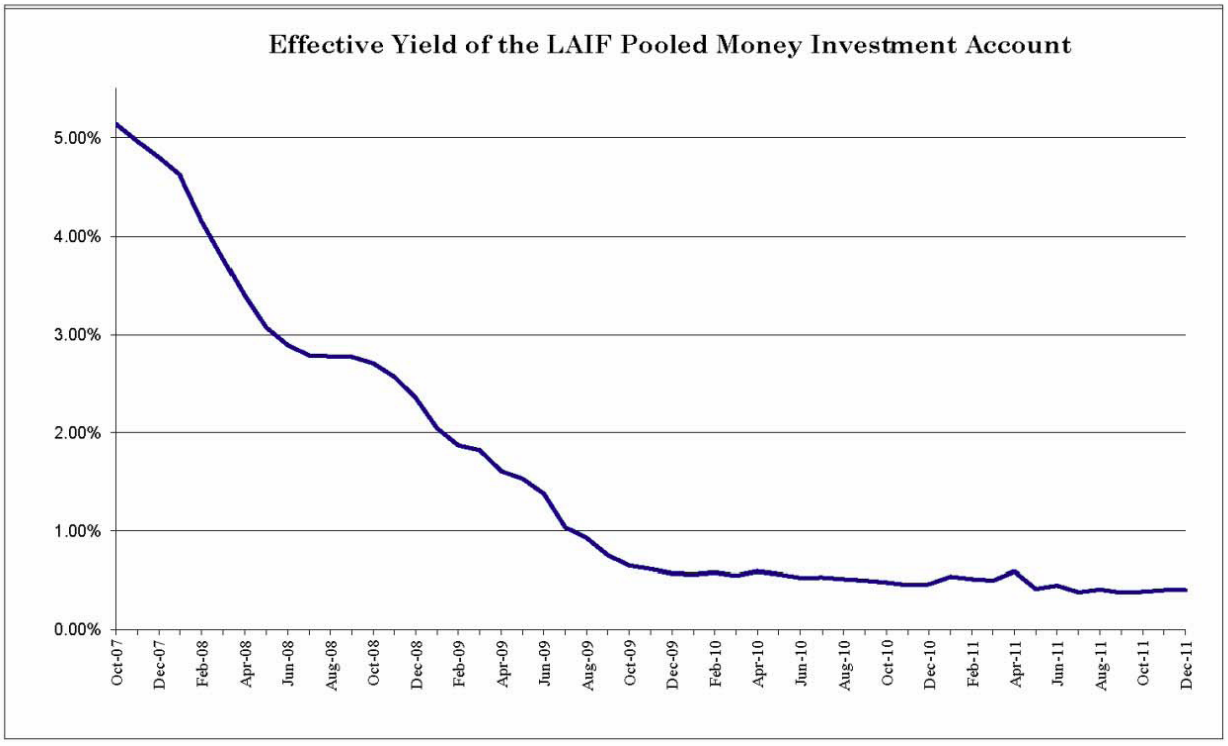
Money Market Account Activity-Beginning Balance	**1,889.81**
12/30/11 - Dividend/Interest	0.16
12/08/11 - Cusip # 9127953X7 Interest	551.39
Income	**551.55**
12/09/2011Intra-Bank Transfers to/from Investment Checking	(3,962,911.00)
Fund Transfers	**(3,962,911.00)**
12/08/11 - Cusip # 9127953X7 Maturity	3,961,448.61
Redemptions	**3,961,448.61**
Cusip Purchase	0.00
Purchases	**0.00**
Ending Balance - Money Market	**978.97**
US Treasury Securities Investment Principal	**1,699,699.19**
Total Assets	**1,700,678.16**

Investment Summary - December 2011

LOCAL AGENCY INVESTMENT FUND

PERIOD	TOTAL WITHDRAWAL AMOUNT	TOTAL DEPOSIT AMOUNT	ACCRUED INTEREST (QUARTERLY)	ENDING BALANCE
July 31, 2011	$0.00	$0.00	$39.05	$32,944.00
August 31, 2011	$0.00	$2,000,000.00	$0.00	$2,032,944.00
September 30, 2011	($2,000,000.00)	$1,300,000.00	$0.00	$1,332,944.00
October 31, 2011	$0.00	$800,000.00	$556.93	$2,133,500.93
November 30, 2011	($1,000,000.00)	$700,000.00	$0.00	$1,833,500.93
December 31, 2011	($300,000.00)	$4,400,000.00	$0.00	$5,933,500.93
January 31, 2012	$0.00	$0.00	$0.00	$5,933,500.93
February 29, 2012	$0.00	$0.00	$0.00	$5,933,500.93
March 31, 2012	$0.00	$0.00	$0.00	$5,933,500.93
April 30, 2012	$0.00	$0.00	$0.00	$5,933,500.93
May 31, 2012	$0.00	$0.00	$0.00	$5,933,500.93
June 30, 2012	$0.00	$0.00	$0.00	$5,933,500.93

L.A.I.F. INCOME SUMMARY	CURRENT QUARTER	FY YEAR-TO-DATE
INCOME RECEIVED	$556.93	$595.98



Monthly Revenue Allocation - December 2011

DATE	Description	Qty	DEPOSIT CHECKING DEPOSITS	AR Mail & Counter	AR Payment Centers	AR Credit Card	AR Electronic Rapid Pay	AR Web Site	AR ACH Auto Pay	AR TOTAL	AR Water Fees & Deposits	Water Allocation	Sewer Allocation	Recycled Allocation	RECAP TOTAL
12/01/2011	Mail & Counter	298	41,450.42	41,450.42						41,450.42					41,450.42
	Credit Cards	14	2,329.88			2,329.88				2,329.88					2,329.88
	Electronic	153	12,206.52				12,206.52			12,206.52					12,206.52
	Website	27	3,174.47					3,127.22		3,127.22	47.25				3,174.47
12/02/2011	Mail & Counter	405	50,795.89	50,795.89						50,795.89					50,795.89
	Credit Cards	18	1,726.83			1,726.83				1,726.83					1,726.83
	Electronic	255	20,712.45				20,712.45			20,712.45					20,712.45
	Website - 44 fees	45	4,394.20					4,317.20		4,317.20	77.00				4,394.20
12/05/2011	Mail & Counter	697	88,868.84	88,868.84						88,868.84					88,868.84
	Deposit-M/C	-	845.22							0.00		545.22		300.00	845.22
	Credit Cards	28	2,831.37			2,831.37				2,831.37					2,831.37
	Electronic	287	23,633.68				23,633.68			23,633.68					23,633.68
	Website	18	1,778.62					1,747.12		1,747.12	31.50				1,778.62
	ACH payment	347	32,044.41						32,044.41	32,044.41					32,044.41
12/06/2011	Mail & Counter	444	71,969.02	71,969.02						71,969.02					71,969.02
	Deposit-M/C	-	23,045.80							0.00		3,525.00		19,520.80	23,045.80
	Credit Cards	23	2,814.29			2,814.29				2,814.29					2,814.29
	Electronic	286	23,027.26				23,027.26			23,027.26					23,027.26
	Website	16	1,969.86					1,941.86		1,941.86	28.00				1,969.86
12/07/2011	Mail & Counter	319	59,307.73	59,307.73						59,307.73					59,307.73
	Deposit-Riv Tax	-	313.72							0.00		313.72			313.72
	Credit Cards	39	4,625.06			4,625.06				4,625.06					4,625.06
	Electronic	123	10,127.08				10,127.08			10,127.08					10,127.08
	Website	19	1,985.67					1,952.42		1,952.42	33.25				1,985.67
12/08/2011	Mail & Counter	249	31,063.01	31,063.01						31,063.01					31,063.01
	Deposit-Riv Tax	-	306.37							0.00		306.37			306.37
	Credit Cards	18	2,389.97			2,389.97				2,389.97					2,389.97
	Electronic	99	7,837.31				7,837.31			7,837.31					7,837.31
	Website - 12 fees	18	1,893.61					1,872.61		1,872.61	21.00				1,893.61
12/09/2011	Mail & Counter	205	19,959.65	19,959.65						19,959.65					19,959.65
	Credit Cards	15	1,421.95			1,421.95				1,421.95					1,421.95
	Electronic	127	10,223.09				10,223.09			10,223.09					10,223.09
	Website-37 fees	38	3,859.96					3,795.21		3,795.21	64.75				3,859.96
12/12/2011	Mail & Counter	509	79,374.73	79,374.73						79,374.73					79,374.73
	Credit Cards	26	5,246.03			5,246.03				5,246.03					5,246.03
	Electronic	132	9,726.93				9,726.93			9,726.93					9,726.93
	Website	16	1,928.91					1,900.91		1,900.91	28.00				1,928.91
	ACH payment	449	48,724.75						48,724.75	48,724.75					48,724.75
12/13/2011	Mail & Counter	384	53,830.73	53,710.73						53,710.73	120.00				53,830.73
	Deposit-SB Taxes	-	484,394.94	3,680.82						3,680.82		480,714.12			484,394.94
	Credit Cards	15	1,817.76			1,817.76				1,817.76					1,817.76
	Electronic	205	15,877.74				15,877.74			15,877.74					15,877.74
	Website	18	2,066.49					2,034.99		2,034.99	31.50				2,066.49
12/14/2011	Mail & Counter	317	56,000.77	56,000.77						56,000.77					56,000.77
	Credit Cards	28	4,622.80			4,622.80				4,622.80					4,622.80
	Electronic	125	10,042.92				10,042.92			10,042.92					10,042.92
	Website	20	1,846.98					1,811.98		1,811.98	35.00				1,846.98
12/15/2011	Mail & Counter	229	20,207.22	20,207.22						20,207.22					20,207.22
	Credit Cards	14	1,890.46			1,890.46				1,890.46					1,890.46
	Electronic	127	10,777.55				10,777.55			10,777.55					10,777.55
	Website	11	989.82					970.57		970.57	19.25				989.82
	ACH payment	455	39,941.69						39,941.69	39,941.69					39,941.69

DATE	Description	Qty	DEPOSIT CHECKING DEPOSITS	AR Mail & Counter	AR Payment Centers	AR Credit Card	AR Electronic Rapid Pay	AR Web Site	AR ACH Auto Pay	AR TOTAL	AR Water Fees & Deposits	Water Allocation	Sewer Allocation	Recycled Allocation	RECAP TOTAL
12/16/2011	Mail & Counter	236	**36,496.34**	36,496.34						**36,496.34**					**36,496.34**
	Deposit-M/C	-	6,335.40							**0.00**		6,035.40		300.00	**6,335.40**
	Deposit-Riv Tax	-	37,606.30							**0.00**		37,606.30			**37,606.30**
	Credit Cards	16	1,839.96			1,839.96				**1,839.96**					**1,839.96**
	Electronic	157	11,992.37				11,992.37			**11,992.37**					**11,992.37**
	Website	39	3,929.79					3,861.54		**3,861.54**	66.25				**3,929.79**
12/19/2011	Mail & Counter	486	**53,622.41**	53,622.41						**53,622.41**					**53,622.41**
	Dep-SGPWA-BB	-	3,500.00							**0.00**		3,500.00			**3,500.00**
	Credit Cards	17	1,874.30			1,874.30				**1,874.30**					**1,874.30**
	Electronic	186	15,664.86				15,664.86			**15,664.86**					**15,664.86**
	Website	17	1,936.21					1,906.46		**1,906.46**	29.75				**1,936.21**
12/20/2011	Mail & Counter	363	**37,892.80**	37,892.80						**37,892.80**					**37,892.80**
	Credit Cards	16	1,724.27			1,724.27				**1,724.27**					**1,724.27**
	Electronic	205	14,659.94				14,659.94			**14,659.94**					**14,659.94**
	Website	19	1,757.03					1,723.78		**1,723.78**	33.25				**1,757.03**
	ACH payment	452	21,254.59						21,254.59	**21,254.59**					**21,254.59**
12/21/2011	Mail & Counter	302	**40,325.14**	40,325.14						**40,325.14**					**40,325.14**
	Deposit-SB Taxes	-	**479,810.01**	4,014.75						**4,014.75**		475,795.26			**479,810.01**
	Credit Cards	41	5,187.21			5,187.21				**5,187.21**					**5,187.21**
	Electronic	116	8,416.18				8,416.18			**8,416.18**					**8,416.18**
	Website	15	1,119.44					1,093.19		**1,093.19**	26.25				**1,119.44**
12/22/2011	Mail & Counter	184	**18,337.36**	18,337.36						**18,337.36**					**18,337.36**
	Credit Cards	5	765.91			765.91				**765.91**					**765.91**
	Electronic	93	7,268.86				7,268.86			**7,268.86**					**7,268.86**
	Website	13	6,970.42					6,947.67		**6,947.67**	22.75				**6,970.42**
12/23/2011	Mail & Counter	217	**28,938.79**	28,938.79						**28,938.79**					**28,938.79**
	Credit Cards	10	823.17			823.17				**823.17**					**823.17**
	Electronic	176	12,220.42				12,220.42			**12,220.42**					**12,220.42**
	Website-35 fees	36	3,731.62					3,670.37		**3,670.37**	61.25				**3,731.62**
12/27/2011	Mail & Counter	484	**46,064.69**	46,064.69						**46,064.69**					**46,064.69**
	Credit Cards	34	4,217.62			4,217.62				**4,217.62**					**4,217.62**
	Electronic	180	13,632.16				13,632.16			**13,632.16**					**13,632.16**
	Website	18	1,903.93					1,872.43		**1,872.43**	31.50				**1,903.93**
	ACH payment	497	53,583.02						53,583.02	**53,583.02**					**53,583.02**
12/28/2011	Mail & Counter	432	**34,972.86**	34,972.86						**34,972.86**					**34,972.86**
	Credit Cards	36	4,849.67			4,849.67				**4,849.67**					**4,849.67**
	Electronic	216	17,222.78				17,222.78			**17,222.78**					**17,222.78**
	Website	14	1,315.03					1,290.53		**1,290.53**	24.50				**1,315.03**
12/29/2011	Mail & Counter	262	**31,647.78**	31,647.78						**31,647.78**					**31,647.78**
	Deposit-M/C	-	38,363.90							**0.00**		20,749.82	17,614.08		**38,363.90**
	Credit Cards	24	3,761.60			3,761.60				**3,761.60**					**3,761.60**
	Electronic	125	10,023.96				10,023.96			**10,023.96**					**10,023.96**
	Website	20	1,863.72					1,828.72		**1,828.72**	35.00				**1,863.72**
12/30/2011	Mail & Counter	225	**45,574.39**	44,074.39						**44,074.39**	1,500.00				**45,574.39**
	Credit Cards	13	1,480.01			1,480.01				**1,480.01**					**1,480.01**
	Electronic	137	10,300.44				10,300.44			**10,300.44**					**10,300.44**
	Website	88	8,749.19					8,595.19		**8,595.19**	154.00				**8,749.19**
Dec-11	Utility Pmt Cntr-461			(37,022.63)	37,022.63					**0.00**					**0.00**
	Dec '11 NSF's		(2,624.62)	(2,624.62)						**(2,624.62)**					**(2,624.62)**
ARRA #17	$245,984 (12/22)									**0.00**					**0.00**
	TOTALS	**13,932**	**2,607,145.66**	**913,128.89**	**37,022.63**	**58,240.12**	**275,594.50**	**58,261.97**	**195,548.46**	**1,537,796.57**	**2,523.00**	**1,029,091.21**	**17,614.08**	**20,120.80**	**2,607,145.66**
TOTAL # AR PAYMENTS				6,775	461	461	3,510	525	2,200	**13,932**					
PERCENT OF TOTAL RECEIVED				48.63%	3.31%	3.31%	25.19%	3.77%	15.79%	**100%**					

FY 2012 - Water Revenue

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
02-40010	Sales - Water	6,000,000	168,794	697,030	933,812	615,247	460,874	339,522	**3,215,279**	53.59%
02-40011	Sales - Construction Water	31,000	902	2,180	2,638	3,292	1,221	472	**10,706**	34.54%
02-40012	Sales - Imported Water (SGPWA)	200,000	21,022	21,415	27,470	17,633	13,322	10,486	**111,347**	55.67%
02-40013	Sales - Imported Water (MUNI)	800,000	8,600	94,133	122,242	84,945	65,675	49,122	**424,717**	53.09%
02-40014	Sales Disc.-Multi Units Usage Chrg.	(130,000)	(3,463)	(12,533)	(17,059)	(11,220)	(9,659)	(9,897)	**(63,832)**	49.10%
02-40015	Water Wholesale Revenue	60,000	3,677	3,540	3,421	3,276	2,777	20,380	**37,071**	61.79%
02-40016	Service Establishment Fee	100	0	0	0	50	0	25	**75**	75.00%
02-41000	Service Demand Charges	2,300,000	44,953	161,798	193,294	192,752	193,100	193,212	**979,108**	42.57%
02-41001	Fire Service Standby Fees	15,000	502	1,310	1,500	1,526	1,331	1,549	**7,716**	51.44%
02-41003	Construction Service Charge	10,000	138	612	812	697	651	656	**3,565**	35.65%
02-41005	Sales Disc-Multi Units Service Chrg.	(92,000)	(2,194)	(7,488)	(8,941)	(8,941)	(8,941)	(8,941)	**(45,444)**	49.40%
02-41010	Unauthorized Use of Water Charge	1,500	750	0	0	0	0		**750**	50.00%
02-41110	Meter/Lateral installation	2,500	0	1,125	0	3,375	0		**4,500**	180.00%
02-41112	Fire Flow Measurements & Reports	1,900	150	75	225	150	225	75	**900**	47.37%
02-41113	Disconnect/Reconnect Fees	100,000	10,195	10,665	10,840	11,400	12,470	8,785	**64,355**	64.36%
02-41121	Delinquent Payment Charges	125,000	12,245	16,051	13,005	20,118	15,417	10,192	**87,028**	69.62%
02-41124	Bad Debt	0	0	0	0	0	0		**0**	
02-42123	Management & Accounting Fees	733,170	61,092	61,098	61,098	61,098	61,098	61,098	**366,582**	50.00%
02-43010	Interest Earned	10,000	69	25	232	581	25	531.57+16	**933**	9.33%
02-43110	Property Tax - Unsecured	100,000	0	0	0	5,882	0	42,312	**48,194**	48.19%
02-43120	Property Tax - Secured	2,050,000	0	0	0	0	0	423,213	**423,213**	20.64%
02-43130	Tax Collection - Prior	60,000	0	0	0	5,854	0	2,797	**8,652**	14.42%
02-43140	Other Taxes (including homeowners)	90,000	0	0	0	0	0	9,204	**9,204**	10.23%
02-49150	Revenue - Misc. Non-Operating	35,000	2,060	10,251	2,168	2,086	2,335	3,559	**22,458**	64.17%
	WATER OPERATING REVENUE	**12,503,170**	**329,491**	**1,061,287**	**1,346,758**	**1,009,801**	**811,921**	**1,157,819**	**5,717,078**	**45.73%**
02-82002	Grants (FEMA)	0	**0**	0	1,940	0	1,155	0	**3,095**	
02-89901	Facility Capacity Charges	0	**0**	0	0	130,087	0	0	**130,087**	
02-89902	Sustainability	0	**0**	0	0	10,453	0	0	**10,453**	
	TOTAL WATER REVENUE	**12,503,170**	**329,491**	**1,061,287**	**1,348,698**	**1,150,340**	**813,076**	**1,157,819**	**5,860,712**	

FY 2012 - Sewer Revenue

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
03-40016	Sales - Establish Service Fee	100	0	0	0	0	0	0	0	0.00%
03-41000	Sales - Sewer Charges	10,425,000	275,183	854,191	894,608	871,186	870,979	873,133	4,639,280	44.50%
03-41005	Sales Disc-Multi Units Service Chrg.	(200,000)	(5,633)	(16,671)	(17,075)	(17,038)	(17,006)	(17,027)	(90,451)	45.23%
03-41110	Meter/Lateral Installation	1,000	0	0	0	0	0	0	0	0.00%
03-41121	Penalty Late Charges	130,000	11,154	12,060	8,279	12,923	13,546	10,664	68,627	52.79%
03-41124	Bad Debt	0	0	0	0	0	0	0	0	
03-41131	Front Footage Fees	0	0	0	0	0	0	0	0	
03-42122	Revenue - other operating	1,000	0	180	0	360	0	0	540	54.00%
03-43010	Interest Earned	10,000	0	191	0	0	0	0	191	1.91%
03-43110	Property Tax - Unsecured	50,000	0	0	0	0	0	50,000	50,000	100.00%
03-43120	Property Tax - Secured	450,000	0	0	0	0	0	450,000	450,000	100.00%
03-43130	Tax Collection - Prior	15,000	0	0	0	0	0	7,500	7,500	50.00%
03-43140	Other Taxes (including homeowners)	1,500	0	0	0	0	0	1,500	1,500	100.00%
03-49150	Misc. Non-Oper Revenue	25,000	0	0	0	0	0	17,614	17,614	70.46%
	SEWER OPERATING REVENUE	10,908,600	280,704	849,951	885,813	867,431	867,518	1,393,385	5,144,801	47.16%
03-82003	Grants - ARRA	0	0	0	55,243	0	261,650	245,984	562,877	
03-82004	Grants - Prop 50	0	0	0	0	0	0	0	0	
03-89901	Facility Capacity Charges	0	0	0	0	157,839	0	0	157,839	
8990540016	Contrib Capital-Infrastructure	0	0	0	0	0	0	0	0	
	TOTAL SEWER REVENUE	10,908,600	280,704	849,951	941,056	1,025,270	1,129,168	1,639,369	5,865,517	

FY 2012 - Recycled Water Revenue

ACCOUNT#	Description	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
04-40010	Sales - Recycled Water	220,000	12,326	44,736	59,761	36,218	20,351	9,687	183,080	83.22%
04-40011	Sales - Construction Water	2,500	6	21	224	289	55	4	599	23.95%
04-41000	Sales - Service Demand Chrg.	27,500	694	1,756	3,182	3,158	3,056	3,019	14,865	54.05%
04-41003	Const. Water Minimum Chrg.	4,000	28	193	269	285	262	221	1,258	31.45%
04-41121	Penalty - Late Charge	500	22	11	8	8	6	8	64	12.77%
04-43010	Interest Earned	50	0	0	0	0		0	0	0.00%
04-43110	Property Tax - Unsecured	500	0	0	0	0		500	500	100.00%
04-43120	Property Tax - Secured	10,000	0	0	0	0		10,000	10,000	100.00%
04-43130	Property Tax - Prior	100	0	0	0	0		100	100	100.00%
04-43140	Other Taxes (including homeowners)	100	0	0	0	0		100	100	100.00%
04-49150	Misc. Non-Operating Revenue	0	0	0	0	0	600	600	1,200	
	RECYCLED WATER OPERATING REVENUE	265,250	13,076	46,717	63,444	39,958	24,331	24,240	211,766	79.84%
04-82001	Grants-EPA #XP989384-01	0	0	0	0	0	0	0	0	
04-89901	Facility Capacity Charges	0	0	0	0	0	0	19,521	19,521	
	TOTAL RECYCLED WATER REVENUE	265,250	13,076	46,717	63,444	39,958	24,331	43,761	231,287	

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
02-5-01-50010	Labor-Water Resources	635,700	43,996	44,031	47,436	45,530	44,599	69,321	**294,912**	46.39%
02-5-01-50011	Labor Credit	0	0	0	0	0	0	0	**0**	
02-5-01-50013	Benefits-Fica	48,630	3,629	3,657	3,921	3,781	3,698	5,422	**24,108**	49.58%
02-5-01-50014	Benefits-Life Insurance	3,420	250	256	256	255	258	256	**1,530**	44.73%
02-5-01-50016	Benefits-Health\Defrd Comp	90,175	7,981	8,920	8,920	8,920	8,800	9,870	**53,413**	59.23%
02-5-01-50017	Benefits-Disability Insurance	7,650	804	811	858	824	771	960	**5,028**	65.72%
02-5-01-50019	Benefits-Workers Compensation	33,700	3,500	0	0	1,618	1,855	5,579	**12,552**	37.25%
02-5-01-50021	Benefits-PERS	44,500	2,522	2,901	2,957	2,961	2,775	4,384	**18,499**	41.57%
02-5-01-50022	Benefits-PERS-Employer	85,885	4,910	5,599	5,707	5,714	5,355	8,461	**35,746**	41.62%
02-5-01-50023	Benefits-Uniforms	2,850	178	156	321	226	130	124	**1,135**	39.83%
02-5-01-50024	Benefits-Vacation & Sick Pay	20,000	616	277	577	389	416	982	**3,257**	16.29%
02-5-01-50025	Benefits-Boot Allowance	1,425	450	0	150	150	0	0	**750**	52.63%
02-5-01-51003	R&M - Structures	200,000	9,669	6,028	45,300	8,015	18,014	20,284	**107,310**	53.65%
02-5-01-51011	R&M - CLA Valves	15,000	0	0	0	4,941	36	2,586	**7,563**	50.42%
02-5-01-51140	General Supplies & Expenses	2,000	0	208	128	688	0	587	**1,610**	80.52%
02-5-01-51210	Utilities - Power Purchases	1,500,000	50,795	178,242	128,870	207,098	98,481	58,177	**721,663**	48.11%
02-5-01-51211	Utilities - Electricity & Fuel	4,000	0	370	491	433	348	336	**1,978**	49.44%
02-5-01-51316	Imported Water Purchases	1,000,000	97,331	108,640	106,403	81,407	80,188	72,000	**545,970**	54.60%
02-5-01-54019	Licenses & Permits	25,000	0	0	25,403	0	1,249	833	**27,485**	109.94%
02-5-01-54110	Laboratory Services	90,000	0	4,250	5,432	1,975	2,767	4,093	**18,517**	20.57%
02-5-01-57040	YVRWFF Operating Expense	550,000	33,071	76,526	72,629	49,532	58,869	34,658	**325,285**	59.14%
	WATER RESOURCE TOTALS	**4,359,935**	**259,701**	**440,871**	**455,760**	**424,457**	**328,609**	**298,914**	**2,208,312**	50.65%
02-5-03-50010	Labor-Public Works	945,340	56,697	63,119	60,315	65,074	66,775	89,724	**401,704**	42.49%
02-5-03-50011	Labor Credit	0	0	(720)	(3,344)	0	(1,068)	(18,977)	**(24,109)**	
02-5-03-50013	Benefits-Fica	72,320	4,617	5,156	4,973	5,376	5,499	7,377	**32,998**	45.63%
02-5-03-50014	Benefits-Life Insurance	6,160	416	424	424	424	426	427	**2,541**	41.24%
02-5-03-50016	Benefits-Health\Defrd Comp	162,315	13,305	15,404	15,340	16,276	16,357	17,161	**93,843**	57.82%
02-5-03-50017	Benefits-Disability Insurance	11,345	1,603	1,149	1,120	1,184	1,202	1,398	**7,656**	67.49%
02-5-03-50019	Benefits-Workers Compensation	50,100	4,062	153	0	1,618	3,849	4,970	**14,652**	29.25%
02-5-03-50021	Benefits-PERS	66,175	3,493	3,846	3,930	4,086	3,983	5,585	**24,923**	37.66%
02-5-03-50022	Benefits-PERS Employer	127,715	6,808	7,423	7,585	7,885	7,687	10,779	**48,167**	37.71%
02-5-03-50023	Benefits-Uniforms	20,000	380	371	442	283	357	353	**2,186**	10.93%
02-5-03-50024	Benefits-Vacation & Sick Pay	5,130	0	0	193	387	193	387	**1,160**	22.61%
02-5-03-50025	Benefits-Boot Allowance	2,565	0	0	289	424	500	129	**1,342**	52.32%
02-5-03-51001	R & M -Vehicles & Equipment	170,000	11,295	13,722	9,925	16,065	10,341	3,143	**64,491**	37.94%
02-5-03-51011	R&M - Valves	10,000	0	0	0	571	689	(4,278)	**(3,019)**	-30.19%
02-5-03-51020	R&M - Pipelines	275,000	10,480	17,754	21,847	32,842	18,455	9,265	**110,643**	40.23%
02-5-03-51021	R&M - Service Lines	125,000	7,127	14,421	5,290	18,658	6,969	5,615	**58,080**	46.46%
02-5-03-51022	R&M - Fire Hydrants	25,000	91	(102)	(1,826)	2,385	3,500	(763)	**3,284**	13.14%
02-5-03-51030	R&M - Water Meters	70,000	1,839	1,614	5,184	12,682	6,317	1,458	**29,095**	41.56%
02-5-03-51092	Equipment Credits	0	0	(241)	(1,672)	0	(391)	(6,639)	**(8,943)**	
02-5-03-51140	General Supplies & Expenses	3,000	13	0	38	0	0	0	**51**	1.69%
	PUBLIC WORKS TOTALS	**2,147,165**	**122,227**	**143,492**	**130,055**	**186,220**	**151,639**	**127,112**	**860,746**	40.09%

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
02-5-06-50010	Labor-Administration	745,830	41,091	46,406	46,363	46,412	46,402	70,749	**297,423**	39.88%
02-5-06-50011	Labor Credit	0	0	0	0	0	0	0	**0**	
02-5-06-50012	Director Fees	15,000	0	1,094	1,155	1,641	1,337	1,580	**6,807**	45.38%
02-5-06-50013	Benefits-Fica	57,050	3,153	3,522	3,526	3,574	3,496	4,886	**22,158**	38.84%
02-5-06-50014	Benefits-Life Insurance	3,640	284	291	290	290	290	290	**1,735**	47.67%
02-5-06-50016	Benefits-Health\Defrd Comp	95,870	9,599	12,127	12,127	12,272	12,227	13,984	**72,335**	75.45%
02-5-06-50017	Benefits-Disability Insurance	8,950	127	730	731	701	675	747	**3,711**	41.46%
02-5-06-50019	Benefits-Workers Compensation	39,530	1,800	0	0	1,618	572	1,735	**5,725**	14.48%
02-5-06-50021	Benefits-PERS	52,200	2,781	3,204	3,204	3,208	3,208	4,820	**20,427**	39.13%
02-5-06-50022	Benefits PERS Employer	138,550	5,420	6,184	6,184	6,192	6,192	9,303	**39,475**	28.49%
02-5-06-50023	Uniforms	3,030	118	114	264	206	114	114	**929**	30.66%
02-5-06-50024	Benefits-Vacation & Sick Pay	15,000	861	599	639	713	705	1,312	**4,829**	32.19%
02-5-06-50025	Benefits-Boots	1,515	0	150	0	296	0	0	**446**	29.43%
02-5-06-51003	R&M - Structures	20,000	1,130	890	5,452	(1,157)	1,157	(1,077)	**6,395**	31.97%
02-5-06-51091	Expense Credits (overhead)	0	0	(85)	(1,143)	0	(148)	(5,339)	**(6,715)**	
02-5-06-51120	Safety Equipment/Supplies	25,000	2,500	4,862	969	1,448	931	416	**11,127**	44.51%
02-5-06-51125	Petroleum Products	110,000	8,762	13,095	8,098	14,427	7,166	5,072	**56,620**	51.47%
02-5-06-51130	Office Supplies & Expenses	40,000	4,889	2,317	8,146	4,296	985	930	**21,564**	53.91%
02-5-06-51140	General Supplies & Expenses	30,000	34	668	143	4,579	1,775	347	**7,547**	25.16%
02-5-06-51211	Utilities - Electricity	26,000	102	3,444	3,323	3,178	1,886	1,640	**13,572**	52.20%
02-5-06-51213	Utilities - Natural Gas	5,000	37	37	40	81	328	0	**524**	10.47%
02-5-06-54002	Dues & Subscriptions	10,000	0	95	167	2,291	913	1,020	**4,486**	44.86%
02-5-06-54005	Computer Expenses	75,000	3,240	4,886	7,686	2,430	9,710	(1,388)	**26,564**	35.42%
02-5-06-54010	Postage	6,500	191	126	75	94	276	53	**814**	12.52%
02-5-06-54011	Printing & Publications	20,000	3,487	2,219	93	73	0	0	**5,872**	29.36%
02-5-06-54012	Education & Training	30,000	175	1,235	557	487	399	1,012	**3,865**	12.88%
02-5-06-54013	Utility Billing Expenses	135,000	10,965	11,114	11,330	11,364	10,557	5,205	**60,534**	44.84%
02-5-06-54014	Public Relations	25,000	128	662	444	1,062	0	150	**2,445**	9.78%
02-5-06-54015	Rents & Leases	3,500	402	197	400	197	197	0	**1,392**	39.78%
02-5-06-54016	Travel Related Expenses	7,500	15	44	18	18	39	27	**161**	2.14%
02-5-06-54017	Certifications & Renewals	6,000	180	155	125	365	755	55	**1,635**	27.25%
02-5-06-54020	Meeting Related Expenses	4,000	7	265	613	180	184	338	**1,587**	39.68%
02-5-06-54024	Utilities - Waste Disposal	2,500	159	159	159	159	159	0	**793**	31.72%
02-5-06-54025	Utilities - Telephone	35,000	2,431	2,577	2,249	2,265	2,621	479	**12,622**	36.06%
02-5-06-54104	Contractual Services	70,000	16,941	2,175	5,186	2,774	2,285	1,367	**30,728**	43.90%
02-5-06-54107	Legal	45,000	3,268	4,706	2,391	2,833	4,095	0	**17,291**	38.43%
02-5-06-54108	Audit & Accounting	16,000	5,000	0	9,750	1,123	0	0	**15,873**	99.20%
02-5-06-54109	Professional Fees	100,000	17,133	12,607	10,412	5,229	7,521	2,563	**55,465**	55.46%
02-5-06-55500	Depreciation Reserves	375,095	31,257	31,258	31,258	31,258	31,258	31,258	**187,547**	50.00%
	Infrastructure Replacement	397,935	33,164	33,161	33,161	33,161	33,161	33,161	**198,969**	50.00%
02-5-06-56001	Insurance	120,000	10,730	9,734	9,324	9,324	9,324	9,324	**57,759**	48.13%
02-5-06-57030	Regulatory Compliance	95,000	213	0	0	0	0	0	**213**	0.22%
02-5-06-57096	Beaumont Basin Watermaster	10,000	0	0	0	0	0	0	**0**	0.00%
02-5-06-57100	County Tax Collector Fees	7,500	0	164	207	30	0	2,491	**2,891**	38.55%
02-5-06-57199	Suspense	0	0	0	0	(3,203)	3,203	0	**0**	
	ADMINISTRATION TOTALS	**3,028,695**	**221,771**	**217,187**	**225,117**	**207,487**	**205,952**	**198,625**	**1,276,138**	42.13%

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
02-5-40-57001	Asset Acq. - Water Resources	0	0	0	0	0	0	0	0	
02-5-40-57003	Asset Acq. - Public works	0	0	0	0	0	0	0	0	
02-5-40-57006	Asset Acq. - Administration	35,000	0	23,451	0	0	0	15,771	39,222	112.06%
02-5-40-57201	Debt Srv-Series 2004A Princ.(25009)	920,000	0	920,000	0	0	0	0	920,000	100.00%
02-5-40-57402	Interest-Long-Term Debt Bonds	2,012,375	0	1,014,813	0	0	0	0	1,014,813	50.43%
	40 - Debt & Capital Outlay	2,967,375	0	1,958,263	0	0	0	0	1,958,263	65.99%
	TOTAL WATER EXPENSES	12,503,170	603,699	2,759,813	810,931	818,164	686,200	624,651	6,303,459	50.41%

FY 2012 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
03-5-02-50010	Labor-WW Treatment	899,200	52,605	61,482	63,413	62,694	68,527	97,602	**406,323**	45.19%
03-5-02-50013	Benefits-Fica	68,800	4,352	5,160	5,292	5,265	5,710	7,807	**33,585**	48.82%
03-5-02-50014	Benefits-Life Insurance	4,500	334	341	341	340	343	341	**2,039**	45.31%
03-5-02-50016	Benefits-Health\Defrd Comp	118,650	10,288	12,693	12,693	12,693	12,573	14,438	**75,380**	63.53%
03-5-02-50017	Benefits-Disability Insurance	10,800	999	1,130	1,156	1,140	1,169	1,374	**6,967**	64.51%
03-5-02-50019	Benefits-Workers Compensation	47,700	3,500	0	0	1,618	3,148	1,831	**10,097**	21.17%
03-5-02-50021	Benefits-PERS	62,950	3,538	4,135	4,190	4,194	4,224	6,313	**26,595**	42.25%
03-5-02-50022	Benefits-PERS Employer	121,500	6,895	7,980	8,088	8,095	8,153	12,184	**51,394**	42.30%
03-5-02-50023	Benefits-Uniforms	3,750	297	340	360	288	284	276	**1,844**	49.18%
03-5-02-50024	Benefits-Vacation & Sick Pay	15,000	576	323	384	468	552	828	**3,132**	20.88%
03-5-02-50025	Benefits-Boot Allowance	1,875	150	104	0	150	164	150	**718**	38.29%
03-5-02-51003	R&M - Structures	200,000	14,747	3,968	4,696	10,915	16,898	9,515	**60,738**	30.37%
03-5-02-51010	R&M - Automation Control	85,000	0	3,272	1,820	9,893	5,218	3,352	**23,554**	27.71%
03-5-02-51106	Chemicals	600,000	21,103	69,542	41,330	42,631	55,120	18,819	**248,545**	41.42%
03-5-02-51111	Propane	2,500	0	3,053	0	0	3,144	0	**6,197**	247.88%
03-5-02-51115	Laboratory Supplies	30,000	744	2,411	2,912	2,557	(1,743)	849	**7,728**	25.76%
03-5-02-51140	General Supplies & Expenses	1,000	0	93	54	0	0	0	**147**	14.73%
03-5-02-51210	Utilities - Power Purchases	690,000	38,790	74,567	72,931	64,793	50,918	51,274	**353,274**	51.20%
03-5-02-54110	Laboratory Services	120,000	3,264	10,757	6,828	11,994	7,719	6,616	**47,178**	39.31%
03-5-02-57031	Sludge Disposal	300,000	25,052	24,416	25,550	24,028	26,949	0	**125,994**	42.00%
03-5-02-57033	Brine Disposal	30,000	0	0	0	10,290	0	0	**10,290**	34.30%
	TREATMENT TOTALS	**3,413,225**	**187,233**	**285,766**	**252,037**	**274,046**	**269,069**	**233,568**	**1,501,719**	44.00%

FY 2012 Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
03-5-06-50010	Labor-Administration	708,050	35,644	42,774	42,732	42,781	42,771	65,302	**272,004**	38.42%
03-5-06-50012	Directors Fees	15,000	0	1,094	1,155	1,641	1,337	1,580	**6,807**	45.38%
03-5-06-50013	Benefits-Fica	54,170	2,702	3,228	3,233	3,280	3,203	4,438	**20,084**	37.08%
03-5-06-50014	Benefits-Life Insurance	3,500	285	291	290	290	290	290	**1,738**	49.65%
03-5-06-50016	Benefits-Health\Defrd Comp	92,075	9,229	11,969	11,969	12,114	12,069	13,598	**70,947**	77.05%
03-5-06-50017	Benefits-Disability Insurance	8,500	604	684	685	655	629	716	**3,973**	46.74%
03-5-06-50019	Benefits-Workers Compensation	37,530	3,200	0	0	1,618	2,286	2,438	**9,542**	25.42%
03-5-06-50021	Benefits-PERS	49,570	2,564	2,950	2,950	2,954	2,954	4,439	**18,811**	37.95%
03-5-06-50022	Benefits PERS Employer	95,660	4,996	5,693	5,693	5,701	5,701	8,567	**36,353**	38.00%
03-5-06-50023	Benefits-Uniforms	2,910	88	86	107	86	91	86	**544**	18.70%
03-5-06-50024	Benefits-Vacation & Sick Pay	10,000	861	599	639	713	705	1,312	**4,829**	48.29%
03-5-06-50025	Benefits-Boot Allowance	1,455	0	0	0	0	0	0	**0**	0.00%
03-5-06-51120	Safety Equipment/Supplies	7,500	0	4,734	969	82	0	0	**5,786**	77.14%
03-5-06-51125	Petroleum Products	17,500	1,000	1,000	1,000	1,279	3,132	(729)	**6,682**	38.18%
03-5-06-51130	Office Supplies	5,000	0	592	584	43	157	0	**1,376**	27.52%
03-5-06-51140	General Supplies & Expenses	7,500	0	129	0	3,772	1,700	42	**5,643**	75.24%
03-5-06-54002	Dues & Subscriptions	10,000	0	225	251	2,555	1,226	782	**5,038**	50.38%
03-5-06-54003	Management & Admin Services	733,170	61,092	61,098	61,098	61,098	61,098	61,098	**366,582**	50.00%
03-5-06-54005	Computer Expenses	70,000	3,105	3,021	3,169	1,138	4,202	4,703	**19,339**	27.63%
03-5-06-54011	Printing & Publications	7,500	3,487	2,219	93	73	0	0	**5,872**	78.30%
03-5-06-54012	Education & Training	20,000	175	1,425	175	175	200	175	**2,325**	11.62%
03-5-06-54014	Public Relations	8,000	128	662	107	1,007	0	0	**1,903**	23.79%
03-5-06-54016	Travel Related Expenses	8,500	0	212	840	93	2,240	72	**3,457**	40.67%
03-5-06-54017	Certifications & Renewals	5,500	0	365	0	0	480	0	**845**	15.36%
03-5-06-54019	Licenses & Permits	42,500	0	0	4,109	0	39,787	0	**43,896**	103.28%
03-5-06-54020	Meeting Related Expenses	2,500	0	204	603	151	137	368	**1,464**	58.57%
03-5-06-54024	Utilities - Waste Disposal	12,500	959	945	945	945	945	0	**4,740**	37.92%
03-5-06-54025	Utilities - Telephone	16,500	1,507	1,507	1,508	1,514	1,543	947	**8,527**	51.68%
03-5-06-54030	Drinking Water	1,000	56	112	49	56	98	35	**406**	40.60%
03-5-06-54104	Contractual Services	30,000	11,427	984	1,437	1,230	1,103	752	**16,934**	56.45%
03-5-06-54107	Legal	45,000	3,625	5,161	1,676	2,865	5,785	0	**19,111**	42.47%
03-5-06-54108	Audit & Accounting	16,000	5,000	0	9,750	1,123	0	0	**15,873**	99.20%
03-5-06-54109	Professional Fees	300,000	43,403	22,638	49,485	58,099	13,344	(938)	**186,030**	62.01%
03-5-06-55500	Depreciation Reserves	327,260	27,268	27,272	27,272	27,272	27,272	27,272	**163,628**	50.00%
	Infrastructure Replacement	786,300	65,525	65,525	65,525	65,525	65,525	65,525	**393,150**	50.00%
03-5-06-56001	Insurance	115,000	9,321	9,734	9,324	9,324	9,324	9,324	**56,351**	49.00%
03-5-06-57030	Regulatory Compliance	50,000	21,447	0	0	42,000	0	0	**63,447**	126.89%
03-5-06-57100	County Tax Collection Fees	1,200	0	0	0	0	0	0	**0**	0.00%
	ADMINISTRATION TOTALS	**3,724,350**	**318,697**	**279,135**	**309,423**	**353,251**	**311,335**	**272,196**	**1,844,037**	49.51%

FY 2012 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
03-5-07-50010	Labor-Enviromental Control	213,570	13,239	14,750	14,588	14,418	14,389	23,212	**94,596**	44.29%
03-5-07-50011	Labor Credit	0	0	0	0	0	0	0	**0**	
03-5-07-50013	Benefits-Fica	16,340	1,069	1,153	1,141	1,128	1,125	1,852	**7,469**	45.71%
03-5-07-50014	Benefits-Life Insurance	1,400	83	85	85	85	85	85	**510**	36.40%
03-5-07-50016	Benefits-Health\Defrd Comp	37,020	3,271	3,423	3,423	3,423	3,423	3,980	**20,944**	56.58%
03-5-07-50017	Benefits-Disability Insurance	2,565	234	253	251	249	248	368	**1,602**	62.47%
03-5-07-50019	Benefits-Workers Compensation	11,320	2,000	0	0	1,618	1,050	1,728	**6,396**	56.50%
03-5-07-50021	Benefits-PERS	14,950	744	870	870	870	870	1,305	**5,527**	36.97%
03-5-07-50022	Benefits-PERS Employer	28,855	1,449	1,679	1,679	1,679	1,679	2,518	**10,681**	37.02%
03-5-07-50023	Benefits-Uniforms	1,170	108	114	133	104	104	104	**665**	56.83%
03-5-07-50024	Benefits-Vacation & Sick Pay	6,000	0	0	0	0	0	0	**0**	0.00%
03-5-07-50025	Benefits-Boot Allowance	585	300	0	0	0	0	0	**300**	51.28%
03-5-07-51003	R&M - Structures	320,000	13,408	47,833	15,229	30,860	15,887	7,763	**130,978**	40.93%
03-5-07-51140	General Supplies & Expenses	1,000	0	0	0	0	709	0	**709**	70.86%
03-5-07-51241	Lift Station #1	70,000	3,206	8,303	3,762	11,643	2,928	2,414	**32,256**	46.08%
03-5-07-51242	Lift Station #2	12,000	402	681	648	1,576	822	763	**4,892**	40.76%
03-5-07-51243	Lift Station #3	7,500	90	72	489	236	261	0	**1,148**	15.31%
03-5-07-51244	Lift Station #4	20,000	387	936	0	1,874	1,107	1,050	**5,355**	26.77%
03-5-07-51245	Lift Station #5	5,000	0	94	99	98	87	77	**455**	9.10%
03-5-07-51248	Lift Station #8	3,000	0	49	51	50	48	43	**240**	8.01%
03-5-07-54109	Professional Fees	50,000	0	0	0	8,065	7,384	11,119	**26,568**	53.14%
03-5-07-54110	Laboratory Services	2,500	0	0	0	0	0	0	**0**	0.00%
	ENVIRONMENTAL CONTROL TOTAL	**824,775**	**39,990**	**80,294**	**42,447**	**77,976**	**52,205**	**58,380**	**351,292**	42.59%
03-5-40-57002	Asset Acq. - Treatment		0	0	0	0	0	0	**0**	
03-5-40-57006	Asset Acq. - Administration		0	0	0	0	0	0	**0**	
03-5-40-57007	Asset Acq. - Environmental Control		0	0	0	0	0	0	**0**	
						0	0	0		
03-5-40-57009	Plant Support (03-13105 Sari Line)	19,710	0	0	0	0	0	0	**0**	0.00%
03-5-40-57202	Debt Service - Principal	1,909,500	0	0	1,907,783	0	0	0	**1,907,783**	99.91%
03-5-40-57403	Debt Service - Interest	1,017,040	0	0	1,015,886	0	0	0	**1,015,886**	99.89%
	Debt & Capital Outlay	**2,946,250**	**0**	**0**	**2,923,669**	**0**	**0**	**0**	**2,923,669**	99.23%
	TOTAL SEWER EXPENSES	**10,908,600**	**545,920**	**645,195**	**3,527,576**	**705,272**	**632,608**	**564,144**	**6,620,715**	60.69%

FY 2012 - Recycled WaterExpenses

ACCOUNT#	Description	BUDGET	July '11	Aug '11	Sept '11	Oct '11	Nov '11	Dec '11	Year to Date	Percentage YTD
04-5-06-50010	Labor-Recycled Water	76,900	0	0	0	0	0	0	0	0.00%
04-5-06-50012	Director Fees	2,500	0	0	0	0	0	0	0	0.00%
04-5-06-50013	Benefits-FICA	6,655	0	0	0	0	0	0	0	0.00%
04-5-06-50014	Benefits-Life Insurance	440	0	0	0	0	0	0	0	0.00%
04-5-06-50016	Benefits-Health & Def Comp	8,890	370	370	370	370	370	370	2,221	24.98%
04-5-06-50017	Benefits-Disability Insurance	1,085	0	0	0	0	0	0	0	0.00%
04-5-06-50019	Benefits-Workers Compensation	4,610	0	0	0	0	0	0	0	0.00%
04-5-06-50021	Benefits-PERS Employee	6,090	0	0	0	0	0	0	0	0.00%
04-5-06-50022	Benefits-PERS Employer	9,250	0	0	0	0	0	0	0	0.00%
04-5-06-50023	Benefits-Uniforms	360	0	0	0	0	0	0	0	0.00%
04-5-06-50024	Benefits-Vacation & Sick Pay	1,250	0	0	0	0	0	0	0	0.00%
04-5-06-50025	Benefits-Boots	150	0	0	0	0	0	0	0	0.00%
04-5-06-51003	R & M-Structures	25,000	500	0	0	378	0	0	878	3.51%
04-5-06-51020	R & M-Pipelines	5,000	0	0	0	0	0	0	0	0.00%
04-5-06-51021	R & M-Service Lines	5,000	0	0	0	0	0	0	0	0.00%
04-5-06-51022	R & M-Fire Hydrants	1,000	0	0	0	0	0	0	0	0.00%
04-5-06-51030	R & M-Meters	500	0	0	0	0	0	0	0	0.00%
04-5-06-51140	General Supplies & Expenses	250	0	0	0	0	0	0	0	0.00%
04-5-06-54002	Dues & Subscriptions	750	0	0	0	0	0	0	0	0.00%
04-5-06-54005	Computer Expense	1,000	0	0	1,167	1,711	0	0	2,878	287.79%
04-5-06-54011	Printing & Publications	250	0	0	0	0	0	0	0	0.00%
04-5-06-54012	Education & Training	2,500	0	0	0	1,200	0	1,420	2,620	104.80%
04-5-06-54014	Public Relations	5,000	128	662	312	984	0	0	2,085	41.71%
04-5-06-54016	Travel Related Expenses	1,500	0	0	0	664	0	0	664	44.26%
04-5-06-54017	Certifications & Renewals	250	0	0	0	0	0	0	0	0.00%
04-5-06-54019	Licenses & Permits	2,500	0	0	0	0	0	0	0	0.00%
04-5-06-54020	Meeting Related Expenses	500	0	0	0	0	133	177	309	61.88%
04-5-06-54025	Telephone	500	60	55	55	58	55	0	282	56.46%
04-5-06-54010	Contractural Services	1,750	0	0	0	0	0	0	0	0.00%
04-5-06-54107	Legal	2,000	0	0	0	0	0	0	0	0.00%
04-5-06-54109	Professional Fees	10,000	791	723	299	3,757	500	0	6,070	60.70%
04-5-06-54110	Laboratory Services	1,000	0	0	0	0	0	0	0	0.00%
04-5-06-55500	Depreciation	7,900	662	662	662	662	662	662	3,972	50.28%
	Infrastructure Replacement	52,920	4,410	4,410	4,410	4,410	4,410	4,410	26,460	50.00%
04-5-06-57030	Regulatory Compliance	20,000	0	0	0	0	0	0	0	0.00%
	TOTAL RECYCLED WATER EXPENSES	265,250	6,921	6,882	7,274	14,194	6,131	7,039	48,440	18.26%

Yucaipa Valley Water District

Workshop Memorandum 12-009

Date: **January 10, 2012**

Subject: **Single Audit Report for Period Ending June 30, 2011**

On November 2, 2011, the Board of Directors received and filed the audited financial report for the period ending June 30, 2011 [Director Memorandum No. 11-099]. Normally, the attached single audit report is included as part of the audited financial statements. The single audit report is now complete and attached for your review.

The single audit report identified three findings related to the federal fund received from the Environmental Protection Agency. In each case, the District staff has taken steps to correct the deficiencies as we continue with the construction phase of the project.

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YUCAIPA VALLEY WATER DISTRICT

SINGLE AUDIT REPORT

JUNE 30, 2011

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YUCAIPA VALLEY WATER DISTRICT

JUNE 30, 2011

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

We have audited the financial statements of the Water, Sewer, and Recycled Water Enterprise Funds of the Yucaipa Valley Water District (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 24, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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We noted certain other matters that we reported to management of the District in a separate letter dated October 24, 2011.

This report is intended solely for the information and use of the District's Board, management, federal agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Rancho Cucamonga, California
October 24, 2011

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM, INTERNAL CONTROL OVER COMPLIANCE AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

Compliance

We have audited the Yucaipa Valley Water District's (District) compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB *Circular A-133 Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs noted as item numbers 2011-01 through 2011-03.

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-01 through 2011-03. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Water, Sewer and Non-Potable Enterprise Funds of the District as of and for the year ended June 30, 2011, and have issued our report thereon dated October 24, 2011. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements as a whole.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Board of Directors, District management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Rancho Cucamonga, California
December 9, 2011; except for the paragraph on the schedule of federal expenditures
as to which the date is October 24, 2011

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YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2011

Federal Grantor/Program Title	Federal CFDA Number	Pass-Thru Entity Identification Number	Grant Identification Number	Federal Expenditures
Environmental Protection Agency				
Congressionally Mandated Projects	66.202		XP-98938401-2	$ 695,022
Department of the Interior				
ARRA - Water Reclamation and Reuse Program	15.504		R10AC35R03	1,339,087
Federal Emergency Management Agency				
Passed Through California Emergency Management Agency:				
Public Assistance Grant Program (FEMA-1884-DR)	97.036	68-0278801	DR-1884	24,779
Public Assistance Grant Program (FEMA-1952-DR)	97.036	68-0278801	DR-1952	158,636
				183,415
Total Expenditures of Federal Awards				$ 2,217,524

See accompanying notes to Schedule of Expenditures of Federal Awards.

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YUCAIPA VALLEY WATER DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

JUNE 30, 2011

NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. **General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Yucaipa Valley Water District (District). The District's reporting entity is defined in Note 1 of the District's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through from other government agencies are included on the Schedule of Expenditures of Federal Awards.

B. **Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note #1 of the District's Financial Statements.

C. **Relationship to Federal Financial Reports**

Amounts reported in the accompanying Schedule of Expenditures to Federal Awards agree with the amounts reported in the related federal financial reports. However, certain federal financial reports are filed based on cash expenditures. As such, certain timing differences may exist in the recognition of revenues and expenditures between the Schedule of Expenditures of Federal Awards and the federal financial reports.

NOTE #2 – EXPENDITURES CFDA NO. 66.202

During the fiscal year ended June 30, 2011, the District claimed federal expenditures in the amount of $690,571. Of the total expenditures reported, $269,065 represents expenditures which were previously claimed under CFDA No. 66.202 during fiscal years ended June 30, 2010 and June 30, 2009. The costs incurred for the fiscal year ended June 30, 2010 and June 30, 2009 were allowable expenditures during the periods thereof. However, during the fiscal year ended June 30, 2011, the District's management applied the federal funds, previously received, to a different eligible project of the current period. A summary is as follows:

CFDA #	Description	Expenditures	Reclassified Expenditures
66.202	June 30, 2010 SEFA balance	$ 341,625	
	Re-allocated June 30, 2010 expense	(5,795)	(5,795)
	Adjusted June 30, 2010 balance	$ 335,830	
66.202	June 30, 2009 SEFA balance	$ 551,718	
	Re-allocated June 30, 2009 expense	(263,271)	(263,271)
	Adjusted June 30, 2010 balance	$ 288,447	
	June 30, 2011 re-allocated costs		$ (269,066)

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YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS	
Type of auditors' report issued:	
Internal control over financial reporting:	Unqualified
Material Weakness(es) identified?	No
Significant Deficiency(ies) identified not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No
FEDERAL AWARDS	
Internal control over major programs:	
Material Weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)	Yes
Identification of major programs:	

CFDA Number(s)	Name of Federal Program or Cluster
66.202	Congressionally Mandated Projects
15.504	ARRA-Water Reclamation and Reuse Program

Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000
Auditee qualified as low-risk auditee?	Yes

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YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

II. FINANCIAL STATEMENT FINDINGS

None reported.

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YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2011-01
Program: Congressionally Mandated Projects
CFDA No.: 66.202
Federal Grantor: Environmental Protection Agency
Award No.: XP-98938401-2
Award Year: Various
Compliance Requirement: Reporting

Criteria:

The agreement between the District and the Environmental Protection Agency identifies various reports that must be submitted on a quarterly or annual basis.

Condition:

Instance of Non-Compliance - We noted that the Financial Status Report, Form 425 pertaining to the quarter end September 30, 2010 was submitted 19 days after December 31, 2010 deadline.

Questioned Costs:

None

Context:

The condition noted above was identified during our examination of the District's compliance with reporting requirements and follow-up to item 2010-01, reported in the prior year single audit report.

Effect:

There is an increased risk with noncompliance with reporting requirements outlined in the District's agreement with the Environmental Protection Agency.

Cause:

The District's procedures did not ensure that all required reports were submitted timely.

Recommendation:

We recommend that the District enhance procedures to ensure that reporting requirements are satisfied on a timely basis.

View of Responsible Official and Planned Corrective Action:

The District concurs with the finding and is working closely with District's consultant to implement procedures to ensure that reporting requirements are satisfied on a timely basis.

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YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2011-02
Program: Congressionally Mandated Projects
CFDA No.: 66.202
Federal Grantor: Environmental Protection Agency
Award No.: XP-98938401-2
Award Year: Various
Compliance Requirement: Cash Management

Criteria:

OMB Circular A-133 compliance guidance requires local governments to establish procedures to minimize the time elapsing between receipt of federal funds and disbursement of those funds. Additionally, governments should ensure disbursement of funds prior to requesting reimbursement.

Condition:

Instance of Non-Compliance; Significant Deficiency – The District did not maintain procedures to ensure appropriate management of cash received in advance of reimbursable allowable grant expenditures. During the current period, the District re-assigned amounts previously reimbursed during fiscal year 2010 to expenditures received for the fiscal year ended June 30, 2011. For additional discussion refer to finding 2011-03. As a result, the effect of re-assigning the federal awards is that the funds were drawn down prior to the related expenditure.

Questioned Costs:

None

Context:

The condition noted above was identified during our examination of the District's compliance with cash management requirements related to federal awards received in advance of claimable grant expenditures.

Effect:

The District obtained reimbursement in advance of federal expenditures. The District did not evaluate interest earnings on federal funds received in advance of reimbursement. Accordingly, the District increases its risk of non-compliance with cash management.

Cause:

The District's procedures did not ensure that monies claimed but not utilized for allowable grant expenditure were tracked in accordance with cash management requirements. Further, the District did not evaluate interest earnings on advanced funds for approval of use or reimbursement back to the federal government.

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YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Recommendation:

We recommend that the District strengthen its procedures to comply with compliance requirements related to cash management of federal awards.

View of Responsible Official and Planned Corrective Action:

The District concurs with the finding and is working closely with District's consultant to implement procedures to ensure that compliance related to cash management of federal awards is being handled properly.

Finding 2011-03
Program: Congressionally Mandated Projects
CFDA No.: 66.202
Federal Grantor: Environmental Protection Agency
Award No.: XP-98938401-2
Award Year: Various
Compliance Requirement: Allowable Costs

Criteria:

The District should maintain a system of internal control to ensure that federal awards are applied to specific projects in a timely manner.

Condition:

Significant Deficiency – The District obtained reimbursement of federal funds for costs on eligible projects during fiscal year ended June 30, 2010 and June 30, 2009. During the current year, the District re-assigned those reimbursed funds to costs of another project of the current period.

Questioned Costs:

None

Context:

The federal funds previously reimbursed were for costs related to Phase 2 & 3 of the District's Brineline project which was federally eligible. However, in evaluating matching requirements and other funding sources, the District's management determined that such funds would more appropriately be utilized for costs of the San Timoteo Outfall project (incurred during the fiscal year ended June 30, 2011).

Effect:

The control environment over allowable costs is weakened. In addition, this practice weakens the audit trail of expenditures paid for by federal funds amongst fiscal years.

DRAFT COPY 12/29/11.1

YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2011

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Cause:

The District did not maintain procedures to clearly identify the components of the projects and related financing sources to ensure that federal funds are applied to expenditures in a timely manner.

Recommendation:

We recommend that the District strengthen its procedures over identifying project components that will be financed with federal funds and obtaining reimbursement after such expenditures are incurred.

Views of Responsible Official and Planned Corrective Action:

The District concurs with the finding and is working closely with District's consultant to implement procedures to ensure that the proper project components are being used and that reimbursement requests are transmitted timely.

DRAFT COPY 12/29/11.1

YUCAIPA VALLEY WATER DISTRICT

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND RESPONSES

FOR THE YEAR ENDED JUNE 30, 2011

Finding No.	Program	CFDA No.	Compliance Requirement	Status
2010-01	Congressionally Mandated Projects	66.202	Reporting	Partially Implemented. See Current Year Finding 2011-01

Yucaipa Valley Water District

Workshop Memorandum 12-010

Date: **January 10, 2012**

Subject: **Appointment of Individuals as Representatives in Small Claims Court**

Each year the District reappoints individuals to represent the District in small claims court. The attached draft resolution has been updated for calendar year 2012.

RESOLUTION NO. 02-2012

A RESOLUTION APPOINTING A CORPORATE REPRESENTATIVE TO SMALL CLAIMS COURT

UNREPRESENTED PARTY *(Name and Address)*: Yucaipa Valley Water District 12770 Second Street, Yucaipa, California 92399	TELEPHONE NUMBER (909) 797-5119	FOR COURT USE ONLY
NAME OF COURT: County of San Bernardino STREET ADDRESS: 303 W. Third Street MAILING ADDRESS: Same CITY AND ZIP CODE: San Bernardino, California 92415 BRANCH NAME:		
PLAINTIFF: Not Applicable		
DEFENDANT: Not Applicable		CASE NUMBER:
RESOLUTION - APPOINTING A CORPORATE REPRESENTATIVE		

It appearing to the Board of Directors of the Yucaipa Valley Water District, a corporation qualified to do business in the State of California, that it is desirable and necessary to appoint an officer/ employee of this corporation to act for and in its behalf in the Small Claims Court of the San Bernardino County Municipal Court District, San Bernardino Division, County of San Bernardino, California.

And it further appearing that Joseph B. Zoba, John F. Nelson, Brent Anton, Vicky Elisalda, Peggy Little, and Chelsie Fogus as an officer/employee of Yucaipa Valley Water District is a suitable individual for such appointment; and said officer/employee is not employed solely for the purpose of representing said corporation.

Be it resolved that Joseph B. Zoba, and/or John F. Nelson, and/or Brent Anton, and/or Vicky Elisalda, and/or Peggy Little, and/or Chelsie Fogus is appointed to represent and appear for said corporation in the lawful process of any and all claims filed in said court, and is further authorized and empowered to accept service of process issued by said court, for and on behalf of said corporation.

I certify that the foregoing resolution was adopted by the Board of Directors of the Yucaipa Valley Water District, at a regular meeting held on January 18, 2011.

Jay Bogh, President

(SEAL)

Joseph B. Zoba, Secretary

THE LOCAL BUSINESS ADDRESS OF SAID CORPORATION IS:
Yucaipa Valley Water District
12770 Second Street, Yucaipa, California 92399

SIGNATURE OF AGENT SO APPOINTED

NAME AND TITLE OF AGENT SO APPOINTED

Yucaipa Valley Water District

Workshop Memorandum 12-011

Date: **January 10, 2012**

Subject: **Statement of Investment Policy for the Yucaipa Valley Water District**

On January 19, 2011, the Board of Directors adopted the current investment policy as Resolution No. 04-2011 [Director Memorandum No. 11-009]. Each year the District staff presents the investment policy for review to determine if any changes or modifications are necessary.

Yucaipa Valley Water District

Director Memorandum 12-0xx

Date: January 18, 2012 **Job:** Not Applicable

Prepared By: Vicky Elisalda, Controller **G/L:** Not Applicable

Subject: Adoption of Resolution No. 03-2011 Approving an Investment Policy and Appointment of the General Manager as the District Investment Officer

Recommendation: That the Board adopts Resolution No. 03-2011 as presented.

The attached investment policy has been prepared pursuant to statutory provisions of the Government Code established to direct the deposit, investment and reporting of public funds.

The attached policy was presented and discussed at the board workshop on January 10, 2012.

RESOLUTION NO. 03-2012

A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT APPROVING AN INVESTMENT POLICY AND APPOINTING THE GENERAL MANAGER AS THE DISTRICT INVESTMENT OFFICER

WHEREAS, California Government Code, Section 53646, requires the annual adoption of an investment policy.

NOW, THEREFORE, the Yucaipa Valley Water District hereby resolves as follows:

Section 1: Adoption of Investment Policy.

Pursuant to Government Code 53600 et seq., the "Yucaipa Valley Water District Statement of Investment Policy" is hereby approved as attached hereto and incorporated herein by this reference.

Section 2: Appointment of Investment Officer.

The General Manager of the District is hereby appointed as the District's Investment Officer and is authorized and directed to do all things necessary to implement the Investment Policy.

PASSED AND ADOPTED this 18th day of January 2012.

YUCAIPA VALLEY WATER DISTRICT

_____
Jay Bogh, President Board of Directors

ATTEST:

_____
Joseph B. Zoba, General Manager

Yucaipa Valley Water District

STATEMENT OF INVESTMENT POLICY

January 18, 2012

INTRODUCTION

The purpose of this policy is to provide broad guidelines to the District Investment Officer, who is charged with the responsibility for the investment of funds for the District. All investments by the District shall be governed by State law and by this policy.

The District Investment Officer is responsible for administering the District's investments. In furtherance of this responsibility, the District Investment Officer shall issue and administer detailed Investment Instructions which may change periodically and which will implement this Investment Policy. The investment of bond proceeds will be further restricted by the provisions of relevant bond documents.

POLICY GUIDELINES

1) Prudence

The standard of prudence to be used by the District Investment Officer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. All persons investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds shall act with care, skill, prudence and diligence in order to safeguard the principal amount of the investments and maintain the liquidity needs of the District.

2) Objectives

The primary objectives, in priority order, of the District's investment activities shall be:

A. Safety of Principal. The investments shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

B. Liquidity. The investment portfolio will remain sufficiently liquid to enable the District to meet its cash flow requirements.

C. Return on Investment. The investment portfolio shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow requirements.

3) Delegation of Authority

The management and oversight responsibility for the investment program is hereby delegated to the District Investment Officer who shall monitor and review all investments for consistency with this investment policy. No person may engage in an investment transaction except as provided under the limits of this policy. The District Investment Officer shall maintain investment instructions for internal and external management of investments consistent with State

Government Code requirements. The District may contract for the use of investment manager services subject to all other provisions of this Investment Policy. The District Investment Officer shall maintain a list of authorized broker/dealers and financial institutions that are approved for investment purposes, and it shall be the policy of the District to purchase securities only from those authorized institutions or firms.

4) Investment Oversight Committee

There is hereby established an Investment Oversight Committee, which shall consist of the Investment Officer, the District's Controller and two members of the Board of Directors who are also members of the Board's Finance Committee.

It shall be the responsibility of the Committee to:

A. Review changes in investment practices of the Investment Officer for compliance with the Investment Policy and investment transaction instructions and procedures;

B. Review the District's monthly Unaudited Financial Report for adherence to this Investment Policy and investment instructions and procedures in the event that said Report is not presented at a workshop of the Board; and

C. Advise the Board of Directors of any deviations from an Investment Policy or any investment instructions or procedures which are deemed imprudent.

To maintain full financial transparency of the District's operations, an unaudited financial report will be provided monthly to all members of the Board of Directors at a workshop meeting prior to being presented at a board meeting. The presentation of the monthly financial report shall be the preferred mechanism to be used to provide all financial information to the entire Board instead of just the members of the Investment Oversight Committee.

5) Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions. Officers and employees involved in the investment process shall abide by the District's Conflict of Interest Code, California Government Code, Section 1090 and the California Political Reform Act.

6) Authorized and Acceptable Investments

Government Code, Section 53601 sets forth the eligible investments for the District. All investments purchased for the District shall be delivered, either by book entry or physical delivery, to the District's third party custodian. All investments of the District shall have the Yucaipa Valley Water District as registered owner.

A. As to the District's surplus funds generally (excluding funds from bond proceeds), the District's Investment Officer is authorized to invest such funds as follows:

1. Local Agency Investment Fund - The District Investment Officer may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies. There is no minimum investment period and the minimum transaction is $5,000, in multiples of $1,000 above that, with a maximum of $30 million for any agency. The

LAIF offers high liquidity because deposits can be converted to cash in 24 hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share.

2. Passbook Savings Accounts and Demand Deposit Accounts - For purposes of this policy, passbook savings accounts and demand deposit accounts and bank money-market accounts shall be considered appropriate investments. The District may earn interest on idle funds in such accounts at a federally-insured institution.

3. United States Government Securities - U.S. Treasury Bills, Notes, Bonds and Certificates of Indebtedness, or those for which the full faith and credit of the United States are pledged for payment of principal and interest and are not subject to any limitations. Since this investment category is considered to be extremely safe and liquid, there is no limitation as to the percentage of the District's portfolio that can be invested in these types of investments.

B. As to the District's bond proceeds, and subject to the Board's approval, such proceeds may be invested by the District Investment Officer in the following investments authorized under California Government Code, Sections 53601, 53635 and 53635.2:

1. United States Treasury notes, bonds, bills or certificates of indebtedness or other obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest;

2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. Certain short-term obligations of agencies or instrumentalities of the United States Government may be backed only by the issuing agency or instrumentality and may not be backed by the full faith and credit of the United States Government. For example, securities issued by the Federal Home Loan Banks and the Freddie Mac are supported only by the credit of the agency or instrumentality that issued them, and not by the United States Government, and securities issued by the Federal Farm Credit System and the Fannie Mae are supported by the agency's or instrumentality's right to borrow money from the U.S. Treasury under certain circumstances;

3. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by this state or by a department, board, agency, or authority of this state.

4. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the local agency, or by a department, board, agency, or authority of the local agency.

5. Bankers acceptances (otherwise known as bills of exchange or time drafts) that are drawn on and accepted by a commercial bank which are eligible for purchase by the Federal Reserve System. Such banker's acceptances may not exceed 180 days maturity. No more than forty percent (40%) of the District's money may be invested in such banker's acceptances. No more than thirty percent (30%) of the District's money may be invested in the banker's acceptances of any one commercial bank. The commercial bank shall have the highest short-term letter and numerical rating as provided by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Rating Agency ("Standard & Poor's");

6. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (a) or paragraph (b):

   (a) The entity is organized and operating in the United States as a general corporation, and has total assets in excess of $500 million, and has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.

   (b) The entity is organized within the United States as a special purpose corporation, trust, or limited liability company, has a program wide credit enhancements including, but not limited to, over collateralization, letters of credit or surety bond, and has commercial paper that is rated "A-1" or higher, or the equivalent by an NRSRO.

   Commercial paper shall have a maximum maturity of 270 days or less. The District may invest no more than twenty-five percent (25%) of its money in such commercial paper. The District may purchase no more than ten percent (10%) of the outstanding commercial paper of any single issuer;

7. Repurchase agreements with respect to securities described in paragraphs (i) and (ii) above provided that the term of any such repurchase agreement shall be one year or less. A repurchase agreement means a purchase of securities by the District pursuant to an agreement by which the seller will repurchase the securities on or before a specific date at an agreed upon price, thereby establishing the yield during the District's holding period. The yield established for the repurchase agreement is determined by current short-term rates and may be more or less than the interest rate on the underlying securities. The securities underlying a repurchase agreement is, in effect, collateral under the agreement and the securities shall be (otherwise known as bills of exchange or time drafts) delivered to the District by book entry, physical delivery or by third-party custodial agreement. At the time a repurchase agreement is made, the underlying securities shall be valued at one hundred and two percent (102%) or greater of the repurchase price. If an agreement is in effect for more than one day, and, in the

event their value drops below one hundred and two percent (102%) of the repurchase price, the seller to the repurchase agreement shall provide additional securities or money within one business day so that the value of the collateral is not less than one hundred and two percent (102%) of the repurchase price. At the expiration of each agreement, the District receives payment of the repurchase price as a condition for the transfer of the underlying securities back to the Seller;

8. Negotiable certificates of deposit issued by a nationally or state-chartered bank or a state or federal savings association (as defined in Section 5102 of the California Financial Code) a state or federal credit union, or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed thirty percent (30%) of the District's money which may be invested pursuant to this section. The District is prohibited from investing the District's funds, or funds in the custody of the District, in negotiable certificates of deposit issued by a state or federal credit union if a member of the District's Board of Directors, or any person with investment decision making authority with the District, also serves on the Board of Directors, or any committee appointed by the Board of Directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

9. Shares of beneficial interest issued by diversified management companies (also known as mutual fund companies) that invest in the securities and obligations as authorized by Government Code, Section 53601(a) to (j), (m) and (n) and that comply with investment restrictions contained in Government Code, Section 53630, et. seq. However, a county or party to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the diversified management company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100% of the sales price of the securities are marked to market daily. The diversified management company in this section shall have attained the highest ranking or the highest letter and numerical ranking provided by not less than 2 NRSROs. The purchase price of shares of beneficial interest shall not include any commission or load that the company may charge and shall not exceed twenty percent (20%) of the District's money that may be invested pursuant to this Statement of Investment Policy. No more than ten percent (10%) of the District's money may be invested in shares of any one mutual fund referenced in this paragraph (ix);

10. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80(a-l et seq.). The diversified management company shall have attained the highest ranking or the highest letter in numerical ranking provided by no less than 2 NRSROs. The purchase price of shares of beneficial interest shall not include any commission or load that

the companies may charge and shall not exceed twenty percent (20%) of the District's money that may be invested pursuant to this Statement of Investment Policy.

7) Nondiscrimination

Investments shall not knowingly be made in any institution that practices or supports directly or indirectly through its actions discrimination on the basis of race, religion, color, creed, national or ethnic origin, age, gender, or physical disability.

8) Maximum Maturity

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the District to meet all projected obligations. No investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement that at the time of the investment has a term remaining to maturity in excess of five years.

9) Ineligible Investments

Any security type or structure not specifically approved by this policy and investment instructions is specifically prohibited. Security types that are thereby prohibited to be purchased include, but are not limited to:

A. Complex derivative structures such as range notes, inverse floaters, or any other complex variable rate or structure note.

B. Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

10) Sales Prior to Maturity

Sales prior to maturity are permitted. It is also recognized that in a changing interest rate environment, it may be financially advantageous to sell investments at a book value loss in order to reinvest in a more profitable security.

11) Reporting

The District Investment Officer shall render to the Board of Directors a monthly report which shall include the following information for investments:

- Distribution of funds within all financial accounts maintained by the District;[1]
- Summary of investments including the types of investments, maturity date, yield, costs and market value;[2]
- Detailed money market investment account activity associated with the purchase of U.S. Treasuries;[2]
- The current balance, accrued interest and historical effective yield of funds managed by the Local Agency Investment Fund (LAIF).[2]

[1] This report component is contained within the monthly Unaudited Financial Report.
[2] This report component is contained within the Investment Summary of the monthly Unaudited Financial Report.

The monthly report shall also:

A. State compliance of the portfolio to this Investment Policy and State law, or state the manner in which the portfolio is not in compliance.

B. Include a description of any of the District's funds, investments or programs that are under management of contracted parties, including lending programs.

C. Include a statement denoting the ability of the District to meet its expenditure requirements of the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

The District Investment Officer shall annually render to the Board of Directors a Statement of Investment Policy, which the Board of Directors shall consider at a public meeting.

12) Interest Allocation

The District Investment Officer shall allocate interest pursuant to an Interest Allocation Schedule. A list of funds eligible to receive interest shall be maintained by the District Investment Officer.

Yucaipa Valley Water District

Workshop Memorandum 12-012

Date: **January 10, 2012**

Subject: **Biological Compliance Services by Dudek Related to the Construction of the Yucaipa Valley Regional Brineline - Phase 3**

At the regular meeting on August 17, 2011, the Board awarded a contract to Dudek to provide biological compliance services related to the construction of the Yucaipa Valley Regional Brineline under the Santa Ana River [Director Memorandum No. 11-082]. While the contract was approved as Amendment No. 15 to previous work by Dudek, the District staff believes it will be more precisely tracked as a separate task order for reimbursement purposes. Therefore, the prior approval of Amendment No. 15 will now be designated as Task Order No. 3.

Task Order No. 3 (formally Amendment No. 15) provided environmental services for 20 days of biological monitoring and noise monitoring required by the mitigation monitoring plan for a sum of $36,010. While the overall construction of the brineline within the environmentally sensitive area of the Santa Ana River progressed and was successfully completed on December 16, 2011, the overall time period exceeded the original estimate of 20 work days. Amendment No. 1 to Task Order No. 3 provides for the additional time needed to insure compliance of the mitigation monitoring and permit requirements. The total additional cost of monitoring was $19,775.

Biological Compliance	Contract Changes	Contract Amount	Percentage Change from Original Bid Amount	Reference
Task Order No. 3	- -	$36,010	- -	DM 11-082
Amendment No. 1	$19,775	$55,785	54.9% increase	DM 12-0xx

Financial Considerations:

The costs associated with this project will be funded by the US EPA, Bureau of Reclamation and a SRF loan.

Yucaipa Valley Water District

INDEPENDENT CONSULTANT'S TASK ORDER
ISSUED TO DUDEK

Amendment No. 1 to Task Order No. 3

Project Title: Biological Compliance Activities Related to the Construction of the Yucaipa Valley Regional Brineline - Phase III

YVWD Project Number: P-65-106 – Phase II Recycled Water System

Task Order Authorization Date:	August 17, 2011	Director Memorandum No. 11-082
Amendment No. 1 Date:	January 18, 2012	Director Memorandum No. 12-0xx

Consultant Name: Dudek
Contact: Mr. Mike Metts, Manager, Engineering Division
Address: 605 Third Street
Encinitas, California 92024
Telephone: (760) 942-0366
Fax: (760) 942-4508
E-mail: mmetts@dudek.com
Fed. Tax ID #: 95-3873865

SUMMARY OF ADDENDUM

Biological Compliance	Contract Changes	Contract Amount	Percentage Change from Original Bid Amount	Reference
Task Order No. 3	- -	$36,010	- -	DM 11-082
Amendment No. 1	$19,775	$19,775	54.9% increase	DM 12-0xx
Total Revised Task Order Amount:		$55,785		

This AMENDMENT to the original TASK ORDER is issued pursuant to that certain Agreement for Services by Independent Consultant between the YUCAIPA VALLEY WATER DISTRICT ("OWNER") and DUDEK AND ASSOCIATES, INC. (CONSULTANT") dated August 15, 2007 (the "AGREEMENT"). The OWNER and CONSULTANT have entered into this AMENDMENT for the purpose of amending and revising the ORIGINAL TASK ORDER and/or prior amendments (if applicable) as specifically set forth herein below, and except as specifically provided herein, the AGREEMENT, ORIGINAL TASK ORDER and AMENDMENTS shall remain in full force and effect as originally stated.

1. Revision to Tasks to be Performed & Compensation. CONSULTANT shall provide all labor, materials and equipment to perform the following task (check one):

X Biological and Noise Monitoring

2. Time of Performance. CONSULTANT shall complete performance of services described above by December 2011.

IN WITNESS WHEREOF, the parties have executed this Task Order on the date indicated below.

Yucaipa Valley Water District		**Dudek**	
By:		By:	
Dated:	January 18, 2012	Dated:	
Name:	Jay Bogh, Board President	Name:	

DUDEK

MAIN OFFICE
605 THIRD STREET
ENCINITAS, CALIFORNIA 92024
T 760.942.5147 T 800.450.1818 F 760.632.0164

August 4, 2011 3163-01

Brent Anton
Yucaipa Valley Water District
12770 Second Street
Yucaipa, California 92399

Subject: Proposal to Provide Environmental Compliance Services Associated with Phase 3 of the Regional Brineline Extension Project

Dear Mr. Anton:

Dudek is pleased to submit this proposal to provide environmental compliance services to support construction of Phase 3 of the Regional Brineline Extension Project. Special-status vegetation communities (southern cottonwood willow riparian forest, open channel) are present with the Santa Ana River, a number of special-status plant species have the potential to occur, and suitable habitat for federal endangered species including least Bell's vireo, southwestern willow flycatcher, and Santa Ana sucker, is present within the Santa Ana River. In addition, wetlands and waters under the jurisdiction of the U.S. Army Corps of Engineers, the California Department of Fish and Game, and the Regional Water Quality Control Board are present within the Santa Ana River. In accordance with the mitigation requirements of the Regional Brineline Extension Mitigated Negative Declaration, and to ensure avoidance of potential impacts to jurisdictional wetlands and waters, a biological monitor is required during construction at the Santa Ana River, and noise monitoring may be required if construction occurs there during the breeding season.

SCOPE OF WORK

Task 1 Biological Monitoring During Construction

A qualified Dudek biologist will be on site daily to monitor construction activities. Monitoring tasks will include providing a one-time environmental training to construction crews prior to initiating construction activities and reviewing construction methods over the course of construction to ensure avoidance and minimization of sensitive resources. The biological monitor will be present daily in order to document inadvertent returns caused by hydrofracture (frac-

outs), and to recommend appropriate remedial measures (*i.e.*, immediate containment and/or clean up), should they occur.

Site observation reports will be prepared to document biological monitoring activities. Site observation reports will document the location and nature of construction activity, the implementation of environmental mitigation or avoidance measures, and any coordination or communication with the contractor regarding specific environmental requirements. Site photographs will be included as appropriate. Upon completion of construction, a brief letter report will be prepared to document the overall project compliance with the environmental mitigation requirements and avoidance measures described above.

This task assumes HDD activities at the Santa Ana River will require up to 20 working days to complete, and that the biological monitor will be present daily for the duration of construction.

Task 2 Noise Monitoring

Noise monitoring will be necessary only if construction activity during the breeding season from April 10 through July 31 occurs within 500 feet of habitat occupied by least Bell's vireo at the Santa Ana River. Dudek will conduct noise measurements once at the start of construction activity to establish the location of the 60 dB L_{eq} noise contour. If the measured noise levels comply with the applicable noise criteria then no additional noise measurements will be conducted unless a new construction equipment phase begins. Noise measurements of the new construction activity will be conducted to determine if the new activity exceeds the 60 dB L_{eq} noise criteria at the sensitive biological habitat the area. If the field measurements indicate that the construction noise exceeds 60 dB L_{eq} we will identify potential noise mitigation measures. A brief memo summarizing the results of the noise measurements will be prepared weekly. This task assumes a maximum of four site visits.

COST SUMMARY

The estimated labor cost for this task is $32,910 billed on a time and materials basis according to our 2011 Schedule of Charges. Direct costs are not expected to exceed $3,100 and include mileage, meals, postage and reproduction.

Mr. Brent Anton
Subject: Proposal to Provide Environmental Compliance Services Associated with Phase 3 of the Regional Brineline Extension Project

Table 1
Cost Estimate

Task Description	Cost Estimate
Task 1: Biological Monitoring During Construction	$30,010
Task 2: Noise Monitoring	$2,900
Direct Costs	$3,100
Total	**$36,010**

Dudek appreciates the opportunity to continue working with the District. Should you have any questions, please do not hesitate to contact me. I can be reached at 760.479.4292.

Very truly yours,

Kamarul Muri
Project Manager/Biologist

att: 2011 Standard Schedule of Charges

cc: Mike Metts, Dudek

DUDEK

MAIN OFFICE
605 THIRD STREET
ENCINITAS, CALIFORNIA 92024
T 760.942.5147 T 800.450.1818 F 760.632.0164

December 20, 2011 3163-19

Brent Anton
Yucaipa Valley Water District
12770 Second Street
Yucaipa, California 92399

Subject: ***Summary of Completed Biological Compliance Activities associated with the Phase 3 of the Regional Brineline Extension Project***

Dear Mr. Anton:

The purpose of this letter is to summarize the biological compliance activities that took place in association with construction of Phase 3 of the Regional Brineline Extension Project. Horizontal directional drilling (HDD) activities were conducted for the Yucaipa Valley Regional Brineline Extension Project. HDD activities at the Santa Ana River and San Timoteo Creek are part of a 14-mile extension of the Santa Ana Regional Interceptor into the Yucaipa Valley. Special-status vegetation communities (southern cottonwood willow riparian forest, open channel) are present within the Santa Ana River, a number of special-status plants species have the potential to occur, and suitable habitat for federal endangered species including least Bell's vireo (*Vireo bellii pusillus*), southwestern willow flycatcher (*Empidonax traillii extimus*), and Santa Ana sucker (*Catostomus santaanae*), is present within the Santa Ana River. In addition, wetlands and waters under the jurisdiction of the U.S. Army Corps of Engineers (ACOE), the California Department of Fish and Game (CDFG), and the Regional Water Quality Control Board (RWQCB) are present within the Santa Ana River and is subject to the terms and conditions within the Section 1602 Streambed Notification (SAA #1600-2010-0126-R6).

In accordance with the mitigation requirements of the Regional Brineline Extension Mitigated Negative Declaration (MND) (Dudek 2009), to document compliance with the relevant CDFG requirements, and to ensure avoidance of potential impacts to jurisdictional wetlands and waters, a biological monitor was onsite during construction at the Santa Ana River. This letter includes a summary of the construction monitoring activities as documentation of compliance with the respective mitigation measures contained in the CDFG Section 1602 Streambed Notification (SAA #1600-2010-0126-R6), and the MND (Dudek 2009).

Mr. Brent Anton
Subject: Summary of Completed Biological Compliance Activities associated with the Phase 3 of the Regional Brineline Extension Project

SUMMARY OF CONSTRUCTION MONITORING ACTIVITIES

The following is a summary of the monitoring activities that took place during the construction of the HDD crossing located beneath the Santa Ana River extending from the terminus of Hunts Lane and following a northwest arc to the north side of the river. A biological monitor was present daily in order to document inadvertent returns caused by hydrofracture (frac-outs), and to recommend appropriate remedial measures (i.e., immediate containment and/or clean up), should they occur. No frac-outs occurred during the drilling process and there were no impacts to biological resources during the construction of the HDD crossing. A summary of construction activities is described in Table 1. Detailed Site Observation Reports (SOR) for each day of monitoring are provided as Attachment A.

Table 1
Biological Monitoring Results

Date	Hours	Biological Monitor*	Focus
10/31/11	0700–1300	PCS	Pre-construction kickoff meeting. During this meeting, the biologist was informed that a wire was scheduled to be placed across the river and would result in trimming of riparian vegetation. This activity was not covered under the permits and therefore work was put on hold until a solution was determined.
11/01/11	0800–1400	DAM	Biological monitoring during equipment staging. Access routes identified and associated impacts for vegetation trimming/cutting was estimated. No drilling activities occurred.
11/02/11	0700–1445	PCS	Biological monitoring of the placement of a communications circle within the Santa Ana River.
11/03/11	0700–1840	EAW	Biological monitoring of the placement of a communications circle within the Santa Ana River.
11/04/11	0640–1720	EAW	Biological monitoring of HDD. Rainfall from the previous night increased water level in the river and some poles from the communications circle were knocked over but the wires were still intact.
11/07/11	0700–1000	PCS	Biological monitoring of HDD. Work ended early due to a broken part.
11/08/11	0800–0900	BAS	Biological monitoring of HDD. Work ended early due to a broken part.
11/09/11	0700–1530	BAS	Biological monitoring of HDD.
11/10/11	0700–1530	PCS	Biological monitoring of HDD. The communications circle was removed from the river in anticipation of the storm event expected over the weekend.
11/14/11	0600–1015	BAS	Drilling was postponed due to loss of circulation. The crew is obtaining permission to drill deeper.
11/15/11	0600–1645	BAS	Biological monitoring of HDD.
11/16/11	0600–1545	BAS	Biological monitoring of HDD.
11/17/11	0600–1540	BAS	Biological monitoring of HDD.
11/18/11	0600–1545	DAM	Biological monitoring of HDD.

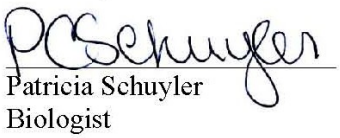
Mr. Brent Anton
Subject: Summary of Completed Biological Compliance Activities associated with the Phase 3 of the Regional Brineline Extension Project

Table 1
Biological Monitoring Results

Date	Hours	Biological Monitor*	Focus
11/20–11/21/11	2000–0445	DAM	Biological monitoring of HDD. This is the first day of overnight drilling which was requested by the City.
11/21–11/22/11	2000–0600	PCS	Biological monitoring of HDD.
11/22–11/23/11	2000–0600	BAS	Biological monitoring of HDD.
11/27–11/28/11	2000–0600	BAS	Biological monitoring of HDD.
11/28–11/29/11	2000–0530	BAS	Biological monitoring of HDD.
11/29–11/30/11	2000–0600	PCS	Biological monitoring of HDD.
11/30–12/1/11	2000–0130	TAC	Biological monitoring of HDD.
12/1–12/2/11	2000–0600	CJF	Biological monitoring of HDD.
12/02–12/3/11	2000–0445	BAS	Biological monitoring of HDD.
12/04–12/5/11	1900–0530	EAW	Biological monitoring of HDD.
12/05–12/6/11	1900–2315	PCS	Biological monitoring of HDD.
12/06–12/7/11	1900–0530	DAM	Biological monitoring of HDD.
12/07–12/8/11	1900–0530	BAS	Biological monitoring of HDD.
12/08–12/9/11	1900–0500	BAS	Biological monitoring of HDD.
12/09–12/10/11	1900–0415	BAS	Biological monitoring of HDD.
12/11–12/12/11	1900–0115	EAW	Biological monitoring of HDD.
12/12–12/13/11	1900–0535	BAS	Biological monitoring of HDD.
12/13–12/14/11	1900–0545	PCS	Biological monitoring of HDD.
12/14–12/15/11	1900–0515	TAC	Biological monitoring of HDD.
12/15–12/16/11	1900–0530	TAC	Biological monitoring of HDD. This is the last day of monitoring. The crew will pull pipe all day Saturday (12/17) and no biological monitoring is needed during that process.

* BAS: Britney Strittmater
DAM: Danielle Mullen
EAW: Emily Weir
PCS: Patricia Schyuler
TAC: Traci Caddy
CJF: Callie Ford

Sincerely,



Patricia Schuyler
Biologist

Att.: Attachment A – Site Observation Reports
cc: Jennifer Ares, YVWD
Kam Muri, Dudek

DUDEK
605 Third St.
Encinitas, CA 92024
T 760.942.5147
F 760.632.0164

CONTRACT AMENDMENT AUTHORIZATION

TO: Client Representative

Client: Yucaipa Water Valley District

Address:

City: State: Zip:

Phone: Fax:

This form is provided to document your written authorization to amend our existing contract with your organization for additional work as discussed on 12/13/11. By documenting your written authorization for these contract amendment(s), we hope to avoid any misunderstanding between your organization and Dudek, and to expedite our ability to immediately proceed on work as requested. All other terms and conditions of the original contract between Client and Dudek described below remain in effect, apply to and are unaltered by this contract amendment authorization.

Contract Name: Phase 3 Regional Brineline Extension

Contract/Purchase Order No.:

Dudek Job No.: 3163-19 **Dudek Project Manager:** Kam Muri

Contract Effective Date: Upon signature

AMENDED/ADDITIONAL CONTRACT WORK DISCIPLINE

Horizontal directional drilling (HDD) construction extended beyond the duration anticipated in the original contract. Approximately $8,920 from the original contract remained as of Friday, November 25. Since that time, Dudek conducted ongoing construction monitoring that continued through Friday, December 16. The total cost of monitoring through December 16, and the preparation of the final monitoring report following construction, exceeded the original contract amount by $19,775. This amendment covers the additional costs for monitoring and the preparation of the monitoring report.

Original Budget:	$32,910	**Time & Materials Not to Exceed:** ☐
Previous Change Orders:	$	**Time & Materials:**
This Change Order:	$19,775	**Fixed Fee:**
Reimbursable Direct Costs:	$3,100	
New Contract Amount:	$55,785	

Client Authorized Signature:

Title: **Date:**

TO EXPEDITE THE ADDITIONAL CONTRACT WORK, PLEASE FAX BACK TO DUDEK AT (760) 632-0164

Yucaipa Valley Water District

Workshop Memorandum 12-013

Date: **January 10, 2012**

Subject: **Construction Management Services by Krieger & Stewart for the Pressure Zone 10 Recycled Water Reservoirs and Booster Station Complex**

The Yucaipa Valley Water District is continuing to expand our recycled water system to meet increasing water demands. The primary source of recycled water is currently produced from the Yucaipa Valley Regional Water Filtration Facility which is located at the upper elevation of our recycled water system. The use of this facility for recycled water allowed the District to construct and expand our recycled water system from the northeastern portion of our service area to the southwestern portion of our service area. The benefit of this evolution has been the ability to collocate the recycled water source in an area with new and increased recycled water demands.

The District has received several federal and state grants to assist in the transfer of the recycled water source from the water filtration facility to the Wochholz Regional Water Recycling Facility. It is advantageous for the District to expand the recycled water infrastructure to utilize the high quality recycled water produced from the wastewater treatment plant.

The attached Task Order No. 9 authorizes the construction management services to Krieger & Stewart for the recycled water reservoirs and booster station project which has been awarded to ACE/PRT Canyon Springs Enterprises dba RSH Construction. The District staff has solicited the attached proposal from Krieger & Stewart due to their extensive knowledge of our distribution system, long-term experience with designs that produce minimal construction change orders, inspection services and their ability to meet the rigorous time schedule associated with the funding grants.

Financial Considerations:

The costs associated with this project will be funded by the US EPA, Bureau of Reclamation and a SRF loan.

Yucaipa Valley Water District

INDEPENDENT CONSULTANT'S TASK ORDER
ISSUED TO KRIEGER & STEWART

Task Order No. 9

Project Title: Construction Management Services for the Pressure Zone 10 Recycled Water Reservoir and Booster Complex

YVWD Project Number: P-65-106 –Recycled Water System

Task Order Authorization Date: January 18, 2012 Director Memorandum No. 11-0xx

Consultant Name: Krieger & Stewart, Inc.
Contact: Mr. Patrick Watson
Address: 3602 University Avenue
Riverside, California 92501-3380
Telephone: (951) 684-6900
Fax: (951) 684-6986
Fed. Tax ID #: 95-2695159

This TASK ORDER is issued pursuant to that certain Agreement for Services by Independent Consultant between the YUCAIPA VALLEY WATER DISTRICT ("OWNER") and KRIEGER & STEWART, INC. (CONSULTANT") dated _____ (the "AGREEMENT"). The OWNER and CONSULTANT have entered into this AMENDMENT for the purpose of amending and revising the ORIGINAL TASK ORDER and/or prior amendments (if applicable) as specifically set forth herein below, and except as specifically provided herein, the AGREEMENT, ORIGINAL TASK ORDER and AMENDMENTS shall remain in full force and effect as originally stated.

1. Revision to Tasks to be Performed & Compensation. CONSULTANT shall provide all labor, materials and equipment to perform the following task (check one):

X Construction management services related to the Pressure Zone 10 Recycled Water Reservoir and Booster Complex
_____

2. Time of Performance. CONSULTANT shall complete performance of services described above by January 2013.

IN WITNESS WHEREOF, the parties have executed this Task Order on the date indicated below.

Yucaipa Valley Water District		**Dudek**	
By:		By:	
Dated:	January 18, 2012	Dated:	
Name:	Jay Bogh, Board President	Name:	

KRIEGER & STEWART INCORPORATED • ENGINEERING CONSULTANTS
3602 University Ave • Riverside, CA 92501 • Tel 951-684-6900 • Fax 951-684-6986

January 5, 2012 000-63.32A

Brent Anton
Yucaipa Valley Water District
12770 2nd Street
P.O. Box 730
Yucaipa, CA 92399

Subject: Construction Engineering Services Proposal for the Non-Potable Water 10.3 Reservoirs and Booster Pump Station

Dear Mr. Anton:

As requested by Yucaipa Valley Water District (District), we have prepared the following proposal to provide construction engineering services for the Non-Potable Water 10.3 Reservoirs and Booster Pump Station. The facilities will be constructed on property owned by the District located along Crow Street in Calimesa.

A. PROJECT DESCRIPTION

The proposed facilities consist of two 1.0 MG welded steel reservoirs and one booster pumping station configured and equipped to pump to two separate pressure zones. Only the equipment and pumping units required to pump to the higher pressure zone will be constructed under the initial Contract; the remaining pumps and equipment will be added at a later date.

The proposed reservoirs will be above ground welded steel, approximately 80' diameter by 34' high. The reservoirs will be shop primed and field coated with a three coat zinc/epoxy/polyurethane system. The reservoirs will be supported on concrete ringwalls and asphalt sand pads.

The proposed pump station will convey recycled water to the 11 and 12 Zones through 16" and 24" transmission pipelines. The pumping units will be constant speed and they will be installed outdoors on a concrete pad along with associated electrical switchgear and equipment controls. The pump station facilities generally consist of the following:

1. Two electric motor driven vertical turbine pumping units (one as duty and one as standby).

2. One spare can for installation of a future pumping unit to the 12 Zone.

3. Three spare cans for installation of future pumping units to the 11 Zone.

4. Belowgrade pump suction piping and isolation valves sized for the combined pumping station.

5. Abovegrade pump discharge piping and valves, including check valves and isolation valves.

6. Discharge surge tank and appurtenances.

7. Electrical service, electrical switchgear (motor control center), and equipment controls.

B. SCOPE OF SERVICES

1. Bidding Phase

We will provide copies of the contract documents to all prospective bidders. During the bidding period, we will answer questions about or provide clarifications of the contract documents, and will prepare and distribute addenda, if necessary.

We will assist the District with the bid opening and will review each bid to determine whether or not it is responsive. For the apparent low bidder, we will check the references supplied, specifically with regard to workmanship, cooperation with inspectors, work completion schedule, and extra work requests. We will also check the contractor's status with the California Contractor's Licensing Board, confirming that the contractor possesses a valid contractor's license.

Following our review of the bids, we will prepare a recommendation of award letter for District staff which will summarize the bids received and the results of the checks on the contractors' references, and will recommend contract award. After the District awards the contract, we will conform the contract and deliver it to the contractor by letter informing the contractor that they have been awarded the project work. Once the original contract has been executed by all parties, we will conform and distribute copies to each executing party.

2. Preconstruction Meeting

Prior to the preconstruction meeting, we will prepare a detailed meeting agenda that will outline contractual requirements, including any special requirements. Said agenda will be distributed to the District for review and comment prior to the preconstruction meeting. We will incorporate any comments received into the agenda, which will be distributed to all meeting attendees.

We will attend the preconstruction meeting together with District staff and project Contractor's staff. The preconstruction conference will provide the opportunity for complete review of the contract documents by all parties prior to starting work. We will be prepared to respond to questions regarding the contract document requirements, including special project requirements, sequence of work, and completion dates. We will review the Contractor's schedule and approach to construction. We will prepare a

record of the meeting (meeting minutes), incorporating items reviewed, for distribution to all attendees.

3. Submittals Review

Our Project Manager and engineers will review and approve project submittals to ensure compliance with the Construction Drawings and Specifications. We expect submittal documents to be received for the construction schedule, all construction materials and equipment, equipment operation and maintenance manuals, equipment warranties, and record drawings.

We will prepare and maintain a detailed submittal log for an ongoing record of submittal numbers, dates received and returned, quantities received and returned, descriptions, manufacturers, actions taken, and other comments as necessary. Said submittal log will be available for transmittal to the District at any time.

We will also review the Contractor's Critical Path Method (CPM) progress schedule and schedule updates to ensure that the project will be completed in a timely manner, that nothing significant is omitted from same, and that the proposed sequencing is consistent with contract requirements.

4. Partial Payment Requests

Each month, we will review the partial payment request submitted by the Contractor for work completed. Our Project Manager will review the work completed and the payment request with the Project Inspector to ensure the quantities and amounts requested reflect the actual work completed. Prior to the Contractor's submittal of a payment request, he will be required to review the actual work completed with our inspection staff (so that both parties agree upon same). After each request has been reviewed (and revised if necessary), Krieger & Stewart's Project Manager will recommend approval and payment by the District.

5. Contract Administration

Throughout the course of construction, our Project Manager will respond to inquiries regarding the contract documents in order to ensure that the project is constructed in compliance with same. Contract administration activities will include site visits, review of daily inspection reports, daily conferences with the Project Inspector, progress reviews to ensure that the project is proceeding according to schedule, progress reviews with District staff, and related services.

We will respond to requests for information (RFIs) from the Contractor regarding the contract documents in order to ensure that the improvements and related facilities are constructed in compliance with same. We will also prepare "clarifications" when we

discover further explanation or correction of the contract documents is necessary. In addition, when the Contractor proposes altering the specified work, we will review his request for change (RFC) to determine whether his proposal is equivalent to the contract requirements.

We will prepare and maintain logs for all written aspects of project record, including submittals, RFIs, RFCs, clarifications, contract change orders, payment requests, non-compliance reports, accounting reports, and inspections. Project progress and any changes during construction will be noted on a set of contract documents maintained in the field (by our Project Inspector) and in our office (by our Project Manager). Problems or questions during construction will be resolved by our Project Manager and Project Inspector. If a problem occurs requiring a District decision, District staff will be consulted. Our Project Manager will attempt to resolve complaints, concerns, and questions from the Contractor and other affected agencies.

Any extra work request received will be reviewed to determine if the request is warranted. If an extra work request is not warranted, we will reject same in writing. Prior to sending a written rejection to the Contractor, we will review same with District staff. If an extra work request appears warranted, the request will be reviewed with our Project Inspector and compared to field reports for confirmation of materials, equipment, and labor involved. Thereafter, we will review same with District staff prior to approving extra work and preparing change orders.

Through regular telephone conferences, meetings, and presentations (if necessary), our Project Manager will keep District staff informed of project progress, problems that have occurred during construction, and any changes in work. Whenever possible, our Project Manager will review required changes with District staff prior to making same.

Telephone numbers for normal working hours, evenings, and weekends for the Project Manager, Project Inspector, Contractor, utilities, and emergency services will be provided to all concerned parties.

6. Progress Meetings

We will schedule, facilitate, and attend bi-weekly progress meetings with Contractor and District staff to discuss progress, scheduling and coordination efforts, and resolutions to construction problems encountered. We propose for our Project Manager and Project Inspector to attend each progress meeting.

Our Project Manager will prepare detailed meeting agendas and meeting minutes to be distributed to all attendees. The progress meetings will be held at the job site, the District's office, or even at Krieger & Stewart's office (at the District's discretion).

KRIEGER & STEWART INCORPORATED

Brent Anton
January 5, 2012
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The progress meeting minutes will be the basis for progress reporting to the District's Project Manager. In addition to the bi-weekly progress meeting minutes, we will carefully monitor the project's progress, together with Krieger & Stewart's budget and unpaid contract funds to the Contractor. Said data will be readily available for the District's Project Manager upon request.

7. Construction Inspection

We anticipate that one full-time Project Inspector will be required during construction of the reservoirs and booster pumping station, and additional inspector(s) will be required during coating inspections.

An experienced inspection staff is an important element in construction engineering services. We will assign inspector(s) to the project who have significant experience in providing the specific construction engineering services required for the project.

In addition to his field diaries, our Project Inspector will prepare daily field reports which will be reviewed by our Project Manager. Our Project Inspector will also take daily photographs as a record of project progress.

Prior to commencing construction activities, our Project Inspector will review the work site and photograph or videotape existing facilities as a record of pre-existing conditions. This will be in addition to the Contractor's required pre-construction audio-video recording by a professional photographer.

During construction, Krieger & Stewart's Project Inspector will review all materials delivered to the site for conformance with approved submittals and the contract documents.

8. Construction Staking

We will provide construction staking consisting of establishing base lines, temporary bench marks, and the site boundary for the Project site. In addition, we will provide one set of waterline construction stakes for work performed in Crow Street. The waterline construction stakes will be set at 50' intervals, including all angle points, BCs, ECs, grade breaks, fittings, valves, appurtenances, and connection locations. We will coordinate the staking schedule and offsets with the Contractor. We will use either 1" x 2" hubs or 60d spikes with feathers and provide witness lath with staking information noted.

During construction, the location of facilities (relative to the construction staking and locations established on the construction drawings) will be verified by our Project Inspector. Subsequent to completion of the structures, we will verify elevations of all

water level control structures. Our proposal includes providing all of the construction staking that the contract documents obligate the District to provide for the Contractor.

In addition, our proposal includes locating and restoring three monuments in Crow Street and County Line Road.

9. Facility Startup and Performance Testing

The contract documents require the Contractor to provide startup, performance testing, and system validation of all equipment and components, including adjustments and calibrations by all equipment suppliers. Startup and performance testing will be witnessed by District staff and by representatives of our project team. Our engineering staff will assist with startup and testing coordination and ensure compliance with project requirements.

Based on the contract documents and equipment shop drawings, we will prepare checklist forms for each equipment system to document equipment functions in both manual and automatic modes. In addition, we will prepare forms for equipment testing, including forms to record pumping unit field test results. During startup and testing, we will utilize the forms to record observed equipment operation/performance and confirm that all equipment performs in accordance with contract requirements. For systems or equipment that fail to meet contract requirements, we will document same and define the necessary corrective work. Prior to acceptance of construction work, we will verify that all equipment and appurtenances are functioning as specified in the contract documents.

Using the equipment operation and maintenance manuals, the various equipment suppliers will be required to provide District operations staff with sufficient training and instruction to enable them to operate and maintain the facilities once the District accepts same and assumes responsibility for the new facility's operation. Our engineering staff will assist with coordination of operator training and instruction. District operations staff will receive "hands-on" training for all facility equipment and systems.

10. Final Inspection and Project Acceptance

Prior to recommending that District accept the project, we will provide a comprehensive final inspection of the facilities with District staff in order to ensure that it is delivered to the District as specified in the contract documents. At this time, we will prepare a construction deficiencies list (punchlist) of items requiring remedial work. District staff will be provided the opportunity to review and approve the final punchlist prior to transmitting same to the Contractor. We will confirm construction is complete, facilities operate as specified, and that all equipment has been adjusted and calibrated by equipment suppliers.

After all deficiencies are corrected, Krieger & Stewart will provide written notification to the District recommending acceptance of the project. We will provide the District with a recommended substantial completion date (if different from actual completion date) and actual completion date, prepare and file a Notice of Completion, and confirm that no stop notices have been filed prior to recommending final payment by District.

11. Record Drawings

Once the project has been completed, we will prepare and provide the District with a complete set of record drawings which will reflect the facilities as constructed. Field changes and changes resulting from contract change orders will be shown on the record drawings. All changes will be documented by the Contractor, Project Inspector, and our Project Manager. The final record drawings will incorporate all of these documented changes. The changes will either be made to the original mylars or new mylars will be printed with the original signatures retained (District's discretion).

Upon completion of the record drawings, we will deliver the complete set of record drawing mylars, one full-size paper copy of same, and an electronic copy (CD) of same.

C. ESTIMATED FEE

Our estimated fee for providing Construction Engineering Services for the Non-Potable Water 10.3 Reservoirs and Booster Pump Station Project is indicated on Table 1 attached. As shown thereon, we propose to provide all of the services for a fee not to exceed $457,700.00. A copy of our 2011 Fee Schedule is also attached, and our fee estimate is based on the rates specified therein. Our fee is subject to negotiation based on clarification or revision of the Scope of Services. The fee set forth on Table 1 is an estimate and may change based on clarifications of the project scope.

Please note that our fee estimate is predicated on a number of specific understandings regarding project details and the services required, and that our fees and/or schedule may have to be adjusted in the event that certain additional services are required in order to successfully complete the project. Said understandings include the following:

1. Contract period for Project Completion will be 45 weeks (310 calendar days).

2. Construction period for Project Completion will be 40 weeks (280 calendar days).

3. District will retain the services of the geotechnical firm, the biological firm, and the paleontological monitor. We will assist the District in the coordination efforts as required.

4. Eighty (80) submittals and re-submittals will be required for the Project, with each submittal requiring three hours to review.

KRIEGER & STEWART INCORPORATED

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5. For the construction period of the project (40 weeks), an average of 18 hours per week for the Project Manager and 4 hours per week for the Project Engineer for all services combined.

6. Total required onsite inspection for the Contract will be 1,680 hours. The majority of the construction period (40 weeks) will require one inspector at 40 hours per week. In addition, two additional inspectors will be required to perform the coating holiday inspection for the reservoir interiors (40 hours total for each reservoir).

7. Onsite inspection is based on working 5 days per week, 8 hours per day (i.e. 40 hours per week). Our fee estimate does not include overtime work.

8. Reimbursables include plots, copies, postage, delivery, telephone, and mileage and are estimated at 3% of the total estimated fee.

Our estimated fee for construction management and inspection services is based on our experience with similar projects; however, our actual fee will depend on the efficiency, competence, and diligence of the Contractor. If at any time during construction, we determine that our man-hours are deviating from the assumptions made during preparation of our fee estimate, we will immediately issue an advisory to the District's Project Manager, so that appropriate action can be taken.

Thank you for considering Krieger & Stewart to provide engineering services for this project. We are available at your convenience to discuss our proposal or answer any questions.

Sincerely,

KRIEGER & STEWART

Patrick M. Watson

PMW/blt
000-63P32-PRO-CONST

Attachments: Table 1 - Proposed Fee for Construction Engineering Services
2011 Fee Schedule

TABLE 1
YUCAIPA VALLEY WATER DISTRICT
NON-POTABLE RESERVOIRS NR-10.3.1 AND NR-10.3.2, AND NON-POTABLE BOOSTER PUMPING STATION NB 10.3
ESTIMATED FEES FOR CONSTRUCTION ENGINEERING SERVICES*

COMPONENT	PROJECT MANAGER (1)		PROJECT ENGINEER (2)		CLERICAL (3)		CONSTRUCTION INSPECTOR (4)		SURVEYING/ CONSTRUCTION STAKING (5)		TOTAL
	HOURS	$	HOURS	$	HOURS	$	HOURS	$	HOURS	$	$
1. BIDDING PHASE (INCL. RVW OF CONTRACT, INS, BONDS)	60	10,380	40	6,520	40	3,080					19,980
2. PRECONSTRUCTION MEETING	10	1,730	4	652	4	308					2,690
3. SUBMITTALS REVIEW	40	6,920	240	39,120	40	3,080					49,120
4. PARTIAL PAYMENT REQUESTS	INCLUDED WITH CONTRACT ADMINISTRATION										
5. CONTRACT ADMINISTRATION	720	124,560	160	26,080	80	6,160					156,800
6. PROGRESS MEETINGS	INCLUDED WITH CONTRACT ADMINISTRATION										
7. CONSTRUCTION INSPECTION											
A. SITE INSPECTION (6)							1,600	163,200			163,200
B. COATING HOLIDAY INSPECTION (7)							80	8,160			8,160
8. CONSTRUCTION STAKING			32	5,216					48	12,720	17,936
9. FACILITY STARTUP AND PERFORMANCE TESTING			80	13,040							13,040
10. FINAL INSPECTION	6	1,038	6	978	2	154	8	816			2,986
11. RECORD DRAWINGS			32	5,216			8	816			6,032
SUBTOTAL:	836	144,628	594	96,822	166	12,782	1,696	172,992	48	12,720	439,944

REIMBURSABLES @ 3%:			13,198
PROVIDE CONTRACT DRAWINGS AND SPECIFICATIONS**			$4,500
TOTAL			457,642
ESTIMATED FEE (ROUNDED):			**457,700**

(1) SENIOR ENGINEER III @ $173 /HR
(2) SENIOR ENGINEER II @ $163 /HR
(3) SENIOR SECRETARY I @ $77 /HR
(4) INSPECTOR @ $102 /HR
(5) 2-MAN CREW W/ ROBOTIC EQUIPMENT @ $265 /HR
(6) ASSUMES AVERAGE OF 40 HRS PER WEEK FOR 40 WEEKS
(7) ASSUMES 2 INSPECTORS FOR 5 DAYS

* BASED ON A 45-WEEK CONTRACT
** 30 SETS AT $150 PER SET

000-63P32-PRO-CONST.XLS (1/5/2012)

KRIEGER & STEWART INCORPORATED ENGINEERING CONSULTANTS

KRIEGER & STEWART INCORPORATED

FEE SCHEDULE
2011

CLASSIFICATION	RATES $/Hr.
Consulting, Design, Construction, Engineering, Environmental, Geologic, and Surveying Services (Office)	
Consultant	245.00
Principal III	224.00
Principal II	204.00
Principal I	184.00
Senior III	173.00
Senior II	163.00
Senior I	153.00
Associate III	148.00
Associate II	143.00
Associate I	138.00
Staff III	133.00
Staff II	117.00
Staff I	102.00
Technician III	87.00
Technician II	82.00
Technician I	77.00
Forensic Services	
Principal Expert:	
Testimony, Deposition, and Trial	350.00
Investigation and Preparation	250.00
Associate Expert:	
Testimony, Deposition, and Trial	325.00
Investigation and Preparation	225.00
Computer Aided Design Services	
Senior Operator III	117.00
Senior Operator II	111.00
Senior Operator I	105.00
Staff Operator III	100.00
Staff Operator II	91.00
Staff Operator I	86.00
Surveying Services (Field)	
2 Man Crew with Standard Equipment and Survey Truck	265.00
1 Man Crew with Standard Equipment and Survey Truck	230.00
3rd Man on Crew	117.00
Construction Services (Field)	
Engineer	133.00
Inspector	
Regular Time	102.00
Overtime	
Weekdays (8 hours to 12 hours)	123.00
Weekdays (More than 12 hours)	150.00
Saturday (12 hours or less)	123.00
Saturday (More than 12 hours)	150.00
Sunday and Holiday (Holidays: New Years Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day and the Day After, Christmas Day)	150.00

KRIEGER & STEWART INCORPORATED

FEE SCHEDULE
2011
(continued)

CLASSIFICATION	RATES $/Hr.
Support Services	
Senior Secretary II	81.00
Senior Secretary I	77.00
Staff Secretary II	71.00
Staff Secretary I	63.00
Utility Clerk II	59.00
Utility Clerk I	56.00
Outside Services	
Special Consultants and Purchased Services	Cost + 15%
Reimbursable Expenses	
Vehicle Mileage	0.72 $/Mile
Travel and Subsistence, including Air Fare, Ground Fare, and Vehicle Parking	Cost
Specialized Rental Equipment	Cost
Copies, Delivery, Postage, Prints, Telephone, and Sundry Charges	Cost

The above rates are subject to change on or about January 1 each year due to salary and cost increases, except for Construction Inspector and Survey Crew rates which are also subject to change if California Department of Industrial Relations issues new prevailing wage determinations during the course of the year. A gasoline surcharge may be included in response to increased prices; no such surcharge will be included on project invoices without prior notification.

TERMS OF PAYMENT:

Unless charge accommodations have been established beforehand, all accounts shall be prepaid. For accounts having charge accommodations, payment in full shall be made within 30 days of date of invoice. Any amount unpaid within said 30 days will be assessed a service charge of 1-1/2% per month (18% annual percentage rate), with a minimum charge of $1.00. Accounts with a past due balance of 30 days or more are subject, without notice, to credit discontinuance and mechanic's lien or stop notice. If it becomes necessary for Krieger & Stewart to initiate legal proceedings for the collection of any balance due, the action shall be brought and tried in the Judicial Districts wherein Krieger & Stewart offices are located. Client agrees that the court may award reasonable attorney's fees and costs of suit to the prevailing party.

2011-FEES (2/1/2011)

Page 2 of 2

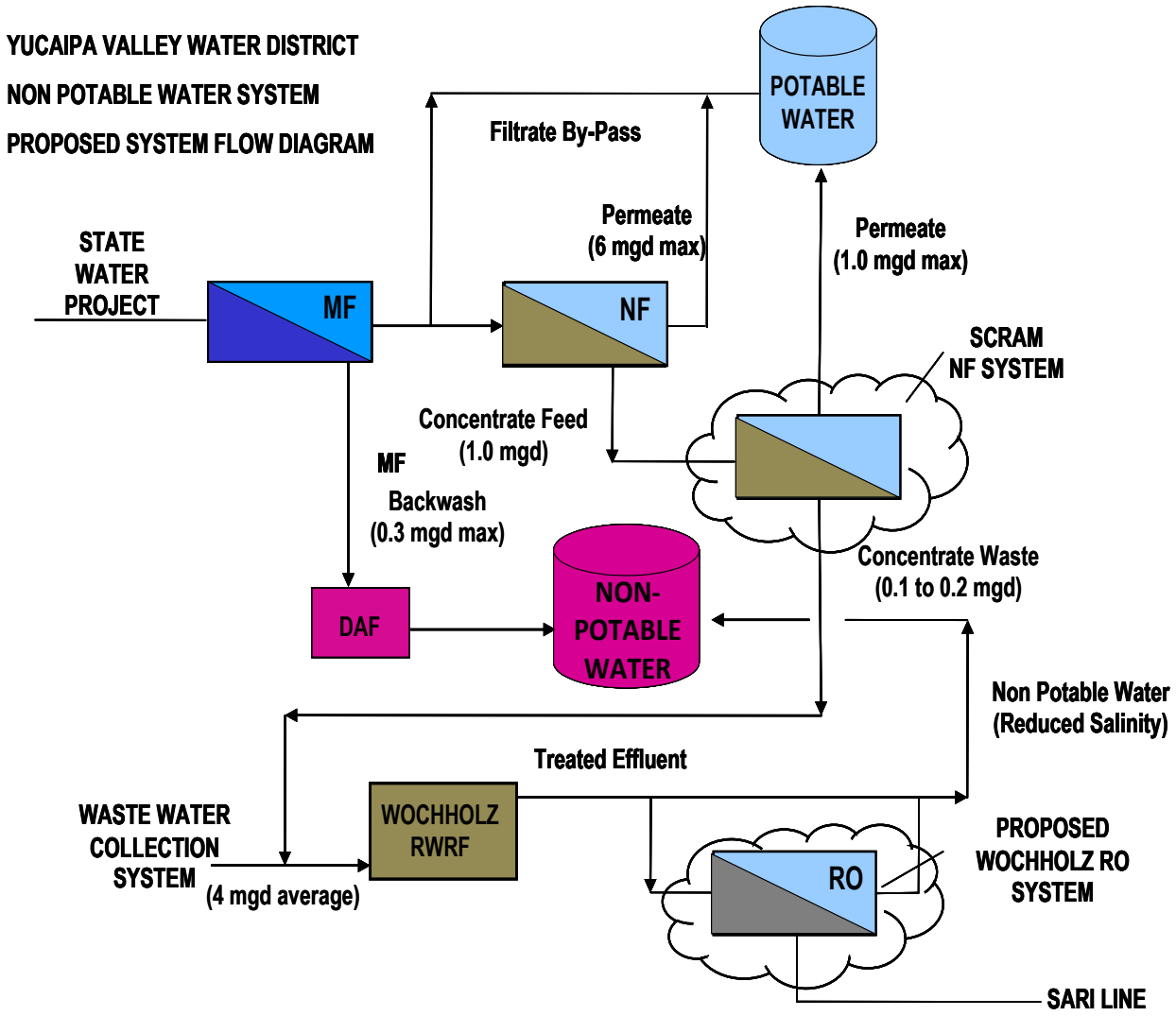
Yucaipa Valley Water District

Workshop Memorandum 12-014

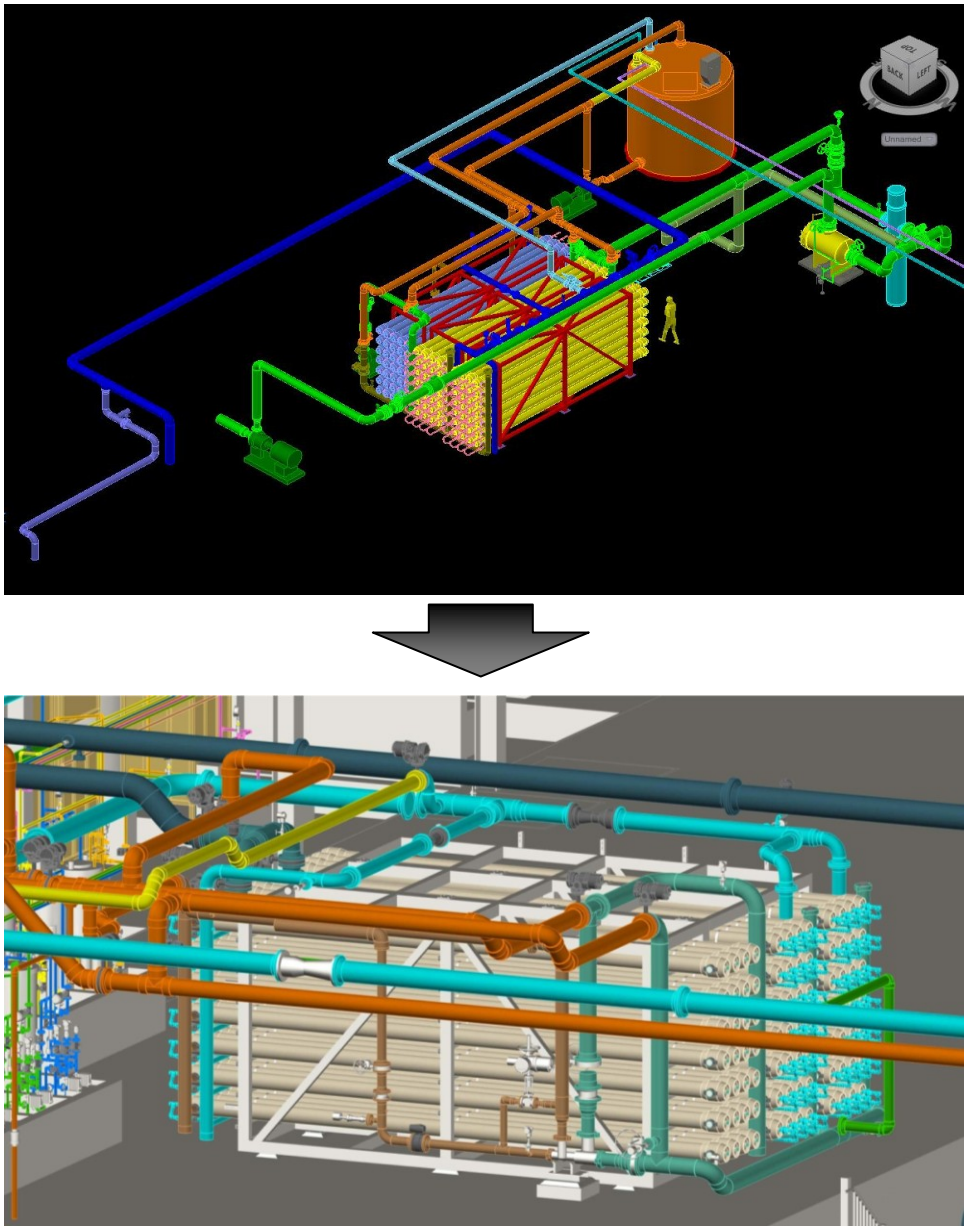
Date: **January 10, 2012**

Subject: **Construction Management Services by Separation Processes, Inc. for the Construction of the Wochholz Improved Salinity Effluent (WISE) Facility**

On August 5, 2009, the Board of Directors approved a contract with Separation Processes to conduct a preliminary engineering analysis related to the installation of reverse osmosis equipment at the Wochholz Regional Water Recycling Facility [Director Memorandum No. 09-086]. This investigation was based on the following schematic that provides the District with exceptionally pure drinking water and recycled water throughout our service area.



Following this investigation, the Board of Directors authorized the design of desalinization equipment at the Wochholz Regional Water Recycling Facility on July 7, 2010. Ultimately the progression from preliminary design to final design was followed by an authorization to solicit bids at the regular board meeting on January 4, 2012 [Director Memorandum No. 12-003].



The District staff solicited the attached proposal for construction management services from Separation Processes to complete this project. We continue to recognize the valuable services and specialized expertise provided by Separation Processes with ongoing professional services related to the optimization of the water filtration facility and wastewater treatment plant. Their working knowledge of our facilities provides a great opportunity for SPI to provide extremely technical solutions to a variety of issues.

Yucaipa Valley Water District

INDEPENDENT CONTRACTOR'S TASK ORDER ISSUED TO SEPARATION PROCESSES, INC.

TASK ORDER NO. 14

Project Title: Wochholz Improved Salinity Effluent (WISE) Project

YVWD Project Number: xx-xxx – WISE at the WRWRF

Task Order Authorization Date: January 18, 2012 Director Memorandum No. 12-0xx

Contractor Name: Separation Processes, Inc.
Contact: Mr. Jim Vickers
Address: 3156 Lionshead Ave. Suite 2
Carlsbad, California 92010
Telephone: (760) 400-3660
E-mail: jvickers@spi-engineering.com
Fed. Tax ID #: 33-0283288

SUMMARY OF TASK ORDER:

Description	Amount	Reference
Original Contract Amount	$298,263	Director Memorandum No. 12-0xx

This TASK ORDER No. 14 is issued pursuant to that certain Agreement for Services by Independent Contractor between the YUCAIPA VALLEY WATER DISTRICT ("OWNER") and Separation Processes, INC. (CONTRACTOR") dated February 7, 2001 (the "AGREEMENT"). The OWNER and CONTRACTOR have entered into this TASK ORDER No. 11 as specifically set forth herein below, and except as specifically provided herein, the AGREEMENT shall remain in full force and effect as originally stated.

1. Tasks to be Performed & Compensation. CONTRACTOR shall provide all labor, materials and equipment to perform the following task (check one):

X See Exhibit "A", attached hereto

IN WITNESS WHEREOF, the parties have executed this Task Order No. 14 on the date indicated below.

Yucaipa Valley Water District		**Separation Processes, Inc.**	
By:	_____	By:	_____
Dated:	January 18, 2012	Dated:	_____
Name:	Jay Bogh, Board President	Name:	_____

The Membrane Technology Consultants

Separation Processes, Inc.
3156 Lionshead Ave., Suite #2
Carlsbad, CA 92010
Tel: 760-400-3660
Fax: 760-400-3661
www.spi-engineering.com

November 14, 2011

Joseph B. Zoba
General Manager
Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399

Subject: Proposal for Engineering Services
Wochholz Regional Water Reclamation Facility
WISE RO – Construction Support Services

Dear Mr. Zoba:

At this time, Separation Processes, Inc. (SPI) is pleased to submit this proposals for >>>>>> engineering services to support the construction phase of the Wochholz Improved Salinity Effluent (WISE) Project.

In the development of the proposal, we have contemplated and considered options and alternatives with plant staff necessary to achieve the project objectives.

- For this project we envision that during the initial phase (e.g. shop drawing), minimal time on site will be required.
- As the project enters into the construction phase SPI will provide an on-site representative to coordinate the daily activities of the General Contractor during this phase of the Work.
- On days where construction activity is required, but an SPI representative is not present, the Contractor would coordinate their activities directly with the District.
- As the project enters the start-up SPI will be on-site to coordinate the activities of the various entities and commissioning the membrane system.
- Staffing would be reduced during the project completion phase and close-out.

Discussions with Yucaipa staff have indicated that the resident construction oversight technician can be located in the AWT building without disruption to normal activities. This approach will eliminate the need for a construction trailer and associated facilities. The Contractor will be required to maintain a construction trailer and ancillary facilities at the project site.

TJCAA and Burks-Toma Architects Inc. will review shop drawings associated with work performed during the design phase and provide on-site support and review of the installation of

equipment and facilities related to their sub-contracts. SPI has included these services in this proposal.

SPI will also revise the O&M manual to include the RO system.

PROJECT STAFF

The proposed project budget is as follows:

	PM	ENG	TECH				
On-Site Services	$ 183	$ 110	$ 95	TMH	Labor	Site Days	Expenses
March	8		16	24	$ 2,984	3	$ 300
April	12		20	32	$ 4,096	4	$ 400
May	16		32	48	$ 5,968	6	$ 600
June	16		64	80	$ 9,008	10	$ 1,000
July	40		120	160	$ 18,720	20	$ 2,000
August	64		160	224	$ 26,912	28	$ 2,800
September	80		160	240	$ 29,840	30	$ 3,000
October	100		160	260	$ 33,500	33	$ 3,300
November	100		120	220	$ 29,700	28	$ 2,800
December	40		80	120	$ 14,920	15	$ 1,500
Subtotal	476		1027	1503	$ 184,673		$ 17,700
Expenses					$ 17,700		
Shop Drawing Review	40	40	80	160	$ 19,320		
Update O&M Manual	16	80		96	$ 11,728		
Record Drawing	16		40	56	$ 6,728		
Burks Toma (+5%)					$ 4,515		
TJCAA Electrical (+5%)					$ 27,169		
TJCAA Structural (+5%)					$ 26,431		
Total					$ 298,263		

PROJECT STAFF

For this Project, I will be the project manager, with incidental assistance from other SPI staff. Sheri Thompson will provide the majority of on-site resident construction oversight support (tech) services. TJCAA will provide structural and electrical services, and Burks-Toma will provide architectural services.

November 14, 2011
Joseph B. Zoba
Subject: WISE Construction Support Services
Page 3

TERMS OF PROPOSAL

The terms of our proposal are as follows:

- The Proposal would be a Task Order extension of the existing Master Services Agreement.
- The Proposal is valid for a period of 30 days.
- Sub-consultant invoices will be marked up by 5 percent.
- The work follows District and SPI engineering, specification and CAD standards.
- The majority of the design work would be completed within calendar year 2012.
- Payment within 30 days after invoicing is appreciated.

Sincerely,

James C. Vickers, PE

Vice President

Yucaipa Valley Water District

Workshop Memorandum 12-015

Date: **January 10, 2012**

Subject: **Denial of Claim Related to a Leak on Private Property at 12555 Fremont Street, Yucaipa**

On October 13, 2011, the District received a claim from Jack Masters for $16,650.00 for an estimate of proposed repairs to be made on his rear patio slab at his residence located at 12555 Fremont Street, Yucaipa. The claim states that a water line was discovered leaking under the patio slab in April 2011. The leak was called into the Yucaipa Valley Water District under the supposition that the water line was an old District water main. District staff researched the District's records and could not find any information about an old water main at the referenced location. District staff also checked the water service line to the property and confirmed that the leaking line was not related to the water service line for that parcel. Over a six month period, District staff worked with the property owner in attempting to identify the leaking water line, and could only confirm that it was a "dead-end" water line. District staff was not able to locate the origin of the line during this time.

In December 2011, after receiving the claim, District staff further pursued the issue and isolated several water mains in the Fremont area in order to identify the origin of the leaking dead-end water line (see attached 12-12-2011 Michael Rivera report). As a result of the investigation, the leaking water line was determined not to originate from a District main, but was apparently the result of an interconnection with the water lines on the property at 12561 Fremont. Thus the leak is on a private water line on private property.

District staff recommends denial of the claim based on the fact that the leaking water line is a private water line and not Yucaipa Valley Water District property.

attachments

October 7, 2011

RECEIVED
OCT 13 2011
YUCAIPA VALLEY
WATER DISTRICT

Yucaipa Water District
Attention: Claims Department

To Whom It May Concern:

I am submitting this claim for damages caused by your water line. The pictures show the settling of my patio caused by the leaking pipe and an estimate of repairs, from the original contractor that placed the patio concrete. I am still in a quandary over the situation. I cannot get my patio replaced until the problem is solved. It seems that the origin of the pipe cannot be located. There may be further damages to my property, because the leak is only temporarily repaired, and my yard may be dug up to locate the pipe. The only reason I am submitting this claim at this time is because of the six-month deadline. I believe Mike from your department was here in May and indicated that YWD would be fixing the problem. I do not believe the repairs have been made and my patio and yard is still in a mess.

If this letter, form, and pictures is not the correct protocol for my situation or resolution, please let me know. My e-mail address is jmastersb@msn.com.

Respectfully,
Jack Masters
12555 Fremont St
909-362-1220

Yucaipa Valley Water District
12770 Second Street • P.O. Box 458 • Yucaipa, CA 92399 • (714) 797-5117

CLAIM FOR DAMAGES
TO PERSON OR PROPERTY

INSTRUCTIONS

1. Claims for death, injury to person or to personal property must be filed not later than six months after the occurrence. (Gov. Code Sec. 911.2)
2. Claims for damages relating to any other cause of action must be filed not later than 1 year after the occurrence. (Gov. Code Sec. 911.2)
3. Read entire claim before filing.
4. See Page 2 for diagram upon which to locate place of accident.
5. This claim form must be signed on page 2 at bottom.
6. Attach separate sheets, if necessary, to give full details. SIGN EACH SHEET.
7. Claim must be filed with Board Secretary.

Name of Claimant
JACK MASTERS

Home Address of Claimant | City and State
12555 FREMONT ST | YUCAIPA CA

Home Telephone Number | Business Telephone Number
909 790-0191 | 909 362-1220 (c)

Business Address of Claimant | City and State.
NA

Give address to which you desire notices or communications to be sent regarding this claim:
P.O. BOX 155 YUCAIPA CA 92399

When did DAMAGE or INJURY occur?

Date: DISCOVERED IN APRIL STILL UNRESOLVED
Time:

How did DAMAGE or INJURY occur? Give full particulars.

Where did DAMAGE or INJURY occur? Describe fully, and locate on diagram on reverse side of this sheet. Where appropriate, give street names and addresses and measurements from landmarks:

What particular ACT or OMISSION do you claim caused the injury or damage? Give names of District employees causing the injury or damage, if known:

What DAMAGE or INJURIES do you claim resulted? Give full extent of injuries or damages claimed:

RUINED MY REAR PATIO SLAB

What AMOUNT do you claim on account of each item of injury or damage as of the date of presentation of this claim, giving basis of computation:

SEE ATTACHED ESTIMATE

Give ESIMATED AMOUNT as far as known, that you claim on account of each item of prospective injury or damage, giving basis of computation:

SEE Estimate

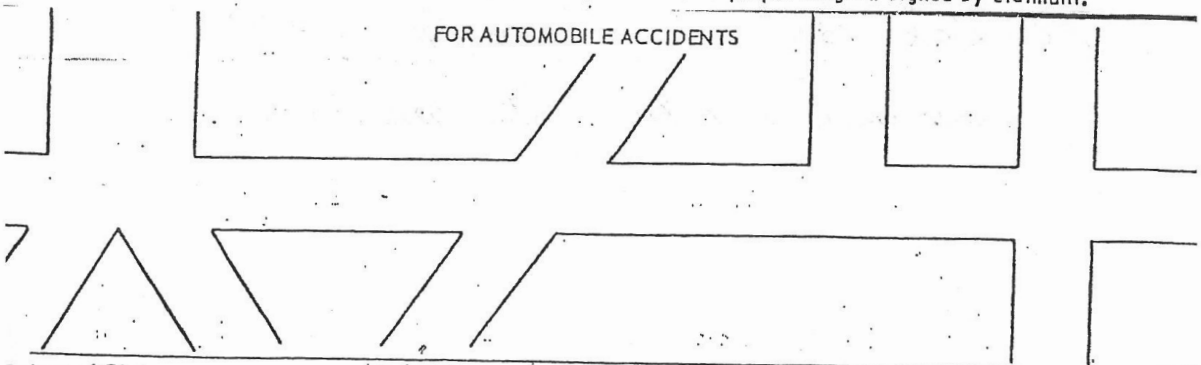
Name and address of Witnesses, Doctors and Hospitals

MIKE & OTHERS FROM YOUR AGENCY

READ CAREFULLY

For all accident claims place on following diagram names of streets, including North, East, South, and West: indicate place of accident by "X" and by showing house numbers of distances to street corners.
If District Vehicle was involved, designate by letter "A" location of District vehicle when you first saw it, and by "B" location of yourself or your vehicle when you first saw District vehicle: location of District vehicle at time of accident by "A-1" and location of yourself or your vehicle at the time of the accident by "B-1" and the point of impact by "X".
NOTE: If diagrams below do not fit the situation, attach hereto a proper diagram signed by claimant.

FOR AUTOMOBILE ACCIDENTS



nature of Claimant or person filing on his alf giving relationship to Claimant:	Typed Name	Date

NOTE: Presentation of a false claim is a felony (Cal. Pen. Code Sec. 72)
CLAIMS MUST BE FILED WITH BOARD SECRETARY








hp everyday photo paper
hp everyday photo paper
hp everyday photo paper
hp everyday photo paper


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hp everyday photo paper



Moran Construction Specialties
35976 Oak Glen Road
Yucaipa, CA 92399
(909) 797-9580 phone
(909) 790-9117 fax
(909) 772-3738 cel

July 26, 2011

Jack Masters
12555 Fremont
Yucaipa, CA 92399

We are pleased to submit our quotation on the above mentioned project. We are confident in our work performance and would like to work with you on this project.

Damage caused by leaking water line in back yard:

Remove metal awning:	$ 350.00
Remove appx 30 lf of block retaining wall and footing:	$ 2,200.00
Remove concrete patio and steps:	$ 600.00
Remove saturated soil:	$ 450.00
Replace retaining wall and footing:	$ 6,550.00
Replace concrete stairs and patio:	$ 4,100.00
Replace metal awning:	$ 2,400.00

Terms: Labor to be paid bi-monthly, materials to be paid monthly.

Noted: All miscellaneous grades to be + or - .10. Compaction, permits, tests, and/or fees, rocks or objects larger than 8" encountered during excavation subject to extra fee. General contractor to provide adequate water in the nature of water wagon or water Truck for the foundation only. Bid's good for 30 days only. All bids based upon 1 move-in only, additional move-ins will be subject to additional charges. In no event should seller be liable for special, incidental or consequential damages or damages in the nature of penalties. The above prices are quoted firm for 30 days and so include all applicable fees or taxes. Demo is not included. No import of export of dirt. Due to winter weather removal of mud or act of God damage subject to extra charges.

Thank-you for the opportunity to bid your work.

Thank-you,

Mike Moran

Accepted by:



TO: John Hull & Jack Nelson

FROM: Michael J. Rivera

DATE: December 21, 2011

SUBJECT: 12555 Fremont Street

I (Mike Rivera) on 12-19-2011 & 12-21-2011 went with crew to investigate leaking water line on said property. The following is in chronological order of my investigation.

- Shut down 12" water main between Fremont St and Grant St on Ave E. Water line still pressurized.
- Shut down 16" water main between Avenue E & the southern inline valve on Fremont St. Water line depressurized.
- Discovered water line must be supplied from Fremont St.
- Shut off water meters at 12561 Fremont St and 12589 Fremont St. Removed band at 12555 Fremont St water line depressurized.
- Opened water meter at 12589 Fremont St, water lines on the property at 12555 Fremont still depressurized. Closed meter at 12589 Fremont St.
- Opened water meter at 12561 Fremont St, water lines on the property at 12555 Fremont was pressurized. Closed meter at 12561 Fremont St, water lines on the property at 12555 Fremont St. had no pressure.

Conclusion

We have determined the water lines on the property at 12555 Fremont St. are interconnected with the water lines on the property at 12561 Fremont St. This connection is after the Yucaipa Valley Water District's water meter, on private property.